

**RÖNESANS GAYRİMENKUL YATIRIM
ANONİM ŞİRKETİ AND ITS SUBSIDIARIES**

**CONVENIENCE TRANSLATION INTO ENGLISH OF
CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS FOR THE INTERIM PERIOD
1 JANUARY - 31 MARCH 2024**

(ORIGINALLY ISSUED IN TURKISH)

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

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RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

**CONDENSED CONSOLIDATED BALANCE SHEETS AS OF
31 MARCH 2024 AND 31 DECEMBER 2023**

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 March 2024 unless otherwise indicated.)

ASSETS	Notes	<i>(Unaudited current period)</i>	<i>(Audited prior period)</i>
		31 March 2024	31 December 2023
Current Assets		2,199,918	2,964,036
Cash and cash equivalents	22	1,279,844	1,838,205
Financial investments		-	54,003
Trade receivables		466,189	466,115
- Trade receivables from related parties	5-6	105,813	105,677
- Trade receivables from third parties	6	360,376	360,438
Other receivables		2,412	2,485
- Other receivables from related parties	5	575	370
- Other receivables from third parties		1,837	2,115
Derivative instruments	18	-	101,735
Inventories	7	1,661	1,470
Prepaid expenses		401,288	425,819
Other current assets		48,524	74,204
Non-Current Assets		96,102,251	93,405,028
Other receivables		2,373	2,573
- Other receivables from third parties		2,373	2,573
Investments accounted through equity method	3	13,228,494	12,830,153
Inventories	7	1,506,320	1,444,500
Investment properties	8	80,168,277	77,834,385
Property, plant and equipment		89,834	94,823
Right of use assets		206,544	206,568
Intangible assets		1,614	1,690
- Other intangible assets		1,614	1,690
Prepaid expenses		7,768	9,227
Deferred tax assets	16	882,156	969,950
Other non-current assets		8,871	11,159
TOTAL ASSETS		98,302,169	96,369,064

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

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**CONDENSED CONSOLIDATED BALANCE SHEETS AS OF
31 MARCH 2024 AND 31 DECEMBER 2023**

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of purchasing power of the TRY at 31 March 2024 unless otherwise indicated.)

		<i>(Unaudited current period)</i>	<i>(Audited prior period)</i>
		31 March	31 December
LIABILITIES	Notes	2024	2023
Current Liabilities		6,871,051	6,125,610
Short-term financial debts	19	389	610,613
Short-term portion of long term financial debts		4,347,512	2,968,918
- <i>Short-term portion of long term financial debts from related parties</i>	5-19	108,035	34,657
- <i>Short-term portion of long term financial debts from third parties</i>	19	4,239,477	2,934,261
Trade payables		358,590	521,936
- <i>Trade payables to related parties</i>	5-6	146,624	153,082
- <i>Trade payables to third parties</i>	6	211,966	368,854
Payables related to employee benefits		33,459	19,071
Other payables		1,850,488	1,463,202
- <i>Other payables to related parties</i>	5	1,727,760	1,249,880
- <i>Other payables to third parties</i>		122,728	213,322
Derivative instruments	18	106,085	155,490
Deferred revenue		83,922	251,658
Current tax liabilities	16	56,743	104,685
Short term provisions		33,863	30,037
- <i>Short-term provision for employee benefits</i>		22,225	17,434
- <i>Other short-term provisions</i>		11,638	12,603
Non-Current Liabilities		24,106,311	26,157,220
Long term borrowings	19	15,137,242	18,498,581
- <i>Long term borrowings from related parties</i>	5-19	4,470,392	4,652,244
- <i>Long term borrowings from third parties</i>	19	10,666,850	13,846,337
Trade payables		44,091	46,556
- <i>Trade payables to related parties</i>	5-6	44,091	46,556
Other payables		1,440,706	2,078,333
- <i>Other payables to related parties</i>	5	1,415,960	2,052,896
- <i>Other payables to third parties</i>		24,746	25,437
Deferred revenue		4,096	5,878
Long term provisions		115,457	97,673
- <i>Long term provision for employee benefits</i>		115,457	97,673
Deferred tax liabilities	16	7,364,719	5,430,199
TOTAL LIABILITIES		30,977,362	32,282,830
SHAREHOLDERS' EQUITY			
Equity attributable to the parent		67,324,807	64,086,234
Share capital	10	303,717	303,717
Adjustment to share capital	10	3,424,996	3,424,996
Other comprehensive income not to be reclassified to profit or loss		(10,503)	(10,503)
- <i>Loss on remeasurement of defined benefit obligations</i>		(10,503)	(10,503)
Share premium	10	6,449,294	6,449,294
Restricted profit reserve	10	518,735	518,735
Retained earnings		53,399,995	32,355,894
Net profit for the period		3,238,573	21,044,101
Total equity		67,324,807	64,086,234
TOTAL EQUITY AND LIABILITIES		98,302,169	96,369,064

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

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RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE INTERIM PERIOD 1 JANUARY - 31 MARCH
2024 AND 2023**

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 March 2024 unless otherwise indicated.)

		<i>(Unaudited current period)</i>	<i>(Unaudited prior period)</i>
		1 January - 31 March 2024	1 January - 31 March 2023
PROFIT OR LOSS	Notes		
Revenue	11	1,496,455	1,491,987
Cost of sales (-)	11	(400,923)	(467,286)
Gross profit		1,095,532	1,024,701
Marketing expenses (-)	12	(15,703)	(4,793)
General administrative expenses (-)	12	(67,260)	(53,733)
Other operating income	14	3,046,508	3,129,624
Other operating expense (-)	14	(173,508)	(836,977)
OPERATING PROFIT		3,885,569	3,258,822
Income from investing activities		546	-
Expenses from investing activities (-)		-	(32,453)
Share of profit of investments accounted for using the equity method	3	398,342	657,703
OPERATING PROFIT BEFORE FINANCIAL INCOME		4,284,457	3,884,072
Financial income	15	142,342	14,607
Financial expenses (-)	15	(2,319,892)	(2,131,768)
Monetary gain		3,210,723	2,070,059
NET INCOME BEFORE TAX FROM CONTINUING OPERATIONS		5,317,630	3,836,970
Tax expense from continuing operations		(2,079,057)	(959,989)
Current tax expense	16	(56,743)	-
Deferred tax expense	16	(2,022,314)	(959,989)
PROFIT FOR THE PERIOD		3,238,573	2,876,981
Earnings per share	17	10.66	9.47
OTHER COMPREHENSIVE INCOME		-	-
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME		3,238,573	2,876,981

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

**CONVENIENCE TRANSLATION INTO ENGLISH OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE INTERIM PERIOD ENDED
1 JANUARY - 31 MARCH 2024 AND 2023**

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of purchasing power of the TRY at 31 March 2024 unless otherwise indicated.)

	Share capital	Adjustment to share capital (*)	Share premium (**)	Other comprehensive income not to be reclassified to profit or loss		Restricted profit reserve (**)	Retained earnings	Net profit for the period	Total
				Loss on remeasurement of defined benefit obligations					
Balance at 1 January 2023	303.717	3.424.996	6.449.294		(12.309)	518.735	15.592.121	16.763.773	43.040.327
<i>Transfers</i>	-	-	-	-	-	-	16.763.773	(16.763.773)	-
<i>Net income for the period</i>	-	-	-	-	-	-	-	2.876.981	2.876.981
Total comprehensive income	-	-	-	-	-	-	16.763.773	(13.886.792)	2.876.981
Balance at 31 March 2023	303.717	3.424.996	6.449.294		(12.309)	518.735	32.355.894	2.876.981	45.917.308
Balance at 1 January 2024	303.717	3.424.996	6.449.294		(10.503)	518.735	32.355.894	21.044.101	64.086.234
<i>Transfers</i>	-	-	-	-	-	-	21.044.101	(21.044.101)	-
<i>Net income for the period</i>	-	-	-	-	-	-	-	3.238.573	3.238.573
Total comprehensive income	-	-	-	-	-	-	21.044.101	(17.805.528)	3.238.573
Balance at 31 March 2024	303.717	3.424.996	6.449.294		(10.503)	518.735	53.399.995	3.238.573	67.324.807

(*)Share capital is adjusted in accordance with inflation accounting to the purchasing power of March 31, 2024. The inflation effect is recognized in the adjustment to share capital account. As of 31 March 2024, the effect of inflation accounting on share capital is TRY 3.424.996 thousand.

(**) Share premium and restricted reserves have been adjusted to the purchasing power as of March 31, 2024 in accordance with inflation accounting. The effect of inflation on these items is TRY 5.818.450 thousand and TRY 453.870 thousand, respectively.

As stated in the Capital Markets Board's bulletin numbered 2024/14 published on March 7, 2024, the index difference between the amounts of share premiums and restricted reserves adjusted to the purchasing power of 31 March 2024 using the Domestic Producer Price Index (D-PPI) in the statutory records and the amounts adjusted to the purchasing power of 31 March 2024 using the Consumer Price Index is reflected in retained earnings. The effect of the related indexations and changes are disclosed in Note 10.

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RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE INTERIM PERIOD ENDED 1 JANUARY - 31 MARCH 2024 AND 2023**

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 March 2024 unless otherwise indicated.)

	Notes	(Unaudited current period) 1 January - 31 March 2024	(Unaudited prior period) 1 January - 31 March 2023
A. Cash flows from operating activities			
Profit for the Period		3,238,573	2,876,981
Adjustments to reconcile net profit			
Adjustments related to depreciation and amortization expenses	13	2,402	2,884
Provision for doubtful receivables	6, 14	14,120	3,643
Adjustments related to provisions		39,834	8,781
<i>Provision for employee termination benefits</i>		40,934	8,125
<i>Provision/ (reversal) for lawsuits</i>		(1,100)	656
Adjustments related to interest income	14	(46,609)	(36,307)
Adjustments related to interest expenses	15	805,630	514,914
Adjustments related to foreign currency losses		1,427,615	1,183,800
Adjustments related to fair value gains		(2,365,908)	(1,412,552)
<i>Changes in the fair value of investment properties</i>	8	(2,306,860)	(2,023,674)
<i>Changes in the fair value of derivative instruments</i>		(59,048)	611,122
Adjustments related to Group's share on net assets of investments in accounted for using the equity method	3	(398,342)	(657,703)
Adjustments related to tax expense	16	2,079,057	959,989
Changes in net working capital		4,796,372	3,444,430
Adjustments for increase in trade receivables		(14,194)	(87,548)
Adjustments for decrease in other receivables related with operations		273	114,938
Adjustments for increase in inventories		(251,079)	(572)
Adjustments for decrease in prepaid expenses		25,990	4,958
Adjustments for (decrease)/increase in trade payables		(165,811)	7,644
Adjustments for (decrease)/ increase in other payables related with operations		(251,084)	38,286
Adjustments for decrease in deferred revenue		(169,518)	(26,613)
Cash flows from operating activities		3,970,949	3,495,523
Employee benefits paid		(1,912)	(5,350)
Taxes paid	16	(18,663)	797
Net cash provided by operating activities		3,950,374	3,490,970

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**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE INTERIM PERIOD ENDED 1 JANUARY - 31 MARCH 2024 AND 2023**

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 March 2024 unless otherwise indicated.)

	<i>(Unaudited current period)</i>	<i>(Unaudited prior period)</i>
	1 January - 31 March 2024	1 January - 31 March 2023
B. Cash flows from investing activities		
Cash outflows from the purchase of tangible and intangible assets	(767)	(287)
<i>Cash outflows from the purchase of tangible assets</i>	(415)	(99)
<i>Cash outflows from the purchase of intangible assets</i>	(352)	(188)
Cash inflows from sales of investment properties	138,095	19,850
Cash inflows from sales of financial asset	47,462	769,450
Interest received	46,610	37,056
Net cash flow from investing activities	231,400	826,069
C. Cash flows from financing activities		
Proceeds from borrowings	201,768	175,870
Repayment of borrowings	(1,125,475)	(530,721)
Change in non-trade payables to related parties	(125,584)	(85,417)
Change in non-trade receivables from related parties	(3,888)	(29,638)
Cash inflows from derivative instruments	239,108	207,930
Cash outflows from derivative instruments	(137,274)	(521,192)
Interest paid	(822,260)	(300,105)
Other cash outflow	(949)	(423)
Net cash provided by financing activities	(1,774,554)	(1,083,696)
D. Effect of inflation on cash and cash equivalents	(2,965,581)	(2,315,126)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(558,361)	918,217
E. Cash and cash equivalents at the beginning of the year	22	1,838,205
Cash and cash equivalents at the end of the year	22	2,058,218
(A+B+C+D+E)	22	1,279,844
		2,976,435

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1. ORGANIZATION AND OPERATIONS OF THE GROUP

Rönesans Gayrimenkul Yatırım Anonim Şirketi (“the Company”) was founded on 2 June 2006 in Ankara/Turkey. The registered address of the Company is Aziziye Mahallesi Portakal Çiçeği Sok. No: 33 Yukarı Ayrancı Çankaya/Ankara, Turkey. The ultimate controlling party and the major shareholder of the Company is Rönesans Varlık ve Proje Yatırımları A.Ş. (“Rönesans Varlık ve Proje Yatırımları”). Ultimate parent of the Company is Rönesans Holding A.Ş.

The ultimate controlling party and the major shareholder of Rönesans Holding A.Ş. is Erman Ilıcak with a shareholder 90,01%. The remaining outstanding shares in Rönesans Holding A.Ş. are held by other members of Ilıcak Family and International Finance Corporation (“IFC”). From hereinafter Erman Ilıcak and other members of Ilıcak Family will be referred to as “Ilıcak Family”. The details of the Company’s shareholders are disclosed in Note 10. As at 12 January 2024, trade name of Rönesans Emlak Geliştirme Holding A.Ş. was changed as Rönesans Varlık ve Proje Yatırımları A.Ş.

The principal activities of the Company and its subsidiaries (“the Group”) consist of developing and management of shopping malls, office buildings and other commercial real estate projects.

As of 9 December 2014, Euro Efes S.a.r.l acquired 9,8% shares of Rönesans Gayrimenkul by capital increase for a total consideration for TRY 2,835,605. Amounting to TRY 224,942 has been classified as nominal capital increase and the remaining amounting to TRY 2,610,663 has been classified as share premium.

Euro Efes S.a.r.l is a Company which is under indirect control GIC’s real estate department GIC Real Estate Pte. Ltd. of Singapore’s government fund. As of 25 February 2015, Euro Efes S.a.r.l acquired 11,6% shares of Rönesans Gayrimenkul by way of capital increase for a total consideration for TRY 4,169,998. Amounting to TRY 331,367 has been classified as nominal capital increase and the remaining amounting to TRY 3,838,631 has been classified as share premium (Note 10). As a result of this transaction, partnership ratio of Euro Efes S.a.r.l. has increased from 9,8% to 21,4%.

As of 13 July 2023, Euro Efes S.a.r.l. has transferred all its rights and shares to Euro Cube Private Limited and the ultimate shareholder has not changed.

As at 31 March 2024, the Group has 298 employees (31 December 2023: 316).

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THE INTERIM PERIOD 1 JANUARY - 31 MARCH 2024**

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 March 2024 unless otherwise indicated.)

1. ORGANIZATION AND OPERATIONS OF THE GROUP (Continued)

The subsidiaries of the Group, place of incorporation, the nature of business together with geographical segments are as follows:

Registered name of subsidiary	Short name	Place of incorporation and operation	Nature of business	Activity Area
Akaretler Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret A.Ş.	Akaretler	Turkey, Ankara	Real Estate Development	Land
Altunizade Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret A.Ş.	Altunizade	Turkey, Ankara	Real Estate Development	SHC
Ayazağa Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret A.Ş.	Ayazağa	Turkey, Ankara	Real Estate Development	Land
Bakırköy Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret A.Ş.	Bakırköy	Turkey, Ankara	Real Estate Development	Office&SHC
Bahariye Gayrimenkul Yatırım İnş. Turizm San. ve Tic. A.Ş.	Bahariye	Turkey, Ankara	Real Estate Development	Office
Bostancı Gayrimenkul Yatırım İnşaat Turizm Eğitim San. ve Tic. A.Ş.	Bostancı	Turkey, Ankara	Real Estate Development	Office&School
Cevizli Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret A.Ş.	Cevizli	Turkey, Ankara	Real Estate Development	Land
Göksu Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret A.Ş.	Göksu	Turkey, Ankara	Real Estate Development	SHC
Kabataş Gayrimenkul Yatırım İnş. Turizm San. ve Tic. A.Ş.	Kabataş	Turkey, Ankara	Real Estate Development	Land
Kozyatağı Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret A.Ş.	Kozyatağı	Turkey, Ankara	Real Estate Development	SHC
Mel2 Gayrimenkul Geliştirme Yatırım İnş. ve Tic. A.Ş.	Mel2	Turkey, Ankara	Real Estate Development	Hotel&SHC
Mel3 Gayrimenkul Geliştirme Yatırım İnş. ve Tic. A.Ş.	Mel3	Turkey, Ankara	Real Estate Development	SHC
Mel4 Gayrimenkul Geliştirme Yatırım İnş. ve Tic. A.Ş.	Mel4	Turkey, Ankara	Real Estate Development	SHC
Rönesans Yönetim A.Ş.	ROY	Turkey, Ankara	Asset management	Management
Salacak Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret A.Ş.	Salacak	Turkey, Ankara	Real Estate Development	Office&SHC
Selimiye Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret A.Ş.	Selimiye	Turkey, Ankara	Real Estate Development	Land
Tarabya Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret A.Ş.	Tarabya	Turkey, Ankara	Real Estate Development	Office&SHC
Salacak Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret A.Ş.- Rönesans Gayrimenkul Yatırım A.Ş İş Ortaklığı	Salacak-RGY	Turkey, Ankara	Real Estate Development	Land
Kabataş Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret A.Ş.- Rönesans Gayrimenkul Yatırım A.Ş Adi Ortaklığı	Kabataş-RGY	Turkey, Ankara	Real Estate Development	Land
Yakacık Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret A.Ş.	Yakacık	Turkey, Ankara	Real Estate Development	Land

Joint Ventures:

The Company's joint ventures, center, main business activities and geographic segments is as follows:

Registered name of joint ventures	Short name	Place of incorporation and operation	Nature of business	Activity Area
Esentepe Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret A.Ş.	Esentepe	Turkey, Ankara	Real Estate Development	SHC
Feriköy Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret A.Ş.	Feriköy	Turkey, Ankara	Real Estate Development	SHC
Kandilli Gayrimenkul Yatırımları Yönetim İnşaat ve Ticaret A.Ş.	Kandilli	Turkey, Ankara	Real Estate Development	Land
Kurtköy Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret A.Ş.	Kurtköy	Turkey, Ankara	Real Estate Development	SHC

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(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 March 2024 unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basic Principles of Presentation

Financial reporting standards applied

The interim consolidated financial statements have been prepared in accordance with the provisions of the Capital Markets Board's Communiqué Series II, No. 14.1 “Principles of Financial Reporting in the Capital Markets” (“Communiqué”) published in the Official Gazette dated 13 June 2013 and numbered 28676. Pursuant to Article 5, the Turkish Financial Reporting Standards, which were put into effect by the Public Oversight, Accounting and Auditing Standards Authority, and their annexes and comments are taken as basis.

The Group prepared its consolidated financial statements for the interim period ended March 31, 2024 in accordance with the Communiqué Serial: II, No: 14.1 and the announcements clarifying this communiqué, in accordance with TAS 34 "Interim Financial Reporting". The condensed consolidated interim financial statements and notes are presented in accordance with the formats recommended by the CMB, including the mandatory disclosures. In accordance with TAS 34, entities are free to prepare condensed or full set of interim financial statements. In this context, the Group has preferred to prepare condensed consolidated interim financial statements.

Reporting and measurement currency

Reporting currency

For the purpose of the condense consolidated financial statements, the results and the consolidated financial position of the Group is expressed in TRY.

Functional currency

Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. For the purpose of the consolidated financial statements, the results and financial position of each entity consolidated are expressed in Turkish Lira (“TRY”), which is the functional and presentation currency of the Group.

Comparative information and restatement of prior period financial statements

The interim consolidated financial statements of the Group are prepared comparatively with the prior period in order to enable the determination of the financial position and performance trends. In order to maintain consistency with the presentation of the current period interim consolidated financial statements, comparative information is reclassified, where necessary, and significant changes are disclosed.

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**2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS
(Continued)**

2.1 Basis of Presentation (Continued)

Basis of consolidation

Subsidiaries included in consolidation as at 31 March 2024 and 31 December 2023 are as follows:

<u>Registered name of subsidiary</u>	<u>Effective ownership rate (%)</u>		<u>Proportion of voting rights (%)</u>	
	31 March 2024	31 December 2023	31 March 2024	31 December 2023
Akaretler	100,00	100,00	100,00	100,00
Altunizade	100,00	100,00	100,00	100,00
Ayazağa	100,00	100,00	100,00	100,00
Bahariye	100,00	100,00	100,00	100,00
Bakırköy	100,00	100,00	100,00	100,00
Bostancı	100,00	100,00	100,00	100,00
Cevizli	100,00	100,00	100,00	100,00
Göksu	100,00	100,00	100,00	100,00
Kabataş	100,00	100,00	100,00	100,00
Kozyatağı	100,00	100,00	100,00	100,00
Mel2	100,00	100,00	100,00	100,00
Mel3	100,00	100,00	100,00	100,00
Mel4	100,00	100,00	100,00	100,00
Salacak	100,00	100,00	100,00	100,00
Selimiye	100,00	100,00	100,00	100,00
ROY	100,00	100,00	100,00	100,00
Tarabya	100,00	100,00	100,00	100,00
Yakacık	100,00	100,00	100,00	100,00
Kabataş-RGY	100,00	100,00	100,00	100,00
Salacak-RGY	100,00	100,00	100,00	100,00

Interests in joint ventures:

<u>Joint Ventures</u>	<u>Main activities</u>	<u>Place of incorporation and operation</u>	31 March	31 December
			2024	2023
Esentepe	Real estate development	Turkey, Ankara	50.00	50.00
Feriköy	Real estate development	Turkey, Ankara	50.00	50.00
Kandilli	Real estate development	Turkey, Ankara	50.00	50.00
Kurtköy	Real estate development	Turkey, Ankara	50.00	50.00

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**2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS
(Continued)**

2.1 Basis of Presentation (Continued)

Restatement of consolidated financial statements in hyperinflationary periods

With the announcements made by the Public Oversight Accounting and Auditing Standards Authority (POA) on 23 November 2023, entities applying TFRSs have started to apply inflation accounting in accordance with TAS 29 Financial Reporting in Hyperinflation Economies as of financial statements for the interim reporting period ending on or after 31 March 2024. TAS 29 is applied to the financial statements, including the consolidated financial statements, of any entity whose functional currency is the currency of a hyperinflationary economy. According to the standard, financial statements prepared in the currency of a hyperinflationary economy are presented in terms of the purchasing power of that currency at the balance sheet date. Prior period financial statements are also presented in the current measurement unit at the end of the reporting period for comparative purposes. The Group has therefore presented its consolidated financial statements as of 31 March 2023 and 31 December 2023, on the purchasing power basis as of 31 March 2024.

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

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

Date	Index	Conversion factor	Cumulative three-year inflation rate
31.03.2024	2,139.47	1.0000	211%
31.12.2023	1,859.38	1,1506	268%
31.03.2023	1,296.75	1,6850	152%

Accordingly, the consolidated financial statements as of 31 March 2024, 31 December 2023 and 31 March 2023 are adjusted in accordance with TAS 29.

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**2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS
(Continued)**

2.1 Basis of Presentation (Continued)

Restatement of consolidated financial statements for hyperinflationary periods (Continued)

The financial statements and related figures for prior periods have been restated for changes in the general purchasing power of the functional currency and, consequently, the financial statements and related figures for prior periods are expressed in terms of the measuring unit current at the end of the reporting period in accordance with TAS 29.

TAS 29 applies to the financial statements, including the consolidated financial statements, of every entity whose functional currency is the currency of a hyperinflationary economy. If an economy is experiencing hyperinflation, TAS 29 requires an entity whose functional currency is the currency of a hyperinflationary economy to present its financial statements in terms of the measuring unit current at the end of the reporting period.

2.2 New and revised Turkish Accounting Standards

a) Standards, amendments, and interpretations applicable as of 31 March 2024:

- **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.
- **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.
- **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.

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**2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS
(Continued)**

2.2 New and revised Turkish Accounting Standards (Continued)

a) Standards, amendments, and interpretations applicable as of 31 March 2024 (continued):

- **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.

These standards, amendments and improvements do not have a significant impact on the financial position and performance of the Company.

b) Standards, amendments, and interpretations that are issued but not effective as of 31 March 2024:

- **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.

The Company does not expect that these standards, amendments and improvements will have an impact on the financial position or performance of the Company.

3. INTERESTS IN OTHER ENTITIES

The fair values of investment properties under development and investment property are given below:

<u>Joint ventures</u>	<u>Project</u>	<u>Investment location</u>	<u>31 March 2024</u>	<u>31 December 2023</u>
Esentepe	Optimum İzmir SHC ⁽¹⁾⁽²⁾	İzmir, Turkey	9,305,575	9,253,665
Feriköy	Optimum İstanbul SHC ⁽¹⁾⁽²⁾	İstanbul, Turkey	4,683,770	4,654,778
Kandilli	Ümraniye Tepeüstü ⁽¹⁾	İstanbul, Turkey	919,683	916,646
Kurtköy	Optimum Ankara SHC ⁽¹⁾⁽²⁾	Ankara, Turkey	3,642,520	3,336,680
			<u>18,551,548</u>	<u>18,161,769</u>

(1) Amount presents the value of the projects multiplied with the Company’s share.

(2) Assets are secured with mortgage, pledge, lien or other security interest to secure borrowings.

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3. INTERESTS IN OTHER ENTITIES (Continued)

a) Joint ventures

31 March 2024	Esentepe	Feriköy	Kandilli	Kurtköy	Total
Cash	451,037	271,783	34	90,914	813,768
Other current assets	136,734	2,153,441	6	34,543	2,324,724
Current assets	587,771	2,425,224	40	125,457	3,138,492
Investment property	18,611,150	9,367,540	1,839,365	7,285,040	37,103,095
Deductible VAT	-	-	17,083	-	17,083
Other non-current assets	1,316,385	1,078,628	-	560,380	2,955,393
Non-current assets	19,927,535	10,446,168	1,856,448	7,845,420	40,075,571
Total assets (*)	20,515,306	12,871,392	1,856,488	7,970,877	43,214,063
Financial liabilities	758,256	3,666,386	-	163,419	4,588,061
Other current liabilities	65,237	61,804	24	98,671	225,736
Current liabilities	823,493	3,728,190	24	262,090	4,813,797
Financial liabilities	3,393,224	-	-	2,217,800	5,611,024
Deferred tax liabilities	3,020,338	1,834,768	128,541	1,291,591	6,275,238
Other non-current liabilities	19,906	18,029	-	19,082	57,017
Non-Current Liabilities	6,433,468	1,852,797	128,541	3,528,473	11,943,279
Total liabilities (*)	7,256,961	5,580,987	128,565	3,790,563	16,757,076
Net assets of subsidiaries	13,258,345	7,290,405	1,727,923	4,180,314	26,456,987
Group's share in subsidiaries	50%	50%	50%	50%	50%
Carrying amount of the Group's interest in subsidiaries	6,629,173	3,645,203	863,962	2,090,157	13,228,494
Group's share in VAT deductible	-	-	8,542	-	8,542
Group's share in investment properties	9,305,575	4,683,770	919,683	3,642,520	18,551,548
Group's share in total assets	10,257,653	6,435,696	928,244	3,985,439	21,607,032
Group's share in deferred tax liabilities	1,510,169	917,384	64,271	645,796	3,137,619
Group's share in total liabilities	3,628,481	2,790,494	64,283	1,895,282	8,378,538

(*) Non trade receivables and non-trade payables disclosed in related party notes are shown in total asset and total liability.

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3. INTERESTS IN OTHER ENTITIES (Continued)

a) Joint ventures (Continued)

31 December 2023	Esentepe	Feriköy	Kandilli	Kurtköy	Total
Cash	426,585	244,622	71	101,066	772,344
Other current assets	88,168	71,163	-	25,140	184,471
Current assets	514,753	315,785	71	126,206	956,815
Investment property	18,507,330	9,309,556	1,833,291	6,673,359	36,323,536
Deductible VAT	-	-	19,652	-	19,652
Other non-current assets	1,484,115	3,359,329	-	565,824	5,409,268
Non-current assets	19,991,445	12,668,885	1,852,943	7,239,183	41,752,456
Total assets (*)	20,506,198	12,984,670	1,853,014	7,365,389	42,709,271
Financial liabilities	819,115	3,969,938	-	176,100	4,965,153
Other current liabilities	82,476	43,755	16	97,205	223,452
Current liabilities	901,591	4,013,693	16	273,305	5,188,605
Financial liabilities	3,747,953	-	-	2,430,806	6,178,759
Deferred tax liabilities	2,804,071	1,736,596	28,595	1,065,078	5,634,340
Other non-current liabilities	18,867	13,376	-	15,017	47,261
Non-Current Liabilities	6,570,891	1,749,972	28,595	3,510,901	11,860,360
Total liabilities (*)	7,472,482	5,763,665	28,611	3,784,206	17,048,965
Net assets of subsidiaries	13,033,716	7,221,005	1,824,403	3,581,183	25,660,306
Group's share in subsidiaries	50%	50%	50%	50%	50%
Carrying amount of the Group's interest in subsidiaries	6,516,858	3,610,503	912,202	1,790,592	12,830,153
Group's share in VAT deductible	-	-	9,826	-	9,826
Group's share in investment properties	9,253,665	4,654,778	916,646	3,336,680	18,161,769
Group's share in total assets	10,253,099	6,492,335	926,507	3,682,695	21,354,636
Group's share in deferred tax liabilities	1,402,036	868,298	14,298	532,539	2,817,170
Group's share in total liabilities	3,736,241	2,881,833	14,306	1,892,103	8,524,483

(*) Non trade receivables and non-trade payables disclosed in related party notes are shown in total asset and total liability.

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3. INTERESTS IN OTHER ENTITIES (Continued)

a) Joint ventures (Continued)

31 March 2024	Esentepe	Feriköy	Kandilli	Kurtköy	Total
Revenue	264,774	139,607	-	119,722	524,103
Cost of sales	(65,931)	(44,706)	-	(38,530)	(149,167)
Operating expenses	(7,952)	(5,939)	-	(4,508)	(18,399)
Interest income from deposits	3,214	1,853	-	1,562	6,629
Interest expense on bank borrowings	(58,889)	(61,387)	-	(42,486)	(162,762)
Tax expense	(48,527)	(98,172)	(47,850)	(226,513)	(421,062)
Other income	137,897	138,145	(48,597)	789,899	1,017,344
Net Profit for the period	224,586	69,401	(96,447)	599,146	796,686
Group's share in subsidiaries	50%	50%	50%	50%	50%
Group's share in revenue	132,387	69,804	-	59,861	262,052
Group's share in cost of sales	(32,966)	(22,353)	-	(19,265)	(74,584)
Group's share in operating expenses	(3,976)	(2,970)	-	(2,254)	(9,200)
Group's share in interest income from deposits	1,607	927	-	781	3,315
Group's share in interest expense on bank borrowings	(29,445)	(30,694)	-	(21,243)	(81,382)
Group's share in tax expense	(24,264)	(49,086)	(23,925)	(113,257)	(210,532)
Group's share in other income	68,949	69,073	(24,299)	394,950	508,673
Group's share in profit for the period	112,292	34,701	(48,224)	299,573	398,342

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3. INTERESTS IN OTHER ENTITIES (Continued)

a) Joint ventures (Continued)

31 March 2023	Esentepe	Feriköy	Kandilli	Kurtköy	Total
Revenue	251,336	123,121	-	92,684	467,141
Cost of sales	(64,835)	(40,790)	-	(32,557)	(138,182)
Operating expenses	(7,093)	(1,538)	-	(5,436)	(14,067)
Interest income from deposits	725	419	-	326	1,470
Interest expense on bank borrowings	(79,310)	(45,930)	-	(33,448)	(158,688)
Tax expense	(489,322)	(205,158)	(59,225)	(157,924)	(911,629)
Other income	1,239,303	269,362	131,704	428,993	2,069,362
Net Profit for the period	850,804	99,486	72,479	292,638	1,315,407
Group's share in subsidiaries	50%	50%	50%	50%	50%
Group's share in revenue	125,668	61,561	-	46,342	233,571
Group's share in cost of sales	(32,418)	(20,395)	-	(16,279)	(69,092)
Group's share in operating expenses	(3,547)	(769)	-	(2,718)	(7,034)
Group's share in interest income from deposits	363	210	-	163	736
Group's share in interest expense on bank borrowings	(39,655)	(22,965)	-	(16,724)	(79,344)
Group's share in tax expense	(244,661)	(102,579)	(29,613)	(78,962)	(455,815)
Group's share in other income	619,651	134,681	65,852	214,497	1,034,681
Group's share in profit for the period	425,401	49,744	36,239	146,319	657,703

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4. SEGMENTAL REPORTING

The Group identifies and presents operating segments in accordance with TFRS 8 ("Segment Reporting"). Operating segments are identified based on internal reports that are regularly reviewed by Group management.

The Group management analyzes assets, liabilities, deferred tax assets and liabilities, deferred tax assets and liabilities, gross profit and operating expenses on the basis of real estate projects in order to make decisions on resources to be allocated to the segments and to evaluate the performance of the segments.

a) Total Assets (*)

Company	Project	31 March 2024	31 December 2023
Tarabya	Hilltown SHC ve Office	10,361,551	10,268,270
Me13	Kahramanmaraş Piazza SHC	5,289,067	5,105,724
Altunizade	Hilltown Karşıyaka SHC	18,496,007	17,009,874
Salacak	Maltepe Piazza	13,260,109	13,947,038
Bakırköy	Maltepe Park	12,995,360	13,078,040
Göksu	Optimum Adana SHC	9,002,324	8,629,873
Kurtköy	Optimum Ankara SHC	3,985,439	3,682,695
Feriköy	Optimum İstanbul SHC	6,435,696	6,492,335
Esentepe	Optimum İzmir SHC	10,257,653	10,253,099
Me12	Samsun Piazza SHC and Hotel	9,394,084	9,200,534
Me14	Şanlıurfa Piazza SHC	4,188,499	3,908,203
Kandilli	Ümraniye Tepeüstü	928,244	926,507
Other (**)	Other	270,514	938,670
	Combined	104,864,547	103,440,862
	Less : Joint ventures (Note 3)	(21,607,032)	(21,354,636)
	Less : Consolidation eliminations and adjustments	15,044,654	14,282,838
	Consolidated	98,302,169	96,369,064

(*) Total Assets include related party receivables.

(**) Other projects include combined elimination and adjustments.

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4. SEGMENTAL REPORTING (Continued)

b) Total Liabilities (*)

Company	Project	31 March 2024	31 December 2023
Tarabya	Hilltown SHC ve Office	3,123,727	3,193,738
Mel3	Kahramanmaraş Piazza SHC	826,919	899,274
Altunizade	Hilltown Karşıyaka SHC	6,700,697	6,359,191
Kozyatağı	Kozzy SHC	491,300	533,254
Bostancı	Küçükyalı Office and School	763,478	764,721
Salacak	Maltepe Piazza SHC and Office	5,270,771	5,777,494
Bakırköy	Maltepe Park SHC and Office	6,103,443	6,302,080
Göksu	Optimum Adana SHC	1,899,006	2,014,162
Kurtköy	Optimum Ankara SHC	1,895,282	1,892,103
Feriköy	Optimum İstanbul SHC	2,790,494	2,881,833
Esentepe	Optimum İzmir SHC	3,628,480	3,736,241
Mel2	Samsun Piazza SHC and Hotel	1,923,382	1,773,763
Mel4	Şanlıurfa Piazza SHC	558,927	559,327
Kandilli	Ümraniye Tepeüstü	64,282	14,306
Other(**)	Other	2,042,488	2,662,408
Combined		38,082,676	39,363,895
Less : Joint ventures (Note 3)		(8,378,538)	(8,524,483)
Less : Consolidation eliminations and adjustments		1,273,224	1,443,418
Consolidated		30,977,362	32,282,830

(*) Total Liability includes related party payables.

(**) Other projects include combined elimination and adjustments.

c) Deferred Tax Assets

Company	Project	31 March 2024	31 December 2023
Rönesans Gayrimenkul Yatırım	Rönesans Gayrimenkul Yatırım	336,058	277,959
Rönesans Yönetim	Rönesans Yönetim	141	173
Salacak	Maltepe Piazza SHC and Office	-	428,386
Bakırköy	Maltepe Park SHC and Office	500,032	234,789
Other	Other	45,925	28,643
Combined		882,156	969,950
Less : Joint ventures (Note 3)		-	-
Consolidated		882,156	969,950

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4. SEGMENTAL REPORTING (Continued)

d) Deferred Tax Liabilities

Company	Project	31 March 2024	31 December 2023
Tarabya	Hilltown SHC ve Office	361,806	99,820
Mel3	Kahramanmaraş Piazza SHC	732,459	598,551
Altunizade	Hilltown Karşıyaka SHC	2,112,324	1,534,345
Kozyatağı	Kozzy SHC	14,666	17,735
Bostancı	Küçükyalı Office and School	439,049	400,111
Salacak	Maltepe Piazza SHC and Office	270,800	-
Göksu	Optimum Adana SHC	1,646,417	1,294,890
Kurtköy	Optimum Ankara SHC	645,796	532,539
Feriköy	Optimum İstanbul SHC	917,384	868,298
Esentepe	Optimum İzmir SHC	1,510,169	1,402,036
Mel2	Samsun Piazza SHC and Hotel	1,291,345	1,123,349
Mel4	Şanlıurfa Piazza SHC	495,852	361,397
Kandilli	Ümraniye Tepeüstü	64,271	14,298
	Combined	10,502,338	8,247,369
	Less : Joint ventures (Note 3)	(3,137,619)	(2,817,170)
	Consolidated	7,364,719	5,430,199

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4. SEGMENTAL REPORTING (Continued)

e) Gross Profit

Company	Project	31 March 2024			31 March 2023		
		Sales	Cost	Gross profit	Sales	Cost	Gross profit
Tarabya	Hilltown SHC ve Office	229,537	(70,521)	159,016	214,177	(62,699)	151,478
Mel3	Kahramanmaraş Piazza SHC	107,624	(33,438)	74,186	42,198	(31,724)	10,474
Altunizade	Hilltown Karşıyaka SHC	285,652	(57,984)	227,668	240,967	(61,737)	179,230
Kozyatağı	Kozzy SHC	27,325	(16,189)	11,136	25,106	(14,406)	10,700
Bostancı	Küçükyalı Office and School	65,505	(23,812)	41,693	60,366	(35,494)	24,872
Salacak	Maltepe Piazza SHC and Office	209,370	(78,809)	130,561	357,586	(76,922)	280,664
Bakırköy	Optimum Adana SHC	103,674	(39,339)	64,335	98,211	(32,888)	65,323
Göksu	Optimum Ankara SHC	148,534	(47,733)	100,801	127,300	(43,757)	83,543
Kurtköy	Optimum İstanbul SHC	59,861	(19,265)	40,596	46,342	(16,279)	30,063
Feriköy	Optimum İzmir SHC	69,804	(22,353)	47,451	61,561	(20,395)	41,166
Esentepe	Samsun Piazza SHC and Hotel	132,387	(32,966)	99,421	125,668	(32,418)	93,250
Mel2	Şanlıurfa Piazza SHC	160,776	(44,056)	116,720	147,013	(42,993)	104,020
Mel4	Ümraniye Tepeüstü	83,519	(31,009)	52,510	64,376	(27,734)	36,642
Other	Other	113,981	(5,179)	108,802	95,246	(17,713)	77,533
	Combined	1,797,549	(522,653)	1,274,896	1,706,117	(517,159)	1,188,958
	Less : Joint ventures (Note 3)	(262,052)	74,584	(187,468)	(233,571)	69,092	(164,479)
	Less : Consolidation eliminations and adjustments	(39,042)	47,146	8,104	19,441	(19,219)	222
	Consolidated	1,496,455	(400,923)	1,095,532	1,491,987	(467,286)	1,024,701

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4. SEGMENTAL REPORTING (Continued)

f) Operating Expenses

Company	Project	31 March 2024	31 March 2023
Tarabya	Hilltown SHC ve Office	1,027	248
Mel3	Kahramanmaraş Piazza SHC	4,661	163
Altunizade	Hilltown Karşıyaka SHC	9,522	9,182
Kozyatağı	Kozzy SHC	978	253
Bostancı	Küçükyalı Office and School	19,039	21,444
Salacak	Maltepe Piazza SHC and Office	1,629	104
Bakırköy	Maltepe Park SHC and Office	4,161	653
Göksu	Optimum Ankara SHC	4,647	540
Kurtköy	Optimum İstanbul SHC	2,254	2,718
Feriköy	Optimum İzmir SHC	2,970	769
Esentepe	Samsun Piazza SHC and Hotel	3,976	3,547
Mel2	Şanlıurfa Piazza SHC	4,438	720
Mel4	Ümraniye Tepeüstü	3,190	829
Rönesans Gayrimenkul Yatırım	Rönesans Gayrimenkul Yatırım	39,711	29,141
Other	Other	717	264
	Combined	102,920	70,575
	Less : Joint ventures (Note 3)	(9,200)	(7,034)
	Less : Consolidation eliminations and adjustments	(10,757)	(5,015)
	Consolidated	82,963	58,526

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5. RELATED PARTY DISCLOSURES

Rönesans Varlık ve Proje Yatırımları A.Ş. (formerly Rönesans Emlak Geliştirme Holding A.Ş.) is the related party that has the primary control of the Group. Transactions between the Company and its subsidiaries that are related parties of the Company are eliminated on consolidation and are not disclosed in this note.

The details of transactions between the Group and other related parties are explained below:

	31 March 2024						Borrowings	Advances		
	Receivables		Payables		Long-term	Short-term			Long-term	Short-term
	Short-term	Long-term	Long-term	Short-term						
	Trade	Non-trade	Trade	Non-trade (*)	Trade	Non-trade (*)				
Balances with related parties										
<i>Subsidiaries and Joint Ventures</i>										
Esentepe Gayrimenkul Yatırım İnşaat Turizm San.ve Tic.A.Ş. ⁽¹⁾	12,295	4	177	99,636	-	608,951	-	-		
Kurtköy Gayrimenkul Yatırım İnşaat Turizm San.ve Tic.A.Ş. ⁽¹⁾	70,800	14	-	-	-	294,894	-	-		
Feriköy Gayrimenkul Yatırım İnşaat Turizm San.ve Tic.A.Ş. ⁽¹⁾	13,007	11	-	1,619,527	-	-	-	-		
Kandilli Gayrimenkul Yatırım Yönetim İnşaat ve Ticaret A.Ş.	-	251	-	-	-	-	-	-		
<i>Shareholders</i>										
Euro Cube Private Limited ⁽²⁾	121	-	-	-	-	109,797	-	-		
Rönesans Varlık ve Proje Yatırımları A.Ş. ⁽²⁾	781	-	-	-	-	402,318	-	-		
<i>Other companies controlled by the parent company</i>										
IVF Investment and Credit Pte.Ltd. ⁽⁶⁾	-	-	-	-	-	-	74,782	3,094,407		
Gamstar Pte. Ltd. ⁽⁶⁾	-	-	-	-	-	-	33,253	1,375,985		
Rönesans Altyapı Sistemleri A.Ş. ⁽³⁾	1,809	59	42,888	4,883	44,091	-	-	-		
RMİ Rönesans Medikal Taahhüt İnşaat A.Ş. ⁽⁷⁾	-	-	35,437	3,562	-	-	-	346,395		
Rönesans Holding A.Ş. ⁽⁴⁾	1,790	16	6,983	-	-	-	-	-		
Rönesans Elektrik Enerji Toptan Satış A.Ş. ⁽⁵⁾	-	-	51,631	-	-	-	-	-		
Other	5,210	220	9,508	152	-	-	-	-		
	105,813	575	146,624	1,727,760	44,091	1,415,960	108,035	4,470,392		
								346,395		

(1) Current trade receivables consist of asset, property management leasing services provided. Non-trade payables represent the reverse shareholder loans provided by the relevant joint ventures to Rönesans Gayrimenkul Yatırım A.Ş.

(2) Non-trade payables to Euro Cube Private Limited and Rönesans Varlık ve Proje Yatırımları A.Ş. consist of shareholder loan provided to Rönesans Gayrimenkul Yatırım.

(3) Trade payables to Rönesans Altyapı Sistemleri A.Ş. are related with deposits and guarantees remaining balances in relation to construction works.

(4) Rönesans Holding A.Ş. provides services to its group companies. The payables are related with such services rendered to Rönesans Gayrimenkul Yatırım A.Ş.

(5) Rönesans Elektrik Enerji Toptan Satış A.Ş. provides electric energy to the Group's shopping centers and offices. The related charges are related to electricity supply amounts.

(6) IVF Investment and Credit Pte. Ltd. and Gamstar Pte Ltd. were used to redeem the bond issued.

(7) The advances given to RMİ Rönesans Medikal Taahhüt İnşaat A.Ş. is related to the construction services provided for the Maltepe Park residential project.

(*) Non-trade payables to associates and shareholders consist of shareholder loans and reverse shareholder loans given to Rönesans Gayrimenkul Yatırım with interest rates between 2,65%-30% and maturities of 1-2 years.

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5. RELATED PARTY DISCLOSURES (Continued)

	31 December 2023						Borrowings	Advances	
	Receivables		Payables		Short-term	Long-term			Short-term
	Short-term	Short-term	Long-term	Long-term					
	Trade	Non-trade	Trade	Non-trade (*)	Trade	Non-trade (*)			Short-term
Balances with related parties									
<i>Subsidiaries and Joint Ventures</i>									
Esentepe Gayrimenkul Yatırım İnşaat Turizm San.ve Tic.A.Ş. ⁽¹⁾	19,463	-	262	98,360	-	675,781	-	-	
Kurtköy Gayrimenkul Yatırım İnşaat Turizm San.ve Tic.A.Ş. ⁽¹⁾	60,266	1	-	-	-	295,635	-	-	
Feriköy Gayrimenkul Yatırım İnşaat Turizm San.ve Tic.A.Ş. ⁽¹⁾	14,403	-	-	1,144,064	-	578,267	-	-	
<i>Shareholders</i>									
Euro Cube Private Limited ⁽²⁾	-	130	-	-	-	111,808	-	-	
Rönesans Varlık ve Proje Yatırımları A.Ş. ⁽²⁾	-	-	3	-	-	391,405	-	-	
<i>Other companies controlled by the parent company</i>									
IVF Investment and Credit Pte.Ltd. ⁽⁶⁾	-	-	-	-	-	-	23,984	3,219,588	
Gamstar Pte. Ltd. ⁽⁶⁾	-	-	-	-	-	-	10,673	1,432,656	
Rönesans Altyapı Sistemleri A.Ş. ⁽³⁾	2,491	236	46,555	5,478	46,555	-	-	-	
RMİ Rönesans Medikal Taahhüt İnşaat A.Ş. ⁽⁷⁾	2,652	-	-	1,957	-	-	-	373,079	
Rönesans Holding A.Ş. ⁽⁴⁾	915	-	1,968	21	1	-	-	-	
REC Uluslararası İnşaat Yatırım San.ve Tic. A.Ş. ⁽⁸⁾	30	-	41,750	-	-	-	-	-	
Rönesans Elektrik Enerji Toptan Satış A.Ş. ⁽⁵⁾	-	-	62,440	-	-	-	-	-	
Other	5,457	3	104	-	-	-	-	-	
	105,677	370	153,082	1,249,880	46,556	2,052,896	34,657	4,652,244	
								373,079	

(1) Current trade receivables consist of asset, property management leasing services provided. Non-trade payables represent the reverse shareholder loans provided by the relevant joint ventures to Rönesans Gayrimenkul Yatırım A.Ş.

(2) Non-trade payables to Euro Cube Private Limited and Rönesans Varlık ve Proje Yatırımları A.Ş. consist of shareholder loan provided to Rönesans Gayrimenkul Yatırım.

(3) Trade payables to Rönesans Altyapı Sistemleri A.Ş. are related with deposits and guarantees remaining balances in relation to construction works.

(4) Rönesans Holding A.Ş. provides services to its group companies. The payables are related with such services rendered to Rönesans Gayrimenkul Yatırım A.Ş.

(5) Rönesans Elektrik Enerji Toptan Satış A.Ş. provides electric energy to the Group's shopping centers and offices. The related charges are related to electricity supply amounts.

(6) IVF Investment and Credit Pte. Ltd. and Gamstar Pte Ltd. were used to redeem the bond issued.

(7) The advances given to RMİ Rönesans Medikal Taahhüt İnşaat A.Ş. is related to the construction services provided for the Maltepe Park residential project.

(*) Non-trade payables to associates and shareholders consist of shareholder loans and reverse shareholder loans given to Rönesans Gayrimenkul Yatırım with interest rates between 2,65%-30% and maturities of 1-2 years.

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5. RELATED PARTY DISCLOSURES (Continued)

Transactions with related parties	1 January -31 March 2024		
	Purchases	Sales	Interest paid
<i>Joint ventures & Subsidiaries</i> ⁽¹⁾⁽²⁾	-	84,940	86,262
<i>Shareholders</i>			
Euro Cube Private Limited ⁽²⁾	-	-	13,087
Rönesans Varlık ve Proje Yatırımları A.Ş. ⁽²⁾	-	676	64,425
<i>Other companies controlled by the parent company</i>			
Rönesans Holding A.Ş. ⁽³⁾	19,578	4,184	-
IVF Investment and Credit Pte.Ltd. ⁽⁴⁾	-	-	94,075
Gamstar Pte. Ltd. ⁽⁴⁾	-	-	40,893
Rönesans Elektrik Enerji Toptan Satış A.Ş. ⁽⁵⁾	127,789	-	-
RMI Rönesans Medikal Taahhüt İnşaat A.Ş. ⁽⁶⁾	38,354	-	-
Other	2,383	7,337	-
	188,104	97,137	298,742

- (1) Sales to joint ventures consists of the services provided to investments accounted for using the equity method from Rönesans Gayrimenkul Yatırım A.Ş.
- (2) Interest paid represents accrued interest of reverse shareholder loans received from joint ventures and shareholder loans received from Euro Cube Private Limited and Rönesans Varlık ve Proje Yatırımları A.Ş.
- (3) Rönesans Holding A.Ş. provide services to its group companies. The purchases are related with such services rendered to Rönesans Gayrimenkul Yatırım A.Ş. Sales are related to offices leased by Rönesans Gayrimenkul Yatırım to Rönesans Holding A.Ş.
- (4) Interest paid represents accrued interest loans received from IVF Investment and Credit Pte.Ltd. and Gamstar Pte.Ltd.
- (5) Purchases from Rönesans Elektrik Enerji Toptan Satış A.Ş. are composed of energy services provided to the Group.
- (6) Purchases from RMI Rönesans Medikal Taahhüt İnşaat A.Ş. are related to the construction services provided for Maltepe Park residential project.

Transactions with related parties	1 January -31 March 2023		
	Purchases	Sales	Interest paid
<i>Joint ventures & Subsidiaries</i> ⁽¹⁾⁽²⁾	-	46,310	53,296
<i>Shareholders</i>			
Euro Cube Private Limited ⁽²⁾	-	-	9,228
Rönesans Varlık ve Proje Yatırımları A.Ş. ⁽²⁾	-	-	30,432
<i>Other companies controlled by the parent company</i>			
Rönesans Holding A.Ş. ⁽³⁾	639	5,434	-
Rönesans Elektrik Enerji Toptan Satış A.Ş. ⁽⁴⁾	194,355	-	-
Rönesans Özel Okulları Eğitim Öğretim Hizmetleri A.Ş. ⁽⁵⁾	-	4,489	-
Other	4,488	2,110	-
	199,482	58,343	92,956

- (1) Sales to joint ventures consists of the services provided to investments accounted for using the equity method from Rönesans Gayrimenkul Yatırım A.Ş.
- (2) Interest paid represents accrued interest of reverse shareholder loans received from joint ventures and shareholder loans received from Euro Cube Private Limited and Rönesans Varlık ve Proje Yatırımları A.Ş.
- (3) Rönesans Holding A.Ş. provide services to its group companies. The purchases are related with such services rendered to Rönesans Gayrimenkul Yatırım A.Ş. Sales are related to offices leased by Rönesans Gayrimenkul Yatırım to Rönesans Holding A.Ş.
- (4) Rönesans Elektrik Enerji Toptan Satış A.Ş. provides energy for the Group's shopping centers and offices. The related charges are related to electricity supply amounts.
- (5) Sales to Rönesans Özel Okulları Eğitim Öğretim Hizmetleri A.Ş. consist of the rent of Küçükyalı school owned by Bostancı Gayrimenkul.

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5. RELATED PARTY DISCLOSURES (Continued)

Benefits provided to key management personnel:

Key management personnel consists of members of Board of Directors and other members. The compensation of key management personnel includes salaries, bonus, health insurance, communication and transportation and total amount of compensation is explained below. The remuneration of key management personnel during the period were as follows:

	1 January - 31 March 2024	1 January - 31 March 2023
Salaries and other short-term benefits	10,087	10,555

6. TRADE RECEIVABLES AND PAYABLES

a) Trade receivables:

As at balance sheet date, details of trade receivables of the Group are as follows:

	31 March 2024	31 December 2023
Current trade receivables		
Trade receivables	421,199	414,339
Notes receivables	5,315	6,784
Trade receivables from related parties (Note 5)	105,813	105,677
Expected credit loss (-)	(66,138)	(60,685)
	466,189	466,115

The movement of the Group’s provision for expected credit loss as at 31 March 2024, and 2023 is as follows:

	1 January- 31 March 2024	1 January- 31 March 2023
Movement of allowance for credit loss		
Opening	(60,685)	(80,857)
Charge for the period (Note 14)	(27,503)	(16,721)
Provision released (Note 14)	13,383	13,078
Monetary gain	8,667	1,529
Closing	(66,138)	(82,971)

The provision for trade receivables is provided based on expected credit loss amounts from the sale of services, determined by reference to past default experience and the current financial condition of customers.

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6. TRADE RECEIVABLES AND PAYABLES (Continued)

b) Trade payables:

As of the balance sheet date, the details of the Group's trade payables are as follows:

	31 March	31 December
	2024	2023
Current trade payables		
Trade payables	211,966	368,854
Trade payables to related parties (Note 5)	146,624	153,082
	358,590	521,936
Non-current trade payables		
Trade payables to related parties (Note 5)	44,091	46,556
	44,091	46,556

7. INVENTORIES

a) Short-term inventories

	31 March	31 December
	2024	2023
Inventories	1,661	1,470
	1,661	1,470

b) Long-term inventories

	31 March	31 December
	2024	2023
Inventories (*)	1,506,320	1,444,500
	1,506,320	1,444,500

(*) The amount mainly represents the cost of the land on which the residential project of Bakırköy Gayrimenkul, whose preliminary preparation and license process has been completed, is located and the construction expenditures made until March 31, 2024 in addition to this cost.

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8. INVESTMENT PROPERTIES

	31 March 2024	31 December 2023
Investment properties	80,150,417	77,816,470
Investment properties under development	17,860	17,915
	80,168,277	77,834,385

a) Investment properties

	1 January- 31 March 2024	1 January- 31 March 2023
<u>Investment properties</u>		
Opening balance	77,816,470	68,753,178
Additions through subsequent expenditure	21,435	10,689
Land rental	165,127	358,237
Disposal	(159,530)	(30,771)
Net gain from fair value adjustments (Note 14)	2,306,915	2,024,036
Closing balance	80,150,417	71,115,369

The fair values of the Group’s investment properties have been arrived at on the basis of a valuation carried out at that date by TSKB Gayrimenkul Değerleme A.Ş. which is independent valuers not connected with the Group. The valuation, which conforms to International Valuation Standards, was arrived at by reference to discounted cash flows approach, capitalization approach and market approach.

The Group mortgages some real estate as collateral of the bank loans. The details of mortgages are disclosed in Note 9.

The property rental income earned by the Group from its investment property, all of which is leased out under operating leases, amounted to TRY 1.417.806 (31 March 2023: TRY 1.286.614) (Note 11). Direct operating expenses arising on the investment property in the year include maintenance and repair costs which amounted to TRY 131.451 (31 March 2023: TRY 206.552) (Note 11).

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8. INVESTMENT PROPERTIES (Continued)

a) Investment properties (Continued)

As at 31 March 2024 and 31 December 2023, investment properties and project values are as follows:

<u>Project</u>	<u>Company</u>	<u>Place of property</u>	<u>31 March 2024</u>	<u>31 December 2023</u>
Hilltown SHC Karşıyaka ⁽¹⁾	Altunizade	İzmir, Turkey	18,042,405	16,746,367
Maltepe Piazza ⁽¹⁾	Salacak	İstanbul, Turkey	13,109,690	13,094,380
Hilltown SHC and Office ⁽¹⁾⁽³⁾	Tarabya	İstanbul, Turkey	10,244,391	10,009,627
Adana Optimum SHC ⁽¹⁾	Göksu	Adana, Turkey	8,940,065	8,293,323
Samsun Piazza SHC and Hotel ⁽¹⁾	Mel 2	Samsun, Turkey	8,876,710	8,770,523
Maltepe Park ⁽¹⁾⁽⁵⁾	Bakırköy	İstanbul, Turkey	7,814,895	7,818,011
Kahramanmaraş Piazza SHC ⁽¹⁾	Mel 3	Kahramanmaraş, Turkey	5,047,430	4,994,290
Şanlıurfa Piazza SHC ⁽¹⁾	Mel 4	Şanlıurfa, Turkey	3,912,705	3,805,592
Küçükyalı Office & Ted Rönesans College ⁽¹⁾⁽²⁾	Bostancı	İstanbul, Turkey	3,384,414	3,446,956
Kozzy SHC ⁽¹⁾⁽⁴⁾	Kozyatağı	İstanbul, Turkey	777,712	837,401
			80,150,417	77,816,470

- (1) The consolidated financial statements as of 31 March 2024 and 31 December 2023 are based on the valuation report of TSKB Gayrimenkul Değerleme A.Ş., an independent valuation company licensed by the Capital Markets Board of Turkey.
- (2) Land lease payables, which were deducted while calculating the fair values of Küçükyalı Office and School project, have been added to the fair value of the project as TRY 211,284 due to the obligation to present such lease payables as financial liabilities in the balance sheet in accordance with TFRS.
- (3) Land lease payables, which were deducted while calculating the fair values of Hilltown Shopping Mall and Office Project, have been added to the fair value of the project as TRY 912.236 due to the obligation to present such lease payables as financial liabilities in the balance sheet in accordance with TFRS.
- (4) Land lease payables, which were deducted while calculating the fair values of Kozzy Shopping Mall project, have been added to the fair value of the project as TRY 55.527 due to the obligation to present such lease payables as financial liabilities in the balance sheet in accordance with TFRS.
- (5) Maltepe Park Konut, a project of 478 residential units, is planned to be developed on the parcel where Maltepe Park Shopping Mall and Office functions are located. The construction license required for the realization of Maltepe Park Konut has been obtained from Maltepe Municipality and preliminary preparations have been completed. The construction is planned to be completed in the second half of 2026.

The main assumptions used by the Group in the valuation reports related to the method of discounting future cash flows of investment properties are as follows:

	<u>31 March 2024</u>	<u>31 December 2023</u>
Currency	TL	TL
Discount rate (%)	22 - 22,50	22 - 22,50
Occupancy rate (%)	95-100	95-100
Rent increase rate (%)	7,50-29,75	7,50-34,50
Capitalization rate (%)	7,5-8,0	7-8,5

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8. INVESTMENT PROPERTIES (Continued)

a) Investment properties (Continued)

Sensitivity analysis of investment property values is as follows:

	Change in fair value as at 31 March 2024	Change in fair value as at 31 December 2023
	Investment properties	Investment properties
Rent increase rate		
increase 1%	5,607,210	4,660,240
decrease 1%	(5,180,835)	(4,309,270)
Discount rate		
increase 1%	(4,783,535)	(4,088,270)
decrease 1%	5,236,900	4,473,995
Occupancy rate		
increase 1%	820,835	696,990
decrease 1%	(870,170)	(730,505)
Capitalization rate		
increase 1%	(3,815,525)	(3,158,160)
decrease 1%	4,979,660	4,115,790

b) Investment properties under development

	1 January- 31 March 2024	1 January- 31 March 2023
<u>Investment properties under development</u>		
Opening balance	17,915	16,068
Additions through subsequent expenditure	-	116
Net loss from fair value adjustments (Note 14)	(55)	(362)
Closing balance	17,860	15,822

Investment properties under development consist of two components: land and costs capitalized in connection with the development of the site. Costs capitalized related to development carried out on sites owned or partly owned by the Group or sites to which the Group holds lease titles and which will be acquired on completion of the development. Land and buildings that are being constructed for future use as investment property are classified under investment properties under development account until construction or development is complete, at which time they are reclassified as investment.

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8. INVESTMENT PROPERTIES (Continued)

b) Investment properties under development (Continued)

Investment properties under development comprise of the following project:

<u>Project</u>	<u>Company</u>	<u>Place of property</u>	<u>31 March</u>	<u>31 December</u>
			<u>2024</u>	<u>2023</u>
Ataşehir (*)	RGY	İstanbul, Türkiye	17,860	17,915
			17,860	17,915

(*) In the interim consolidated financial statements as of 31 March 2024 and 31 December 2023, based on the valuation reports issued by TSKB Gayrimenkul Değerleme A.Ş. an independent accredited valuer licenced by the Capital Market Board of Turkey.

Lease commitments – Company as lessee

The Group has leasing contracts for the projects of Hilltown SHC and office, Küçükyalı School & Office on land belonging to Atik Valide Sultan Vakfı in İstanbul, Maltepe and the Group has the usage right with a renewal option at the end of the lease period for 49 years. There are no restrictions placed upon the Group by entering into these leases.

The Group has a leasing contract for the projects of Antalya Konyaaltı project on land belonging to Antalya Metropolitan Municipality in Antalya, Konyaaltı. The Group has the usage right with a renewal option at the end of the lease period for 30 years. There are no restrictions placed upon the Group by entering into these leases.

The Group has a leasing contract for the projects of Kozzy SHC on land belonging to İstanbul Metropolitan Municipality in İstanbul, Kozyatağı. The Group has the usage right with a renewal option at the end of the lease period for 30 years. There are no restrictions placed upon the Group by entering into these leases.

Details of the Group’s investment properties and information about the fair value hierarchy as at 31 March 2024 and 31 December 2023 are as follows:

	<u>31 March</u>	<u>Fair value as at 31 March 2024</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
		<u>TL</u>	<u>TL</u>	<u>TL</u>
Investment properties	80,150,417	-	-	80,150,417
Investment properties under development	17,860	-	17,860	-
	<u>31 December</u>	<u>Fair value as at 31 December 2023</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
		<u>TL</u>	<u>TL</u>	<u>TL</u>

Investment properties	77,816,470	-	-	77,816,470
Investment properties under development	17,915	-	17,915	-

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9. COMMITMENTS AND CONTINGENCIES

The Group’s guarantee given, pledges and mortgages (“GPM”) position as at 31 March 2024, and 31 December 2023 are as follows:

	31 March 2024	31 December 2023
Mortgage	11,077,348	12,902,188
Letters of guarantees given	161,464	174,745
Surety and guarantees given	5,051,775	5,521,878
	16,290,587	18,598,811

10. SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS

a) Share Capital

As of 31 March 2024, and 31 December 2023, the share capital held is as follows

Shareholders	%	31 March 2024	%	31 December 2023
Rönesans Varlık ve Proje Yatırımları A.Ş. (*)	74,2	225,477	74,2	225,477
Euro Cube Private Limited	21,4	65,117	21,4	65,117
Kamil Yanıkömeroğlu	2,4	7,158	2,4	7,158
Murat Özgümüş	2,0	5,965	2,0	5,965
Nominal share capital in TRY	100	303,717	100	303,717
Adjustment to share capital		3,424,996		3,424,996
Capital		3,728,713		3,728,713

(*) The title of Rönesans Emlak Geliştirme Holding A.Ş. was changed as Rönesans Varlık ve Proje Yatırımları A.Ş. on 12 January 2024.

The total number of ordinary shares is 303.717 thousand (31 December 2023: 303.717 thousand shares) with a par value of TRY 1 (31 December 2023: per share TRY 1)

The share capital of the Company consists of 303.717 shares (December 31, 2023: 303.717 shares). The nominal value of the shares is TL 1 per share. (December 31, 2023: TL 1 per share).

As of 31 March 2024, and 31 December 2023, amount of adjustment to share capital is TRY 3,424,996. Adjustment to share capital refers to the difference between the total amounts of cash and cash equivalent additions to capital adjusted in accordance with inflation accounting. Capital adjustment differences have no use other than being added to capital.

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10. SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS (Continued)

b) Restricted Reserves

	31 March 2024	31 December 2023
Legal reserves	518,735	518,735
	518,735	518,735

The legal reserves consist of first and second legal reserves, appropriated in accordance with the Turkish Commercial Code (“TCC”). The first legal reserve is appropriated out of historical statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the historical paid-in share capital. The second legal reserve is appropriated after the first legal reserve and dividends, at the rate of 10% per annum of all cash dividend distributions.

c) Share premium

	31 March 2024	31 December 2023
Share premium	6,449,294	6,449,294
	6,449,294	6,449,294

As stated in the Capital Markets Board's bulletin numbered 024/14 published on March 7, 2024, the index difference between the amounts of share premiums and restricted reserves adjusted to the purchasing power of December 31, 2023 using the Domestic Producer Price Index (D-PPI) in the statutory records and the amounts adjusted to the purchasing power of December 31, 2023 using the Consumer Price Index is reflected in retained earnings. The differences reflected in retained earnings are summarized in the table below. The related differences arise from the difference between the domestic producer price index and the consumer price index.

31 March 2024

Shareholders' equity items	PPI indexed legal amounts	CPI indexed amounts	Amounts recognised in retained earnings
Share premium	8,622,170	6,449,294	2,172,876
Restricted reserve	825,030	518,735	306,295

31 December 2023

Shareholders' equity items	PPI indexed legal amounts	CPI indexed amounts	Amounts recognised in retained earnings
Share premium	7,726,651	5,605,159	2,121,492
Restricted reserve	739,341	455,922	283,419

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11. REVENUE AND COST OF SALES

a) Revenue

	1 January - 31 March 2024	1 January - 31 March 2023
Rental revenue from investment properties (*)	1,417,806	1,286,614
Management and consulting revenue	55,186	35,986
Other	23,463	169,387
	1,496,455	1,491,987

(*) This includes electricity, water and other common utility charges of the shopping malls and offices owned by the Group and charged to the tenants on an accrual basis in accordance with lease agreements.

b) Cost of revenue

	1 January - 31 March 2024	1 January - 31 March 2023
Utilities expenses	(131,451)	(206,552)
Personel expenses	(105,913)	(132,973)
Office management expenses	(101,789)	(75,732)
Rent expenses	(14,688)	(2,834)
Maintenance expenses	(13,380)	(13,118)
Consultancy expenses	(13,873)	(14,125)
Taxes and fees	(7,486)	(4,146)
Depreciation expenses	(2,402)	(2,884)
Other	(9,941)	(14,922)
	(400,923)	(467,286)
	1 January - 31 March 2024	1 January - 31 March 2023
Cost of revenue related to investment properties	(387,050)	(453,161)
Cost of revenue related to management and consulting and other	(13,873)	(14,125)
	(400,923)	(467,286)

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12. GENERAL ADMINISTRATIVE EXPENSES AND MARKETING EXPENSES

	1 January - 31 March 2024	1 January - 31 March 2023
Marketing expenses	(15,703)	(4,793)
General administrative expenses	(67,260)	(53,733)
	(82,963)	(58,526)

a) Detail of marketing expenses

	1 January - 31 March 2024	1 January - 31 March 2023
Advertising expenses	(15,703)	(4,793)
	(15,703)	(4,793)

b) Detail of general administrative expenses:

	1 January - 31 March 2024	1 January - 31 March 2023
Employee benefit expenses	(54,413)	(28,537)
Consultancy expenses	(11,846)	(24,967)
Other	(1,001)	(229)
	(67,260)	(53,733)

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13. EXPENSES BY NATURE

	1 January - 31 March 2024	1 January - 31 March 2023
Utilities expenses	(131,451)	(206,552)
Personel expenses	(160,326)	(161,510)
Office management expenses	(101,789)	(75,732)
Maintenance expenses	(13,380)	(13,118)
Consultancy expenses	(25,719)	(39,092)
Rent expenses	(14,688)	(2,834)
Advertising expenses	(15,703)	(4,793)
Depreciation and amortisation expenses	(2,402)	(2,884)
Taxes and fees	(7,486)	(4,146)
Other	(10,942)	(15,151)
	(483,886)	(525,812)

14. OTHER OPERATING INCOME AND EXPENSES

	1 January - 31 March 2024	1 January - 31 March 2023
Other operating income		
Change in fair value of investment properties (Note 8.a)	2,440,666	2,841,873
Insurance income	309,380	-
Foreign exchange gain from operations, net	161,950	230,904
Interest income (*)	46,609	36,307
Income from sale of investment property	39,544	-
Reversal of provision (Note 6)	13,383	13,078
Other	34,976	7,462
	3,046,508	3,129,624

(*) Interest income consists of interest income from time deposits amounted to TRY 46,609 at 31 March 2024 and TRY 36.307 at 31 March 2023.

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14. OTHER OPERATING INCOME AND EXPENSES (Continued)

	1 January - 31 March 2024	1 January - 31 March 2023
Other operating expense		
Change in fair value of investment properties (Note 8.a)	(133,751)	(817,837)
Provision for expected credit losses (Note 6)	(27,503)	(16,721)
Change in fair value of investment properties under development (Note 8.b)	(55)	(362)
Other	(12,199)	(2,057)
	(173,508)	(836,977)

15. FINANCIAL INCOME AND EXPENSES

a) Financial income

	1 January - 31 March 2024	1 January - 31 March 2023
Financial income		
Derivative financial instruments at fair value through profit or loss realized profit on instruments (*)	110,150	14,607
Derivative financial instruments at fair value through profit or loss unrealized gain on instruments (*)	32,192	-
	142,342	14,607

(*) Represents the change in fair value of derivative instruments.

b) Financial expense

	1 January - 31 March 2024	1 January - 31 March 2023
Financial expenses		
Foreign exchange loss of bank loan	(1,427,406)	(978,192)
Interest expense of bank loan	(506,890)	(421,958)
Interest expense to related parties	(298,740)	(92,956)
Derivative financial instruments at fair value through profit or loss unrealized loss on instruments (*)	(74,978)	(539,280)
Derivative financial instruments at fair value through profit or loss unrealized loss on instruments (*)	(8,316)	(86,449)
Bank commission expenses	(1,814)	(7,670)
Other	(1,748)	(5,263)
	(2,319,892)	(2,131,768)

(*) Represents the change in fair value of derivative instruments.

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16. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

	31 March 2024	31 December 2023
<i><u>Current tax liability</u></i>		
Current corporate tax provision	56,751	104,951
Less: prepaid taxes and funds	(8)	(266)
	<u>56,743</u>	<u>104,685</u>
	1 January - 31 March 2024	1 January - 31 March 2023
<i><u>Income tax recognized in profit or loss</u></i>		
Current tax expense	(56,743)	-
Deferred tax expense	(2,022,314)	(959,989)
	<u>(2,079,057)</u>	<u>(959,989)</u>

Corporate Tax

The Group is subject to corporate tax in Turkey. Provision is made in the accompanying financial statements for the estimated charge based on the Group's results for the current period. Turkish tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provision for tax, as reflected in these accompanying interim consolidated financial statements, have been calculated on a separate-entity basis.

The corporate tax rate to be accrued over the taxable corporate income is calculated over the tax base remaining after the addition of non-deductible expenses and deducting tax-exempt earnings, non-taxable income and other deductions (prior year losses, if any, and investment incentives used if preferred).

In 2024, the effective tax rate is 25% (2023: 25%).

In Turkey, advance tax is calculated and accrued on a quarterly basis. For the year 2024, the advance tax rate to be calculated over the corporate earnings during the taxation of corporate earnings for the advance tax periods is 25%. (2023: %25). Losses can be carried forward for a maximum of 5 years to be deducted from future taxable income. However, losses cannot be deducted retrospectively from the profits of previous years.

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**16. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)
(Continued)**

Deferred Tax:

The Group recognizes deferred tax assets and liabilities based upon temporary differences arising between its financial statements as reported for IFRS purposes and its statutory tax financial statements. These differences usually result in the recognition of revenue and expenses in different reporting periods for IFRS and tax purposes and they are given below.

In Turkey, the companies cannot declare a consolidated tax return, therefore subsidiaries that have deferred tax assets position were not netted off against subsidiaries that have deferred tax liabilities position and disclosed separately.

<u>Deferred tax (assets)/ liabilities:</u>	31 March 2024	31 December 2023
Change in fair values of investment properties under development	14	674
Change in fair values of investment properties	9,459,487	6,914,335
Depreciation / amortization differences of property, plant and equipment and other intangibles	20,344	22,897
Adjustments related to inventories	-	444,132
Tax losses carried forward	(2,951,944)	(2,918,901)
Provision for retirement pay and unused vacation	(12,293)	28,777
Other temporary differences	(33,045)	(31,665)
	6,482,563	4,460,249
	31 March 2024	31 December 2023
Deferred tax assets	(882,156)	(969,950)
Deferred tax liabilities	7,364,719	5,430,199
Net deferred tax liabilities	6,482,563	4,460,249

At the balance sheet date, the Group has unused tax losses of TRY 11,807,775 (31 December 2023: TRY 11,675.604) available for offset against future taxable profits and tax assets have been recognized in respect of TRY 2,951,944 (31 December 2023: TRY 2,918,901) of such losses.

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**16. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)
(Continued)**

The movement of deferred tax liability for the period ended 31 March 2024 and 2023 is as follow

	1 January - 31 March 2024	1 January - 31 March 2023
<u>Movement of deferred tax liability:</u>		
Opening balance	4,460,249	9,404,648
Charged to statement of profit or loss	2,022,314	959,989
Closing balance	6,482,563	10,364,637

17. EARNINGS PER SHARE

	1 January - 31 March 2024	1 January - 31 March 2023
Net profit for the year	3,238,573	2,876,981
Average number of ordinary share outstanding during the year	303,717	303,717
Earning per share from operations (TRY)	10.66	9.47

18. DERIVATIVE INSTRUMENTS

	31 March 2024		31 December 2023	
	Assets	Liabilities	Assets	Liabilities
Interest rate swap	-	31,763	-	54,411
Forward	-	74,322	101,735	101,079
	-	106,085	101,735	155,490
Short term	-	106,085	101,735	155,490
	-	106,085	101,735	155,490
			31 March 2024	31 December 2023
Interest rate swap			(31,763)	(54,411)
Forward			(74,322)	656
			(106,085)	(53,755)

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19. BORROWINGS

	31 March 2024	31 December 2023
Short- term bank loans	-	610,032
Short term portion of long term borrowings from related parties	108,035	34,657
Short term portion of long term borrowings from third parties	4,222,837	2,918,165
Total short term borrowing	4,330,872	3,562,854
Short term financial lease	389	581
Current portion of long-term financial lease	16,640	16,096
Total short term financial lease	17,029	16,677
Long-term bank loan from third parties	10,242,940	13,487,769
Long-term bank loan from third parties from related parties	4,470,392	4,652,244
Total long term borrowing	14,713,332	18,140,013
Long-term leases	423,910	358,568
Total long-term financial lease	423,910	358,568
Total current and non current financial debt	19,485,143	22,078,112

The maturities of bank borrowings are as follows:

	31 March 2024	31 December 2023
Payable within 1 year	4,330,872	3,562,854
Payable between 1-2 years	1,323,194	3,468,418
Payable between 2-3 years	6,158,977	6,453,841
Payable between 3-4 years	1,630,665	1,780,922
Payable between 4-5 years	1,820,867	2,001,649
Payable after 5+ years	3,779,629	4,435,183
Total	19,044,204	21,702,867

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19. BORROWINGS (Continued)

The Group's principal bank borrowings are as follows:

- a) Tarabya’s loan balance as of 31 March 2024 is EUR 58,524 and TRY 314,902. The maturity of these loans are on March 2025.
- b) Salacak’s loan balance as of 31 March 2024 is EUR 136,372. The maturity of this loan is on June 2029.
- c) Altunzade’s loan balance as of 31 March 2024 is EUR 122,100. The maturity of this loan is on April 2030.
- d) Mel2’s loan balance as of 31 March 2024 is TRY 474,820. The maturity of this loan is on December 2028.
- e) Kozyatağı’s loan balance as of 31 March 2024 is EUR 12,500. The maturity of this loan is on July 2024.
- f) Bostancı’s loan balance as of 31 March 2024 is TL 190,950. The maturity of this loan is on February 2027.
- g) Bakırköy’s loan balance as of 31 March 2024 is EUR 40,000, USD 40,000 and USD 90,000. The maturity of these loans due in June 2029, April 2026 and April 2030.
- h) Rönesans Gayrimenkul Yatırım’s total corporate loan balance as of 31 March 2024 is equivalent of TRY 401,416. The maturity of the loans are May 2024, October 2024 and November 2024.

The table below details changes in the Group’s liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group’s consolidated statement of cash flows as cash flows from financing activities.

	<u>1 January 2024</u>	<u>Financing cash inflows</u>	<u>Financing cash outflows</u>	<u>Foreign exchange loss</u>	<u>Other changes</u>	<u>Monetary gain</u>	<u>31 March 2024</u>
Bank loans	21,702,867	201,768	(1,125,475)	1,292,650	(180,277)	(2,847,329)	19,044,204
	<u>1 January 2023</u>	<u>Financing cash inflows</u>	<u>Financing cash outflows</u>	<u>Foreign exchange loss</u>	<u>Other changes</u>	<u>Monetary gain</u>	<u>31 December 2023</u>
Bank loans	19,735,764	175,870	(524,280)	611,424	121,853	(2,204,638)	17,915,993

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20. EXCHANGE RATE RISK AND FOREIGN CURRENCY POSITION

31 March 2024	Equivalent of Thousands TRY	Thousands USD	Thousands EUR
1. Trade receivables	2,579	37	40
2. Monetary financial assets	962,111	4,613	23,366
3. Non monetary financial assets	345,995	37	9,908
4. CURRENT ASSETS	1,310,685	4,687	33,313
5. Monetary financial assets	-	-	-
6. Non monetary financial assets	-	-	-
7. NON CURRENT ASSETS	-	-	-
8. TOTAL ASSETS	1,310,685	4,687	33,313
9. Trade payables	(57,674)	(219)	(1,451)
10. Financial liabilities	(3,445,362)	(3,346)	(95,716)
11. Non monetary financial liabilities	(1,428,059)	(6)	(40,954)
12. Non monetary other liabilities	(2,915)	(1)	(82)
13. CURRENT LIABILITIES	(4,934,010)	(3,573)	(138,203)
14. Trade payables	(44,170)	-	(1,267)
15. Financial liabilities	(14,164,560)	(138,465)	(277,818)
16. Non monetary financial liabilities	(846,198)	(4,526)	(20,072)
17. Non monetary other liabilities	(14,118)	(147)	(269)
18. NON CURRENT LIABILITIES	(15,069,046)	(143,137)	(299,425)
19. TOTAL LIABILITIES	(20,003,056)	(146,710)	(437,628)
20. Net foreign currency assets/ (liabilities) position	(18,692,371)	(142,023)	(404,315)
21. Monetary items net foreign currency assets/(liabilities) position (1+2+5+9+10+11+14+15+16)	(19,021,333)	(141,912)	(413,872)

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20. EXCHANGE RATE RISK AND FOREIGN CURRENCY POSITION (Continued)

31 December 2023	Equivalent of Thousands TRY	Thousands USD	Thousands EUR
1. Trade receivables	30,191	20	788
2. Monetary financial assets	1,408,443	3,229	34,661
3. Non monetary financial assets	370,663	18	9,873
4. CURRENT ASSETS	1,809,297	3,267	45,322
5. Monetary financial assets	-	-	-
6. Non monetary financial assets	-	-	-
7. NON CURRENT ASSETS	-	-	-
8. TOTAL ASSETS	1,809,297	3,267	45,322
9. Trade payables	(185,821)	(951)	(4,098)
10. Financial liabilities	(2,442,858)	(1,023)	(64,254)
11. Non monetary financial liabilities	(1,129,522)	(30,468)	(2,602)
12. Non monetary other liabilities	(3,333)	(4)	(86)
13. CURRENT LIABILITIES	(3,761,535)	(32,446)	(71,039)
14. Trade payables	(4,616)	(5)	(118)
15. Financial liabilities	(17,064,301)	(137,349)	(331,169)
16. Non monetary financial liabilities	(1,232,663)	-	(32,889)
17. Non monetary other liabilities	(10,220)	(127)	(158)
18. NON CURRENT LIABILITIES	(18,311,800)	(137,476)	(364,334)
19. TOTAL LIABILITIES	(22,073,335)	(169,923)	(435,373)
20. Net foreign currency assets/ (liabilities) position	(20,264,038)	(166,655)	(390,051)
21. Monetary items net foreign currency assets/(liabilities) position (1+2+5+9+10+11+14+15+16)	(20,621,149)	(166,543)	(399,681)

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20. EXCHANGE RATE RISK AND FOREIGN CURRENCY POSITION (Continued)

Foreign currency sensitivity

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar and Euro.

The following table details the Group’s sensitivity to a 20% (2023:20%) increase and decrease in the US Dollars and Euro. 20% (2023: %20) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management’s assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 20% (2023: 20%) change in foreign currency rates. The sensitivity analysis includes external loans within the Group where the denomination of the loan is in a currency other than the currency of the lender or the borrower.

A positive number indicates an increase in profit or loss.

	31 March 2024	
	Profit / (Loss)	
	Appreciation of foreign currencies	Depreciation of foreign currencies
	If US Dollars 20% appreciated vs TRY	
US Dollars net assets/ (liabilities)	(915,572)	915,572
	If EUR 20% appreciated vs TRY	
Euro net assets/ (liabilities)	(2,880,739)	2,880,739
TOTAL	(3,796,311)	3,796,311
	31 December 2023	
	Profit / (Loss)	
	Appreciation of foreign currencies	Depreciation of foreign currencies
	If US Dollars 20% appreciated vs TRY	
US Dollars net assets/ (liabilities)	(980,545)	980,545
	If EUR 20% appreciated vs TRY	
Euro net assets/ (liabilities)	(2,603,831)	2,603,831
TOTAL	(3,584,376)	3,584,376

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21. EVENTS AFTER THE REPORTING PERIOD

The Company was listed on Borsa Istanbul on 26 April 2024. The Company's issued capital of TRY 303,716,888 was increased to TRY 331,000,000 through a capital increase and 33.357.450 shares were offered to the public at a price of TRY 135. As of the date of listing on the stock exchange, the Company's free float rate is 10,08%.

22. EXPLANATIONS ON THE STATEMENT OF CASH FLOWS

	31 March 2024	31 December 2023
Cash on hand	94	63
Demand deposits	469,439	677,441
Time deposits	810,161	1,160,147
Other cash equivalents	150	554
	1,279,844	1,838,205

As of 31 March 2024, there are no blocked deposits (31 December 2023: None).

As of 31 March 2024, and 31 December 2023, the details of time deposits are as follows:

Currency type	Range of interest rate %	Maturity date	Currency amount	31 March 2024
EUR	0-0,05	April 2024	11,255	391,716
EUR	0-4,55	June 2024	201	6,987
TRY	25-50	April 2024	247,633	247,633
TRY	34-36,5	June 2024	18,250	18,250
USD	4,1-4,55	April 2024	4,509	145,575
				810,161

Currency type	Range of interest rate %	Maturity date	Currency amount	31 December 2023
TRY	20-46	January 2024	323,491	372,211
USD	4.10	January 2024	139	4,709
EUR	0.01-2.70	January 2024	20,897	783,227
				1,160,147

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