

(Convenience Translation of Financial Statements Originally Issued in Turkish)

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Condensed Interim Consolidated Financial Statements for the Period January 1 - June 30, 2024 and Independent Auditor's Review Report

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Index

	<u>Page</u>
Condensed consolidated statements of financial position	1 – 2
Condensed consolidated statements of profit or loss and other comprehensive income	3
Condensed consolidated statements of changes in shareholders' equity	4
Condensed consolidated statements of cash flows	5
Notes to the condensed consolidated financial statements	6 – 48

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

**Condensed Consolidated Statements of Financial Position
As of June 30, 2024, December 31, 2023, and January 1, 2023**

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

	Note	Reviewed	Audited (*)	Audited (*)
		Current period June 30, 2024	Prior period December 31, 2023	Prior period January 1, 2023
Current assets		1.968.823.968	2.220.888.954	1.658.999.253
Cash and cash equivalents	4	67.553.302	72.468.223	115.217.497
Financial investments	5	38.134.019	116.165.352	6.557
Trade receivables				
<i>Due from related parties</i>	7-18	160.757.785	184.895.064	-
<i>Due from third parties</i>	7	727.552.734	880.606.243	73.554.362
Other receivables				
<i>Due from related parties</i>	8-18	4.222.013	3.975.781	334.445.007
<i>Due from third parties</i>	8	11.331.569	4.843.339	18.885.530
Inventories	9	368.643.820	368.643.820	421.683.694
Prepaid expenses				
<i>Due to related parties</i>	10-18	492.906.011	449.510.255	337.728.306
<i>Due to third parties</i>	10	31.429.856	39.507.124	329.368.986
Current income tax assets	17	62.006	46.748	138.343
Other current assets	11	66.230.853	100.227.005	27.970.971
Non-current assets		5.723.944.539	5.710.329.676	6.645.816.802
Financial investments	5	974.682	974.682	-
Trade receivables				
<i>Due from related parties</i>	7-18	-	-	1.058.294.037
Other receivables				
<i>Due from third parties</i>	8	1.013.020	1.179.776	1.110.197
Investment properties	12	5.655.805.622	5.612.364.928	5.506.499.283
Property, plant and equipment	13	63.358.384	68.087.203	63.390.395
Prepaid expenses				
<i>Due to related parties</i>	10-18	-	16.252.422	-
<i>Due to third parties</i>	10	-	-	557.723
Deferred tax asset	17	2.792.831	11.470.665	15.965.167
Total assets		7.692.768.507	7.931.218.630	8.304.816.055

(*) Restated (Note 2.4)

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

**Condensed Consolidated Statements of Financial Position
As of June 30, 2024, December 31, 2023, and January 1, 2023**

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

	Note	Reviewed	Audited (*)	Audited (*)
		Current period	Prior period	Prior period
		June 30, 2024	December 31, 2023	January 1, 2023
Current liabilities		1.723.023.350	478.424.506	1.169.996.912
Short-term borrowings	6	718.449.101	166.179.298	389.029.693
Short-term portion of long-term borrowings	6	86.392.924	6.514.956	-
Short-term lease liabilities	6	42.730.748	49.697.371	5.978.874
Trade payables				
<i>Due to related parties</i>	7-18	2.071.706	1.225.758	-
<i>Due to third parties</i>	7	120.313.973	149.424.490	158.977.987
Contract liabilities	10	-	317.438	33.321.096
Employee benefit obligations		1.119.116	1.009.796	1.684.534
Other payables				
<i>Due to related parties</i>	8-18	732.362.370	2.035.214	567.580.386
<i>Due to third parties</i>	8	2.742.385	38.553.646	940.087
Provisions				
<i>Other provisions</i>		25.349	449.751	2.560.837
Current income tax liabilities	17	-	-	6.632.316
Other current liabilities	11	16.815.678	63.016.788	3.291.102
Non-current liabilities		2.703.086.780	3.412.666.357	2.724.874.611
Long-term borrowings	6	1.826.089.891	2.502.375.648	1.687.085.667
Long-term lease liabilities	6	333.039.745	414.531.303	608.645.598
Other payables				
<i>Due to related parties</i>	8-18	329.717.861	256.257.209	282.143.732
Provisions				
<i>Provision for employee benefits</i>		460.467	618.535	2.533.123
Deferred tax liabilities	17	213.778.816	238.883.662	144.466.491
Equity		3.266.658.377	4.040.127.767	4.409.944.532
Equity holders of the parent		3.042.657.873	3.777.992.077	4.412.550.044
Paid-in capital	15	669.833.747	669.833.747	669.833.747
Adjustment to share capital	15	2.394.947.714	2.394.947.714	2.394.947.714
Treasury shares	15	(261.393.296)	-	-
Share Premium		19.649	19.649	19.649
Other accumulated comprehensive income and expense not to be reclassified to profit or loss				
<i>Gain/ (loss) arising from defined benefit plans</i>		(792.719)	(663.083)	(736.183)
Other accumulated comprehensive income and expense to be reclassified to profit or loss				
<i>Currency translation differences</i>		(949.303.557)	(641.252.858)	(606.222.702)
Effect of combinations of businesses under common control		(2.355.687.740)	(1.774.403.605)	8.352.609
Restricted reserves	15	492.418.710	143.755.431	120.321.022
Retained earnings		2.637.091.803	1.641.786.639	1.826.034.188
Net profit for the period		415.523.562	1.343.968.443	-
Non-controlling interest		224.000.504	262.135.690	(2.605.512)
Total liabilities and equity		7.692.768.507	7.931.218.630	8.304.816.055

(*) Restated (Note 2.4)

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

**Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income
For the Period Ended June 30, 2024, and 2023**

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

	Note	Reviewed		Reviewed (*)	
		Current period	Current period	Prior period	Prior period
		January 1- June 30, 2024	April 1- June 30, 2024	January 1- June 30, 2023	April 1- June 30, 2023
Revenue	19	60.089.154	28.521.396	1.089.056.598	1.010.118.306
Cost of sales (-)	19	(31.830)	(6.066)	(1.212.032.182)	(1.139.378.184)
Gross profit/ (loss)		60.057.324	28.515.330	(122.975.584)	(129.259.878)
Marketing expenses (-)		(11.436.595)	-	-	-
General administrative expenses (-)	20	(66.552.594)	(33.231.699)	(83.880.929)	(34.445.851)
Other income from operating activities	21	935.035.991	681.087.580	752.557.219	643.889.283
Other expenses from operating activities (-)	21	(105.139.204)	(24.730.573)	(155.807.026)	(103.293.836)
Operating profit		811.964.922	651.640.638	389.893.680	376.889.718
Income from investment activities	22	36.472.762	32.853.051	-	-
Expenses from investment activities (-)	22	(33.217.970)	-	-	-
Operating income before financial income		815.219.714	684.493.689	389.893.680	376.889.718
Finance income	23	1.411.255	207.521	5.214.530	4.551.342
Finance expenses (-)	23	(196.234.033)	(99.636.462)	(102.013.311)	(56.034.252)
Net monetary position gain/(loss)		(169.686.938)	(49.424.152)	(126.151.571)	(36.847.668)
Profit before tax from continuing operations		450.709.998	535.640.596	166.943.328	288.559.140
Tax income/(expense), continuing operations		(28.669.083)	(13.688.412)	(23.403.315)	(24.976.113)
Taxes on expense	17	-	-	-	-
Deferred tax expenses (-)	17	(28.669.083)	(13.688.412)	(23.403.315)	(24.976.113)
Net income		422.040.915	521.952.184	143.540.013	263.583.027
<i>Equity holders of the parent</i>		<i>415.523.562</i>	<i>519.926.918</i>	<i>143.078.601</i>	<i>263.452.860</i>
<i>Non-controlling interest</i>		<i>6.517.353</i>	<i>2.025.266</i>	<i>461.412</i>	<i>130.167</i>
Earnings per share	16	0,14	0,17	0,05	0,09
Not to be reclassified to profit or loss		(129.636)	(11.072)	(1.326.510)	(665.084)
Loss arising from defined benefit plans		(129.636)	(11.072)	(1.326.510)	(665.084)
To be reclassified to profit or loss		(352.703.238)	(140.468.784)	12.907.185	151.764.536
Currency translation differences		(352.703.238)	(140.468.784)	12.907.185	151.764.536
Other comprehensive (expense)/ income		(352.832.874)	(140.479.856)	11.580.675	151.099.452
Total comprehensive income		69.208.041	381.472.328	155.120.688	414.682.479
<i>Equity holders of the parent</i>		<i>107.343.227</i>	<i>396.971.752</i>	<i>154.659.276</i>	<i>414.552.312</i>
<i>Non-controlling interest</i>		<i>(38.135.186)</i>	<i>(15.499.424)</i>	<i>461.412</i>	<i>130.167</i>

(*) Restated (Note 2.4)

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

**Condensed Consolidated Statements of Changes in Shareholder' Equity
For the Period Ended June 30, 2024, and 2023**

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

	Paid-in capital	Adjustment to share capital	Treasury shares	Share premium	Gain/ (loss) arising from defined benefit plans	Currency translation differences	Restricted reserves	Effect of combinations of businesses under common control	Retained earnings	Net profit for the period	Equity holders of the parent	Non-controlling interest	Total
Balance at January 1, 2023 (Previously reported)	669.833.747	2.394.947.714	-	19.649	(736.183)	(606.222.702)	120.321.022	6.475.705	2.086.361.785	-	4.671.000.737	-	4.671.000.737
Effect of business combinations under common control (Note 2.4)	-	-	-	-	-	-	-	1.876.904	(260.327.597)	-	(258.450.693)	(2.605.512)	(261.056.205)
Balance at January 1, 2023 (Restated)	669.833.747	2.394.947.714	-	19.649	(736.183)	(606.222.702)	120.321.022	8.352.609	1.826.034.188	-	4.412.550.044	(2.605.512)	4.409.944.532
Transfers	-	-	-	-	-	-	23.434.409	-	(23.434.409)	-	-	-	-
Total comprehensive income	-	-	-	-	(1.326.510)	12.907.185	-	-	-	143.078.601	154.659.276	461.412	155.120.688
Effect of combinations of businesses under common control	-	-	-	-	-	-	-	(1.780.323.406)	-	-	(1.780.323.406)	-	(1.780.323.406)
Balance at June 30, 2023	669.833.747	2.394.947.714	-	19.649	(2.062.693)	(593.315.517)	143.755.431	(1.771.970.797)	1.802.599.779	143.078.601	2.786.885.914	(2.144.100)	2.784.741.814

	Paid-in capital	Adjustment to share capital	Treasury shares	Share premium	Gain/ (loss) arising from defined benefit plans	Currency translation differences	Restricted reserves	Effect of combinations of businesses under common control	Retained earnings	Net profit for the period	Equity holders of the parent	Non-controlling interest	Total
Balance at January 1, 2024 (Previously reported)	669.833.747	2.394.947.714	-	19.649	(663.083)	(641.252.858)	143.755.431	(1.776.280.509)	1.902.114.236	1.197.537.424	3.890.011.751	263.263.148	4.153.274.899
Effect of business combinations under common control (Note 2.4)	-	-	-	-	-	-	-	1.876.904	(260.327.597)	146.431.019	(112.019.674)	(1.127.458)	(113.147.132)
Balance at January 1, 2024 (Restated)	669.833.747	2.394.947.714	-	19.649	(663.083)	(641.252.858)	143.755.431	(1.774.403.605)	1.641.786.639	1.343.968.443	3.777.992.077	262.135.690	4.040.127.767
Transfers	-	-	-	-	-	-	87.269.983	-	1.256.698.460	(1.343.968.443)	-	-	-
Total comprehensive income	-	-	-	-	(129.636)	(308.050.699)	-	-	-	415.523.562	107.343.227	(38.135.186)	69.208.041
Increase/(decrease) due to acquisition of treasury shares	-	-	(261.393.296)	-	-	-	261.393.296	-	(261.393.296)	-	(261.393.296)	-	(261.393.296)
Effect of combinations of businesses under common control	-	-	-	-	-	-	-	(581.284.135)	-	-	(581.284.135)	-	(581.284.135)
Balance at June 30, 2024	669.833.747	2.394.947.714	(261.393.296)	19.649	(792.719)	(949.303.557)	492.418.710	(2.355.687.740)	2.637.091.803	415.523.562	3.042.657.873	224.000.504	3.266.658.377

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

**Condensed Consolidated Statements of Cash Flows
For the Period Ended June 30, 2024, and 2023**

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

		Reviewed Current period	Reviewed (*) Prior period
	Note	January 1- June 30, 2024	January 1- June 30, 2023
A. Cash flows from operating activities		140.504.954	(38.144.208)
Net income		422.040.915	143.540.013
Adjustments regarding net profit reconciliation for the period		(453.481.105)	(460.033.007)
Adjustments for depreciation and amortisation expense	13	8.596.103	4.656.404
Adjustments for provision (reversal of provision) for receivables		-	(2.587.635)
Adjustments for provisions for employee benefits		74.002	(539.450)
Adjustments for interest income	23	(1.408.567)	(1.227.412)
Adjustments for interest expense	23	148.066.469	56.233.485
Adjustments for unrealised foreign exchange differences		(107.452.838)	(432.996.892)
Adjustments for fair value (gains) losses			
Adjustments for fair value (gains) losses on investment properties	12	(724.595.517)	(153.385.258)
Adjustments for fair value (gains) losses on financial investments	5	9.937.747	-
Adjustments for tax expense/ (income)	17	28.669.083	23.403.315
Monetary (gain)/ loss		167.664.950	114.875.701
Adjustments for unrealised translation differences		30.097.343	(68.465.265)
Adjustments for other cash flows from investing or financing activities	5	(13.129.880)	-
Changes in operating assets and liabilities		172.245.503	286.669.853
Adjustments for decrease (increase) in trade receivables		39.063.439	(36.598.992)
Adjustments for decrease (increase) in other receivables		(212.204.261)	360.390.145
Decrease (increase) in inventories		-	25.011.498
Decrease (increase) in prepaid expenses		8.077.268	270.470.310
Adjustments for increase (decrease) in trade payables		(28.264.569)	(3.418.294)
Increase (decrease) in employee benefit liabilities		109.320	259.915
Adjustments for increase (decrease) in other payables		378.426.362	(367.243.681)
Adjustments for other (increase) decrease in changes in operating assets and liabilities			
Adjustments for (increase) decrease in other assets		33.980.894	(24.483.770)
Adjustments for increase (decrease) in other liabilities		(46.942.950)	62.282.722
Cash flows from operating activities		(300.359)	(8.321.067)
Payments related to provisions for employee termination benefits		(300.359)	(1.688.751)
Income taxes refund (paid)		-	(6.632.316)
B. Cash flows from investing activities		(87.685.565)	460.098.982
Cash outflow from purchase of property, plant, equipment	13	(6.844.208)	(797.323)
Cash outflows arising from project expenditures of investment properties	12	(119.871.450)	(135.480.009)
Cash inflow from sales of investment properties	12	-	1.186.286.567
Cash outflows from other investing activities		(27.143.334)	(89.010.159)
Cash outflows from purchase of funds and stocks	5	(705.196.196)	-
Cash inflow from sales of funds and stocks	5	771.369.623	-
Cash outflows from subsidiary acquisition		-	(500.900.094)
C. Cash flows from financing activities		(56.159.016)	215.695.519
Cash inflow from borrowings	6	623.811.673	326.861.973
Cash outflow from repayments of borrowings	6	(314.921.519)	(79.538.484)
Payments of lease liabilities	6	(3.459.420)	(2.639.862)
Cash outflows from acquisition of treasury shares	15	(261.393.296)	-
Interest and comission paid		(101.605.021)	(30.215.520)
Interest received		1.408.567	1.227.412
D. Net change in cash and cash equivalents (A+B+C)		(3.339.627)	637.650.293
E. Effect of monetary gain/ loss		(630.915)	(45.199.008)
F. Effect of foreign exchange gain/ loss		(944.379)	58.708.416
G. Cash and cash equivalents at January 1	4	72.468.223	115.217.497
Cash and cash equivalents at June 30 (D+E+F+G)	4	67.553.302	766.377.198

(*) Restated (Note 2.4)

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

1. Group's organisation and nature of operations

Peker Investment Gayrimenkul Anonim Şirketi was established as of April 25, 2017 by separating part of Peker Holding Anonim Şirketi through division. The Company was registered in the trade registry as of April 25, 2017, and at the same time, it applied to the Capital Markets Board for be a Real Estate Investment Corporation. It was approved in accordance with the Capital Markets Board's decision dated September 21, 2017 and numbered 34/1144. The title of the Company, Peker Gayrimenkul Yatırım Ortaklığı A.Ş. ("Company"), was registered in the trade registry on September 28, 2017, pursuant to the permissions of the CMB and the Ministry of Customs and Trade. Group is composed of Peker Gayrimenkul Yatırım Ortaklığı A.Ş. ("the Company") and its subsidiaries which it owns the majority of their shares.

The Company's shares have been traded on the Borsa İstanbul Anonim Şirketi (formerly known as the Istanbul Stock Exchange) ("BIST") since February 21, 2018. As of June 30, 2024, 68,74% of its shares are traded on BIST.

The Company is affiliated to the İstanbul Ticaret Odası and its registered address is as follows: Cumhuriyet Mahallesi Silahşor Cad. Yeniyol Sk. No:8/1-G Şişli/ İstanbul.

The main objective and operations of the Company are real estate buying-selling, renting, developing real estate projects etc.

Number of employees of the Group as of June 30, 2024 is 26 (December 31, 2023: 27, January 1, 2023: 24).

As of June 30, 2024, December 31, 2023 and January 1, 2023, the shareholder structure is as follows:

	June 30, 2024		
	Number of shares	Share (%)	Amount
Hasan Peker	209.390.029	31,26	209.390.029
Treasury shares (*)	25.000.000	3,73	25.000.000
Public shares	435.443.718	65,01	435.443.718

(*) As of June 30, 2024, it refers to publicly traded shares that have been repurchased by the Company.

	December 31, 2023			January 1, 2023		
	Number of shares	Share (%)	Amount	Number of shares	Share (%)	Amount
Hasan Peker	262.364.967	39,17	262.364.967	173.958.175	25,97	173.958.175
Ayşegül Peker	-	-	-	87.306.792	13,03	87.306.792
Public shares	407.468.780	60,83	407.468.780	408.568.780	61,00	408.568.780

The main operations of the companies included in the consolidation and the share percentage of the Group for these companies are as follows:

Name of the Company	Operation	Country of operation	Voting right and ownership ratios (%)		
			June 30, 2024	December 31, 2023	January 1, 2023
			Share (%)	Share (%)	Share (%)
GG Gayrimenkul	Real estate projects	İstanbul - Türkiye	100	-	-
Peker GMBH	Real estate projects	Düsseldorf - Germany	100	100	-
Peker GYO Global GMBH	Real estate projects	Düsseldorf - Germany	100	100	100
OXO Investment GMBH	Real estate projects	Grevenbroich -Germany	-	100	100
Blue Stone Investment GMBH	Real estate projects	Grevenbroich -Germany	100	100	100
Nordstern Düsseldorf GMBH	Real estate projects	Düsseldorf - Germany	51	51	100
Peker GYO Spain SL	Real estate projects	Malaga - Spain	100	100	100

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

1. Group's organisation and nature of operations (cont'd)

GG Gayrimenkul Geliştirme İnşaat İşletmecilik A.Ş. ("GG Gayrimenkul")

On June 24, 2024, the Company has purchased 100% shares of the GG Gayrimenkul Geliştirme İnşaat İşletmecilik A.Ş. which owns 99% of the shares of DİGH Maslak İnşaat Proje Danışmanlık Ltd. Şti. from its related party Peker Holding A.Ş. DİGH Maslak İnşaat Proje Danışmanlık Ltd. Şti. has Peker Tower Maslak Project. The land, which has a total construction area of 16,554 m², is located on Büyükdere Street, in the area where plazas and business centers are most dense in Istanbul. The project, which will consist of 6 basement floors and ground floor + 15 floors, will have office sizes ranging from 120 m² to 560 m².

Peker GMBH

The Company has purchased 100% shares of the capital of Peker GMBH, established in Germany and with a capital amounting to 1.000.000, euros from its related parties, Peker Holding GMBH and Goldstein Investment GMBH, for 40.000.000 euros. The value of the related shares has been determined as 41.428.663 euros in the valuation report dated June 23, 2023 prepared by Konfident Steuerberatungsgesellschaft MBH which is established in Germany. Peker GMBH owns the Northgate Düsseldorf project.

OXO Investment GMBH

The Group has established OXO Investment GMBH, headquartered in Grevenbroich/ Germany, as part of its restructuring to plan and realize real estate investments through subsidiaries established abroad and to realize new investments to be made in Germany in order to benefit from lower cost and long-term financing opportunities abroad. With the notary contract signed on March 22, 2023, the merger process of OXO Investment GMBH and Nordstern Düsseldorf GMBH within the scope of the Nordstern project has started and the merger has been registered by the court on April 5, 2023. As a result of the registration, OXO Investment GMBH was dissolved.

Blue Stone Investment GMBH

On October 6, 2021, the Group purchased 100% shares of Blue Stone Investment GMBH, which was established to acquire land in Germany, from Peker Holding GMBH. This transaction is considered as a business combination under common control. Therefore, Blue Stone Investment GMBH has been consolidated since 2021.

Nordstern Düsseldorf GMBH

On December 1, 2021, the Group has purchased 89% of the shares of the capital of Nordstern Düsseldorf GMBH, established in Germany, from Peker GMBH. The remaining 11% of the shares were purchased from Peker GMBH on August 26, 2022 for a payment of 13.367.707 Turkish liras. With this share purchase, the Company has become the owner of all the shares of the related company. This transaction is considered as a business combination under common control and has been consolidated since 2021.

Peker GYO Spain SL

The Group established the Spain-based company Peker GYO Spain SL as part of its restructuring to plan and realize its real estate investments through subsidiaries established abroad and to realize new investments to be made in Spain in order to benefit from lower cost and long-term financing opportunities abroad.

Peker GYO Global GMBH

The Group has established Peker GYO Global GMBH, headquartered in Düsseldorf/ Germany, as part of its restructuring to plan and realize real estate investments through subsidiaries established abroad and to realize new investments to be made in Germany in order to benefit from lower cost and long-term financing opportunities abroad.

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

2. Basis of presentation of the consolidated financial statements

2.1 Basis of presentation

The condensed consolidated financial statements of the Group have been prepared in accordance with the Turkish Financial Reporting Standards, ("TFRS") and interpretations as adopted in line with international standards by the Public Oversight Accounting and Auditing Standards Authority of Turkey ("POA") and in line with the communiqué numbered II-14.1 "Communiqué on the Principles of Financial Reporting In Capital Markets" ("the Communiqué") announced by the Capital Markets Board of Turkey ("CMB") on June 13, 2013 which is published on Official Gazette numbered 28676. TFRS are updated in harmony with the changes and updates in International Financial and Accounting Standards ("IFRS") by the communiqués announced by the POA.

The condensed consolidated financial statements are presented in accordance with "Announcement regarding with TAS Taxonomy" which was published on October 4, 2022 by POA and the format and mandatory information recommended by CMB.

The Company maintain its legal books of account and prepare their statutory financial statements ("Statutory Financial Statements") in accordance with accounting principles issued by the Turkish Commercial Code ("TCC") and tax legislation. These consolidated financial statements are based on the statutory records with adjustments and reclassifications, for the purpose of fair presentation in accordance with Turkish Financial Reporting Standards ("TFRS"). The condensed consolidated financial statements are prepared on the basis of historical cost, with the exception of investment properties and short-term financial investments carried at fair value. In determining the historical cost, generally the fair value of the amount paid for the assets is taken as basis.

The Group prepared its condensed consolidated interim financial statements for the three months period ended June 30, 2024 in accordance with TAS 34 "Interim Reporting" standard. Interim condensed consolidated financial statements do not include all the information required for the annual financial statements and therefore they should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2023.

Financial reporting in hyperinflationary economies

With the announcements made by the Public Oversight Accounting and Auditing Standards Authority (POA) on November 23, 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 annual reporting period ending on or after December 31, 2023. 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 June 30, 2023, and December 31, 2023 on the purchasing power basis as of June 30, 2024.

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

2. Basis of presentation of the consolidated financial statements (cont'd)

2.1 Basis of presentation (cont'd)

Financial reporting in hyperinflationary economies (cont'd)

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

	June 30, 2024	December 31, 2023	June 30, 2023	December 31, 2022	December 31, 2021	December 31, 2020
Index	2.319,29	1.859,37	1.351,60	1.128,38	686,95	504,81
Average Index	2.167,67	1.488,92	1.277,80	967,70	561,61	469,59
Conversion Factor	1,00000	1,24735	1,71596	2,05542	3,37621	4,59438
Period - Inflation Rate	24,74%	64,78%	19,78%	64,26%	36,08%	
Cumulative - Inflation Rate (Since 2020)	359,44%	268,33%	167,74%	123,53%	36,08%	

As of June 30, 2023 and 2024, quarterly inflation refers to the 3-month inflation starting from the end of the previous year. When calculating cumulative inflation, the base date was taken into December 31, 2020.

The main elements of the Group's adjustment process for financial reporting in hyperinflationary economies are as follows:

- Current period condensed consolidated financial statements prepared in TRY are expressed in terms of the purchasing power at the balance sheet date, and amounts from previous reporting periods are also adjusted and expressed in terms of the purchasing power at the end of the reporting period.
- Monetary assets and liabilities are not adjusted as they are already expressed in terms of the current purchasing power at the balance sheet date. In cases where the inflation-adjusted values of non-monetary items exceed their recoverable amount or net realizable value, the provisions of IAS 36 "Impairment of Assets" and IAS 2 "Inventories" are applied, respectively.
- Non-monetary assets and liabilities and equity items that are not expressed in terms of the current purchasing power at the balance sheet date have been adjusted using the relevant adjustment coefficients.
- All items in the comprehensive income statement, except for those that have an impact on the comprehensive income statement of non-monetary items on the balance sheet, have been indexed using the coefficients calculated for the periods when the income and expense accounts were first reflected in the financial statements.
- The impact of inflation on the Group's net monetary asset position in the current period is recorded in the net monetary gain/(loss) account in the condensed consolidated income statement.
- Subsidiaries' assets and liabilities are translated into TRY from the foreign exchange rate at the reporting date and income and expenses are translated into TRY at the average foreign exchange rate and then applied TAS 29.

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

2. Basis of presentation of the consolidated financial statements (cont'd)

2.1 Basis of presentation (cont'd)

Functional and reporting presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional currency of the Company and its subsidiary GG Gayrimenkul which is operating in Türkiye is Turkish lira and the foreign subsidiaries is euro.

The accompanying condensed consolidated financial statements are prepared in Turkish lira (TL) in accordance with the requirements of Capital Markets Board ("CMB") Communiqué Serial II, No: 14.1 "Basis of Financial Reporting in Capital Markets", which was published in the Official Gazette No:28676 on June 13, 2013.

In accordance with the Public Oversight, Accounting and Auditing Standards Authority's ("POA") announcement "On the Next Measurement of Foreign Currency Monetary Items According to Turkish Accounting Standards" dated March 15, 2021, the Group carried out a valuation for the assets and liabilities in the condensed consolidated financial statements based on the current buying and selling rates effective as of the end of the reporting period, income and expenses are translated into TRY at the average foreign exchange rate.

	June 30, 2024	December 31, 2023	June 30, 2023	January 1, 2023
Buying exchange rate	35,1284	32,5739	28,1540	19,9349
Selling exchange rate	35,1917	32,6326	28,2048	19,9708
Average exchange rate	34,1737	25,7198	21,4658	17,3775

The differences between the values arising from translation of the historical values of these items into the presentation currency and their carrying values from statutory records are recognized as foreign currency translation differences in the statement of other comprehensive income.

Going concern

The Group prepared consolidated financial statements in accordance with the going concern assumption.

Approval of the consolidated financial statements

The consolidated financial statements have been approved and authorized to be published on August 28, 2024 by the Board of Directors. The General Assembly has the authority to revise the financial statements.

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

2. Basis of presentation of the consolidated financial statements (cont'd)

2.2 New and amended standards and interpretations

The accounting policies adopted in preparation of the consolidated financial statements as of June 30, 2024 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRS interpretations effective as of January 1, 2024 and thereafter. The effects of these standards and interpretations on the Group's financial position and performance have been disclosed in the related paragraphs.

i) The new standards, amendments and interpretations which are effective as of January 1, 2024 are as follows:

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

ii) Standards issued but not yet effective and not early adopted

Amendments to TFRS 10 and TAS 28	Sale or contribution of assets between an investor and its associate or joint venture
TFRS 17	The new standard for insurance contracts
Amendments to TAS 21	Lack of exchangeability

iii) The amendments which are effective immediately upon issuance

Amendments to TAS 12	International tax reform – Pillar two model rules
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The amendments did not have a significant impact on the financial position or performance of the Group.

iv) The new amendments that are issued by the International Accounting Standards Board (IASB) but not issued by Public Oversight Authority (POA)

Amendments to IFRS 9 and IFRS 7	Classification and measurement of financial instruments
IFRS 18	The new standard for presentation and disclosure in financial statements
IFRS 19	Subsidiaries without public accountability: Disclosures

The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

2.3 Comparative information and restatement of consolidated financial statements with prior periods

The Group's condensed consolidated financial statements are prepared in comparison with the previous period in order to allow for the determination of the financial position and performance trends in accordance with a new illustrative financial statements. Comparative information is reclassified when necessary and important differences are explained in order to ensure compliance with the presentation of the current period consolidated financial statements.

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

2. Basis of presentation of the consolidated financial statements (cont'd)

2.4 Restatement and errors in the accounting policies and estimates

On June 24, 2024, the Company has purchased 100% shares of the GG Gayrimenkul Geliştirme İnşaat İşletmecilik A.Ş. which owns 99% of the shares of DİGH Maslak İnşaat Proje Danışmanlık Ltd. Şti. from its related party Peker Holding A.Ş. for 580.000.000 Turkish liras. DİGH Maslak İnşaat Proje Danışmanlık Ltd. Şti. has Peker Tower Maslak Project. In business combinations under common control; the part of the capital value exceeding the purchase price is shown under the item "Effect of business combinations under common control" in the equity in accordance with the Turkish Financial Reporting Standards Resolution dated October 17, 2018. In line with the TFRS 3 "Business Combinations", the consolidated financial statements have been restated retrospectively, since the related transaction is a business combination under common control. Therefore, the consolidated financial statements of December 31, 2023, June 30, 2023 and January 1, 2023 have been restated and presented comparatively. The effect of this restatement on the consolidated financial statements is as follows:

	January 1, 2023		
	Previously reported	Effect of restatement	Restated
Current assets	543.790.665	565.135.689	21.345.024
Cash and cash equivalents	114.373.476	115.217.497	844.021
Trade receivables from third parties	73.430.128	73.554.362	124.234
Other receivables from third parties	18.829.869	18.885.530	55.661
Prepaid expenses due to third parties	327.937.755	329.368.986	1.431.231
Current income tax assets	131.468	138.343	6.875
Other current assets	9.087.969	27.970.971	18.883.002
Non-current assets	5.026.974.970	5.507.609.480	480.634.510
Other receivables from third parties	1.078.873	1.110.197	31.324
Investment properties	5.025.896.097	5.506.499.283	480.603.186
Total assets	5.570.765.635	6.072.745.169	501.979.534
Current liabilities	520.137.899	554.926.641	34.788.742
Short-term borrowings	360.357.718	389.029.693	28.671.975
Short-term lease liabilities	-	5.978.874	5.978.874
Trade payables due to third parties	158.907.837	158.977.987	70.150
Other payables due to third parties	872.344	940.087	67.743
Non-current liabilities	162.542.333	890.789.330	728.246.997
Long-term lease liabilities	-	608.645.598	608.645.598
Other payables due to related parties	162.542.333	282.143.732	119.601.399
Equity	2.092.837.490	1.831.781.285	(261.056.205)
Effect of combinations of businesses under common control	6.475.705	8.352.609	1.876.904
Retained earnings	2.086.361.785	1.826.034.188	(260.327.597)
Non-controlling interest	-	(2.605.512)	(2.605.512)
Total liabilities and equity	2.775.517.722	3.277.497.256	501.979.534

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

2. Finansal tabloların sunumuna ilişkin esaslar (devamı)

2.4 Muhasebe politikaları ve tahminlerindeki değişiklikler ve hatalar (devamı)

	December 31, 2023		
	Previously reported	Effect of restatement	Restated
Current assets	156.034.269	217.092.439	61.058.170
Cash and cash equivalents	71.887.089	72.468.223	581.134
Other receivables from third parties	4.805.387	4.843.339	37.952
Prepaid expenses due to third parties	8.238.596	39.507.124	31.268.528
Current income tax assets	39.787	46.748	6.961
Other current assets	71.063.410	100.227.005	29.163.595
Non-current assets	5.109.816.107	5.613.544.704	503.728.597
Other receivables from third parties	1.069.409	1.179.776	110.367
Investment properties	5.108.746.698	5.612.364.928	503.618.230
Total assets	5.265.850.376	5.830.637.143	564.786.767
Current liabilities	440.115.972	468.097.351	27.981.379
Short-term borrowings	148.513.264	166.179.298	17.666.034
Short-term lease liabilities	39.510.767	49.697.371	10.186.604
Trade payables due to related parties	1.198.367	1.225.758	27.391
Trade payables due to third parties	149.365.007	149.424.490	59.483
Other payables due to third parties	38.512.536	38.553.646	41.110
Other current liabilities	63.016.031	63.016.788	757
Non-current liabilities	20.835.992	670.788.512	649.952.520
Long-term lease liabilities	19.388.637	414.531.303	395.142.666
Other payables due to related parties	1.447.355	256.257.209	254.809.854
Equity	1.586.634.299	1.473.487.167	(113.147.132)
Effect of combinations of businesses under common control	(1.776.280.509)	(1.774.403.605)	1.876.904
Retained earnings	1.902.114.236	1.641.786.639	(260.327.597)
Net profit for the period	1.197.537.424	1.343.968.443	146.431.019
Non-controlling interest	263.263.148	262.135.690	(1.127.458)
Total liabilities and equity	2.047.586.263	2.612.373.030	564.786.767

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

2. Finansal tabloların sunumuna ilişkin esaslar (devamı)

2.4 Muhasebe politikaları ve tahminlerindeki değişiklikler ve hatalar (devamı)

	January 1 – June 30, 2023		
	Previously reported	Effect of restatement	Restated
Revenue	1.089.056.598	1.089.056.598	-
Cost of sales (-)	(1.212.032.182)	(1.212.032.182)	-
Gross profit/ (loss)	(122.975.584)	(122.975.584)	-
Marketing expenses (-)	-	-	-
General administrative expenses (-)	(83.748.500)	(83.880.929)	(132.429)
Other income from operating activities	752.557.219	752.557.219	-
Other expenses from operating activities (-)	(155.807.026)	(155.807.026)	-
Operating profit	390.026.109	389.893.680	(132.429)
Income from investment activities	-	-	-
Expenses from investment activities (-)	-	-	-
Operating income before financial income	390.026.109	389.893.680	(132.429)
Finance income	5.144.950	5.214.530	69.580
Finance expenses (-)	(73.618.581)	(102.013.311)	(28.394.730)
Net monetary position gain/(loss)	(200.770.012)	(126.151.571)	74.618.441
Profit before tax from continuing operations	120.782.466	166.943.328	46.160.862
Tax income/(expense), continuing operations	(23.403.315)	(23.403.315)	-
Taxes on expense	-	-	-
Deferred tax expenses (-)	(23.403.315)	(23.403.315)	-
Net income	97.379.151	143.540.013	46.160.862
Equity holders of the parent	97.379.151	143.078.601	45.699.450
Non-controlling interest	-	461.412	461.412
Not to be reclassified to profit or loss	(1.326.510)	(1.326.510)	-
Loss arising from defined benefit plans	(1.326.510)	(1.326.510)	-
To be reclassified to profit or loss	12.907.185	12.907.185	-
Currency translation differences	12.907.185	12.907.185	-
Other comprehensive (expense)/ income	11.580.675	11.580.675	-
Total comprehensive income	108.959.826	155.120.688	46.160.862
Equity holders of the parent	108.959.826	154.659.276	45.699.450
Non-controlling interest	-	461.412	461.412

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

2.5 Summary of significant accounting policies

The condensed consolidated financial statements for the six months period ended June 30, 2024 have been prepared in accordance with TAS 34. The accounting policies used in the preparation of these condensed consolidated financial statements for the six months period ended June 30, 2024, are consistent with those used in the preparation of annual consolidated financial statements for the year ended December 31, 2023. Accordingly, these condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2023.

3. Segment reporting

Within the framework of TFRS 8 - Operating Segments, there are no operating segments that meet limits and require segment reporting (December 31, 2023: None, January 1, 2023: None).

4. Cash and cash equivalents

The details of cash and cash equivalents as of June 30, 2024, December 31, 2023, and January 1, 2023 are as follows:

	June 30, 2024	December 31, 2023	January 1, 2023
Cash on hand:			
- Turkish lira	7.799	4.428	15.065
Cash in bank:			
Time deposits			
- Turkish lira	341.978	616.576	8.073.682
- US dollar	65.652	73.439	-
Demand deposits			
- Turkish lira	1.315.278	1.230.492	33.582.238
- US dollar	106.045	127.764	8.752.869
- Euro	65.152.578	69.911.215	62.549.701
- British pound	563.972	504.309	2.243.942
Total	67.553.302	72.468.223	115.217.497

As of June 30, 2024, December 31, 2023, and January 1, 2023 the details of the time deposits are as follows:

	Maturity	Interest rate	June 30, 2024
Turkish lira	April '24	%4,75 - 45,00	341.978
US dollar	April '24	4,10%	65.652
Total			407.630
	Maturity	Interest rate	December 31, 2023
Turkish lira	January '24	%42,50 - 47,50	616.576
US dollar	January '24	4,10%	73.439
Total			690.015
	Maturity	Interest rate	January 1, 2023
Turkish lira	January '23	%5,00 - 19,50	8.073.682
Total			8.073.682

As of June 30, 2024, there is no blockage on the bank accounts (December 31, 2023: None, January 1, 2023: None).

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

5. Financial investments

a) Short-term financial investments

The details of short-term financial investments as of June 30, 2024, December 31, 2023, and January 1, 2023 are as follows:

	June 30, 2024	December 31, 2023	January 1, 2023
Foreign funds	35.128.400	40.631.056	-
Investment funds	2.999.998	-	-
Stock certificates	-	75.527.795	-
Other	5.621	6.501	6.557
Total	38.134.019	116.165.352	6.557

Movement of foreign funds for the periods ended June 30, 2024 are as follows:

	2024
January 1	40.631.056
Translation differences	(5.502.656)
June 30	35.128.400

Movement of investment funds for the periods ended June 30, 2024 are as follows:

	2024
January 1	-
Addition	605.239.350
Disposal (-)	(604.744.154)
Profit from sales of investment funds, net (Not 22a-b)	194.307
Monetary gain	2.310.495
June 30	2.999.998

As of December 31, 2023 the details of the stock certificates are as follows:

Code of stock	Number of shares	Price of stock	Fair value	Purchasing power of the TL at June 30, 2024
EKGYO	3.470.000	6,88	23.873.600	29.778.736
KRDMD	950.000	23,76	22.572.000	28.155.186
THYAO	30.000	228,6	6.858.000	8.554.327
AVPGY	150.000	38,78	5.817.000	7.255.835
ADGYO	50.000	28,6	1.430.000	1.783.711

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

5. Financial investments (cont'd)

a) Short-term financial investments (cont'd)

Movement of stock certificates for the periods ended June 30, 2024 are as follows:

	2024
January 1	75.527.795
Addition	99.956.846
Sales of stock certificate (-)	(166.625.469)
Fair value change (Note 22a-b)	(9.937.747)
Profit from sales of stock certificate (Note 22a)	12.935.573
Monetary loss (-)	(11.856.998)
June 30	-

b) Long-term financial investments

The details of long-term financial investments as of June 30, 2024, December 31, 2023, and January 1, 2023 are as follows:

	June 30, 2024	December 31, 2023	January 1, 2023
Peker Real Estate GMBH	974.682	974.682	-
Total	974.682	974.682	-

6. Financial liabilities

The details of financial liabilities as of June 30, 2024, December 31, 2023, and January 1, 2023 are as follows:

	June 30, 2024	December 31, 2023	January 1, 2023
Short-term bank loans	543.842.541	166.179.298	389.029.693
Commercial paper (*)	174.606.560	-	-
Short-term portion of long-term borrowings	86.392.924	6.514.956	-
Short-term lease liabilities (**)	42.730.748	49.697.371	5.978.874
Short-term financial liabilities	847.572.773	222.391.625	395.008.567
Long-term bank loans	1.826.089.891	2.502.375.648	1.687.085.667
Long-term lease liabilities (**)	333.039.745	414.531.303	608.645.598
Long-term financial liabilities	2.159.129.636	2.916.906.951	2.295.731.265
Total	3.006.702.409	3.139.298.576	2.690.739.832

(*) As of June 30, 2024, the commercial paper consists of the commercial paper amounting to 200.199.655 Turkish liras issued on June 11, 2024, with ISIN code TRFPEGY92414, annual interest rate of 59% simple, 72,06% compound interest, maturity of September 30, 2024.

(**) As of June 30, 2024 and December 31, 2023, lease liabilities consist of the "sale-leaseback" transaction for the Ritz Carlton A95, which is included in the investment properties, and the B8 and D2 independent sections of the Ataköy NEF 22 project, which are included in the inventories.

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

6. Financial liabilities (cont'd)

The details of bank loans as of June 30, 2024 are as follows:

Currency	TL equivalent	Interest	Interest rate (%)
Euro	584.090.493	Fixed	2,09
Euro	543.048.231	Fixed	2,09
Euro	527.875.500	Fixed	12,00
Euro	211.150.200	Fixed	4,99
Euro	175.247.335	Fixed	4,85
Euro	123.698.826	Floating	2,90
Turkish lira	35.830.297	Fixed	50,00
Turkish lira	29.392.150	Fixed	50,00
Euro	24.343.193	Fixed	4,50
Turkish lira	23.945.443	Floating	61,00
Euro	20.099.440	Fixed	4,50
Turkish lira	19.256.625	Floating	61,50
Turkish lira	17.838.286	Fixed	50,00
Turkish lira	12.136.694	Fixed	47,40
Turkish lira	11.255.661	Fixed	48,48
Turkish lira	8.458.756	Fixed	49,08
Turkish lira	7.362.010	Fixed	47,52
Turkish lira	7.033.766	Fixed	42,00
Turkish lira	5.400.231	Fixed	45,60
Turkish lira	5.265.578	Fixed	49,08
Turkish lira	5.235.390	Fixed	49,08
Turkish lira	4.643.809	Fixed	59,28
Turkish lira	4.570.690	Fixed	48,48
Turkish lira	4.233.875	Floating	61,50
Turkish lira	4.180.270	Fixed	49,50
Turkish lira	3.798.187	Fixed	58,92
Turkish lira	3.494.518	Fixed	51,96
Turkish lira	3.056.032	Fixed	52,92
Turkish lira	2.282.005	Fixed	48,48
Turkish lira	2.202.667	Fixed	49,56
Turkish lira	2.069.564	Fixed	61,50
Turkish lira	2.038.089	Fixed	60,00
Turkish lira	1.920.716	Fixed	64,32
Turkish lira	1.812.081	Fixed	48,00
Turkish lira	1.737.140	Fixed	48,60
Turkish lira	1.652.563	Fixed	49,08
Turkish lira	1.606.654	Fixed	20,69
Turkish lira	1.585.040	Fixed	52,92
Turkish lira	1.437.571	Fixed	48,48
Turkish lira	1.291.248	Fixed	43,20
Turkish lira	1.288.353	Fixed	49,20
Turkish lira	1.182.504	Fixed	43,20
Turkish lira	907.319	Fixed	45,49
Turkish lira	907.319	Fixed	45,49
Turkish lira	907.319	Fixed	45,49
Turkish lira	907.319	Fixed	45,49
Turkish lira	749.398	Fixed	51,24
Turkish lira	671.323	Fixed	45,60
Turkish lira	628.476	Fixed	51,24
Turkish lira	599.202	Fixed	50,00

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

6. Financial liabilities (cont'd)

The details of bank loans as of December 31, 2023 are as follows:

Currency	TL equivalent	Interest	Interest rate (%)
Euro	687.430.761	Fixed	2,09
Euro	628.113.585	Fixed	2,09
Euro	610.564.133	Fixed	12,00
Euro	244.225.653	Fixed	4,99
Euro	203.521.378	Fixed	4,85
Euro	102.371.253	Floating	2,90
Turkish lira	29.706.101	Fixed	47,40
Euro	28.369.652	Fixed	4,50
Turkish lira	23.634.427	Fixed	53,00
Euro	23.247.900	Fixed	4,50
Turkish lira	23.225.613	Floating	47,00
Turkish lira	12.052.352	Fixed	45,60
Turkish lira	10.038.274	Fixed	52,92
Turkish lira	6.280.198	Fixed	48,48
Turkish lira	5.144.134	Fixed	53,00
Turkish lira	5.098.812	Floating	47,00
Turkish lira	4.343.401	Fixed	52,92
Turkish lira	4.195.095	Fixed	20,68
Euro	3.863.621	Fixed	4,50
Turkish lira	3.289.842	Fixed	42,60
Turkish lira	3.185.183	Fixed	43,20
Turkish lira	3.135.743	Fixed	48,48
Turkish lira	2.907.074	Fixed	43,20
Turkish lira	2.057.982	Fixed	51,24
Turkish lira	1.515.836	Fixed	51,24
Turkish lira	1.496.820	Fixed	45,60
Turkish lira	1.299.345	Fixed	50,52
Turkish lira	755.734	Fixed	16,80

The details of bank loans as of January 1, 2023 are as follows:

Currency	TL equivalent	Interest	Interest rate (%)
Euro	708.769.157	Fixed	2,09
Euro	646.870.283	Fixed	2,09
Euro	307.862.554	Fixed	12,00
Euro	144.982.740	Fixed	4,75
Euro	82.712.406	Floating	2,90
Turkish lira	70.911.919	Floating	17,80
Euro	48.745.322	Fixed	4,50
Turkish lira	28.527.812	Fixed	19,68
Euro	23.583.672	Fixed	4,50
Turkish lira	13.005.332	Fixed	20,68
Turkish lira	72.084	Fixed	7,50
Turkish lira	72.079	Fixed	7,50

Interest risks related to interest rate changes on floating rate bank loans are explained in Note 24.

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

6. Financial liabilities (cont'd)

Movement of bank loans for the periods ended June 30, 2024, and 2023 are as follows:

	2024	2023
January 1	2.675.069.902	2.076.115.360
Addition	246.986.137	326.861.973
Principal payments (-)	(110.205.595)	(79.538.484)
Interest accrual/ (paid), net	24.395.108	273.301
Translation differences	(342.269.733)	420.475.770
Monetary gain (-)	(37.650.463)	(20.130.932)
June 30	2.456.325.356	2.724.056.988

Movement of commercial paper for the period ended June 30, 2024 is as follows:

	2024
January 1	-
Issued of commercial paper (*)	376.825.536
Principal payments (-)	(195.209.239)
Interest accrual/ (paid), net	5.203.449
Monetary gain (-)	(12.213.186)
June 30	174.606.560

Movement of lease liabilities for the period ended June 30, 2024, and 2023 is as follows:

	2024	2023
January 1	464.228.674	614.624.472
Principal payments (-)	(12.966.105)	(2.639.862)
Interest paid	29.263.775	25.624.235
Interest accrual	(12.447.394)	-
Monetary gain (-)	(92.308.457)	(102.762.693)
June 30	375.770.493	534.846.152

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

7. Trade receivables and payables

a) Short-term trade receivables

The details of short-term trade receivables as of June 30, 2024, December 31, 2023, and January 1, 2023 are as follows:

	June 30, 2024	December 31, 2023	January 1, 2023
Trade receivables from third parties (*)	727.552.734	880.606.243	71.108.415
Notes receivables from third parties	-	-	2.445.947
Trade receivables from related parties (Note 18)	160.757.785	184.895.064	-
Total	888.310.519	1.065.501.307	73.554.362

(*) As of June 30, 2024 and December 31, 2023, trade receivables from third parties mainly consist of receivables arising from the sale of 40% of the shares of Nordstern Dusseldorf GMBH, operating in Germany, to DATE Investment GMBH and EN FA Investment GMBH on December 28, 2023.

b) Long-term trade receivables

The details of long-term trade receivables as of June 30, 2024, December 31, 2023, and January 1, 2023 are as follows:

	June 30, 2024	December 31, 2023	January 1, 2023
Trade receivables from related parties (Note 18)	-	-	1.058.294.037
Total	-	-	1.058.294.037

c) Short-term trade payables

The details of short-term trade payables as of June 30, 2024, December 31, 2023, and January 1, 2023 are as follows:

	June 30, 2024	December 31, 2023	January 1, 2023
Trade payables to third parties (*)	116.313.973	149.424.490	158.977.987
Notes payable to third parties (**)	4.000.000	-	-
Trade payables to related parties (Note 18)	2.071.706	1.225.758	-
Total	122.385.679	150.650.248	158.977.987

(*) Trade payables to third parties mainly consist of trade payables of Peker GMBH to DeSa Construction GMBH and the Company's payables to Timur Gayrimenkul Geliştirme Yapı ve Yatırımları A.Ş. regarding trading areas purchased pursuant to the additional protocol of the "Revenue Sharing Project in Return for Land" agreement within the scope of the Ataköy project.

(**) As of June 30, 2024, notes payable to third parties consist of notes payable given to Gökyol İnşaat ve Sanayi A.Ş. within the scope of the Peker Tower Maslak project.

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

8. Other receivables and payables

a) Short-term other receivables

The details of short-term other receivables as of June 30, 2024, December 31, 2023, and January 1, 2023 are as follows:

	June 30, 2024	December 31, 2023	January 1, 2023
Deposits and guarantees given	11.183.685	406.311	409.746
Receivables from the tax authorities	130.806	4.417.275	18.443.555
Other receivables from third parties	17.078	19.753	32.229
Other receivables from related parties (Note 18)	4.222.013	3.975.781	334.445.007
Total	15.553.582	8.819.120	353.330.537

b) Long-term other receivables

The details of long-term other receivables as of June 30, 2024, December 31, 2023, and January 1, 2023 are as follows:

	June 30, 2024	December 31, 2023	January 1, 2023
Deposits and guarantees given	1.013.020	1.179.776	1.110.197
Total	1.013.020	1.179.776	1.110.197

c) Short-term other payables

The details of short-term other payables as of June 30, 2024, December 31, 2023, and January 1, 2023 are as follows:

	June 30, 2024	December 31, 2023	January 1, 2023
Deposits and guarantees taken	2.567.084	1.117.382	939.271
Other payables to third parties (*)	175.301	37.436.264	816
Other payables to related parties (Note 18)	732.362.370	2.035.214	567.580.386
Total	735.104.755	40.588.860	568.520.473

(*) As of June 30, 2024 and December 31, 2023, other payables to third parties mainly consist of payables to Deniz Yatırım Menkul Kıymetler A.Ş. within the scope of stock purchases.

d) Long-term other payables

The details of long-term other payables as of June 30, 2024, December 31, 2023, and January 1, 2023 are as follows:

	June 30, 2024	December 31, 2023	January 1, 2023
Other payables to related parties (Note 18)	329.717.861	256.257.209	282.143.732
Total	329.717.861	256.257.209	282.143.732

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

9. Inventories

The details of inventories as of June 30, 2024, December 31, 2023, and January 1, 2023 are as follows:

	June 30, 2024	December 31, 2023	January 1, 2023
Ataköy Nef 22 independent sections (*)	272.374.845	272.374.845	321.907.733
Land shares of Ataköy Project (**)	84.499.690	84.499.690	84.499.688
Housing of Sultan Makamı (***)	49.390.851	49.390.851	74.402.353
Inventories, gross	406.265.386	406.265.386	480.809.774
Ataköy Nef 22 independent sections (-) (*)	(24.349.785)	(24.349.785)	(59.126.080)
Land shares of Ataköy Project (-) (**)	(13.271.781)	(13.271.781)	-
Impairment (-)	(37.621.566)	(37.621.566)	(59.126.080)
Inventories, net	368.643.820	368.643.820	421.683.694

(*) With the protocol signed between the Company and Timur Gayrimenkul on December 28, 2017, 23 commercial areas amounting to 74.898.337 Turkish liras in the Ataköy project were purchased by the Company. 15 of the purchased commercial areas were returned, and 45 independent sections (16 commercial areas and 29 residences) were purchased within the framework of property sharing between the Company and Nef. As of June 30, 2024, there is a inventory of 1 residence and 10 commercial areas (December 31, 2023: 1 residence and 10 commercial areas).

(**) The "Revenue Sharing Project for Land Sale" is carried out with the contract concluded between Nef and the Company on the Company's land located in Istanbul, Bakırköy, Ataköy. The sales revenue will be shared between the landowner Peker GYO and the contractor Nef, 50% of the landowner and 50% of the contractor. There are 1,438 residences and 125 workplaces in the project. The delivery of the independent sections sold by Nef has started, and the land share invoices of the delivered independent sections have been invoiced to Nef. In addition, the land shares (76 in total) of the independent sections subject to the independent section sharing between the Company and Nef in the current period were invoiced to Nef. As of June 30, 2024, the land shares of 5 commercial areas that were not delivered are included in the inventories (December 31, 2023: 5 commercial areas).

(***) It consists of an independent section in the "Sultan Makamı Konutları" located on the parcel 879 of the Çengelköy, in the Istanbul, Üsküdar. (December 31, 2023: An independent section).

Movement of inventories for the periods ended June 30, 2024 and 2023 are as follows:

	2024	2023
January 1	368.643.820	421.683.694
Sales of inventories (Note 19) (*)	-	(25.011.498)
Transfer to investment properties (Note 12) (**)	-	(29.186.938)
June 30	368.643.820	367.485.258

(*) For the period ended June 30, 2023, sales consist of sales of residences and warehouses in Sultan Makamı Residences.

(**) Independent sections of Nef 22 which was previously reported in inventories has been classified into investment properties due to rental.

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

10. Prepaid expenses and contract liabilities

a) Short-term prepaid expenses

The details of short-term prepaid expenses as of June 30, 2024, December 31, 2023, and January 1, 2023 are as follows:

	June 30, 2024	December 31, 2023	January 1, 2023
Advances given to third parties	29.157.788	31.407.956	328.384.263
Prepaid expenses for next months	2.272.068	8.099.168	984.723
Advances given to related parties (Note 18)	492.906.011	449.510.255	337.728.306
Total	524.335.867	489.017.379	667.097.292

b) Long-term prepaid expenses

The details of long-term prepaid expenses as of June 30, 2024, December 31, 2023, and January 1, 2023 are as follows:

	June 30, 2024	December 31, 2023	January 1, 2023
Prepaid expenses for next years	-	-	557.723
Advances given to related parties (Note 18)	-	16.252.422	-
Total	-	16.252.422	557.723

c) Contract liabilities

The details of contract liabilities as of June 30, 2024, December 31, 2023, and January 1, 2023 are as follows:

	June 30, 2024	December 31, 2023	January 1, 2023
Liabilities from customer contracts	-	317.438	33.321.096
Total	-	317.438	33.321.096

11. Other assets and liabilities

a) Other current assets

The details of other current assets as of June 30, 2024, December 31, 2023, and January 1, 2023 are as follows:

	June 30, 2024	December 31, 2023	January 1, 2023
Deferred VAT	62.992.982	96.522.399	22.938.009
Personnel and job advances	31.405	62.346	572.016
Other	3.206.466	3.642.260	4.460.946
Total	66.230.853	100.227.005	27.970.971

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

11. Other assets and liabilities (cont'd)

b) Other current liabilities

The details of other current liabilities as of June 30, 2024, December 31, 2023, and January 1, 2023 are as follows:

	June 30, 2024	December 31, 2023	January 1, 2023
Taxes and funds payables	16.815.678	63.016.788	3.291.102
Total	16.815.678	63.016.788	3.291.102

12. Investment properties

The details of investment properties as of June 30, 2024, December 31, 2023, and January 1, 2023 are as follows:

	June 30, 2024	December 31, 2023	January 1, 2023
Hotel - Peker GMBH ⁽¹⁾	3.021.042.400	3.494.270.824	2.950.167.680
Peker Tower Maslak ⁽¹¹⁾	981.830.000	305.231.604	153.696.230
Düsseldorf 2 - Nordstern ⁽²⁾	388.168.820	448.973.170	-
Düsseldorf - Nordstern ⁽²⁾	375.873.880	434.752.300	438.427.696
Solingen - Peker GYO Global ⁽³⁾	305.617.080	265.117.641	181.312.390
Right of use land	159.046.295	198.386.619	326.906.959
Grevenbroich - Bluestone ⁽⁴⁾	98.535.162	113.970.112	115.957.980
Ritz Carlton A 95 - Peker GYO ⁽⁵⁾	77.335.704	77.335.704	-
Nef 22 - Peker GYO ⁽⁶⁾	63.303.015	63.303.015	27.748.142
House - Peker GMBH ⁽¹⁾	51.814.390	59.930.808	62.076.446
Parcela Benalmadena - Spain ⁽⁸⁾	49.095.605	56.786.141	-
Parcela Mijas - Spain ⁽⁸⁾	40.645.555	47.012.441	-
Grevenbroich - Peker GYO Global ⁽³⁾	24.238.596	28.035.429	31.509.430
Kaiserwall - Peker GYO ⁽⁷⁾	19.259.120	19.259.120	23.191.595
Land in Çamlıca ⁽⁹⁾	-	-	1.113.769.316
Malaga Marbella - Spain ⁽¹⁰⁾	-	-	81.735.419
Total	5.655.805.622	5.612.364.928	5.506.499.283

⁽¹⁾ Peker GMBH owns the Northgate Düsseldorf project. Related project; It is a project with a gross indoor construction area of 26.200 m² located in Düsseldorf, Germany. The project, which was developed on a land of 11,600 m², has a total net usage area of 24.000 m² (8.400 m² hotel, 5.800 m² boarding, 1.800 m² office, 8.000 m² common use area). The 431-room hotel project, the construction of which started in 2019, was completed at the beginning of 2023. The related hotel is one of the largest hotels in the city of Düsseldorf and has been leased to the Novum Hotels Group for 25+5 years. The hotel continues to operate.

⁽²⁾ Nordstern Düsseldorf GMBH owns a land of 8,891 m² in Düsseldorf, Germany, and continues its project development activities on the relevant land. In addition, with the purchase agreement signed between Nordstern Düsseldorf GMBH and Düsseldorf Municipality on August 31, 2023, a new land of 9,163 m² was purchased on the parcel adjacent to the mentioned land.

⁽³⁾ Peker GYO Global GMBH owns 3 adjoining buildings in Grevenbroich, Nordrhein-Westfalen, Germany, and plans to design these three real estates together. In addition, it has a land area of 2,690 m² in the city of Solingen, and it is planned to build a project with a total of 45 flats, 33 indoor parking lots, 14 outdoor parking lots and motor parking lots.

⁽⁴⁾ It is planned to develop a residential project on a land of 2,370 m² in Grevenbroich, Germany.

⁽⁵⁾ On July 26, 2023, the Company purchased the independent section numbered 95 amounting to 48.303.840 TL + VAT, which is located on the 14th floor of the A Block of the project. Related project; It is located in Istanbul, Şişli, Teşvikiye. The project is located on a parcel with a surface area of 5.032,56 m², registered with the parcel number 840 and 114. There are 3 blocks in the project, consisting of blocks A, B and C.

⁽⁶⁾ Due to the rental of 2 residences, which were previously in Nef 22 independent section inventories, the related residences were classified as investment properties as of December 31, 2022 and March 31, 2023, respectively.

⁽⁷⁾ A real estate consisting of 3 flats and 1 commercial area with a leasable area of 417 m² in the city of Recklinghausen, Westphalia, Germany, was purchased for 500.000 euros. Rental income is obtained from the said real estate.

⁽⁸⁾ As part of the restructuring the Group has created for new investments to be made in Spain; Avellano purchased a 609.11 m² plot at the address 9.3, Benalmadena 1 29639 Malaga and a 670 m² plot at the address of Ficus Buena Vista Sol, 2, Buenavista, 29650, Mijas, Malaga.

⁽⁹⁾ Çamlıca Land is located in Üsküdar, Istanbul, has a size of 11,020 m² and has not been designed yet. For the period ended June 30, 2023, the relevant land was sold.

⁽¹⁰⁾ The Group has purchased residences amounting to 1.400.000 euros 18 and 19 in the Urbanisation Oasis Club project in Marbella, Malaga. For the period ended March 31, 2023, both residences have been sold.

⁽¹¹⁾ On June 24, 2024, the Company has purchased 100% shares of the GG Gayrimenkul Geliştirme İnşaat İşletmecilik A.Ş. which owns 99% of the shares of DİGH Maslak İnşaat Proje Danışmanlık Ltd. Şti. from its related party Peker Holding A.Ş. DİGH Maslak İnşaat Proje Danışmanlık Ltd. Şti. has Peker Tower Maslak Project. The land, which has a total construction area of 16,554 m², is located on Büyükdere Street, in the area where plazas and business centers are most dense in Istanbul. The project, which will consist of 6 basement floors and ground floor + 15 floors, will have office sizes ranging from 120 m² to 560 m². The Group has accounted for its investment properties under construction at cost until their fair values can be measured reliably. Since the fair value of the relevant real estate can be measured reliably as of June 30, 2024, it has been accounted for at fair value.

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

12. Investment properties (cont'd)

Movement of investment properties for the periods ended June 30, 2024 and 2023 are as follows:

	2024	2023
January 1	5.413.978.309	5.179.592.324
Additions	119.871.450	135.480.009
Transfer from inventories (*) (Note 9)	-	29.186.938
Sales of investment properties	-	(1.186.286.567)
Translation differences	(761.685.949)	479.514.087
Fair value change (Note 21a)	724.595.517	153.385.258
June 30	5.496.759.327	4.790.872.049

The Group classifies its rights for the lands that are rented to develop investment real estate as investment real estates. In such a case, the rights to the related land are recognized as if it were a financial lease. The fair values of the investment properties developed on the leased land have been deducted from the estimated cash flows to be paid for the rents and therefore the discounted values of rentable rentals related to the related land are accounted for in the investment property and lease liabilities accounts. Movement of right of use land for the periods ended June 30, 2024 and 2023 are as follows:

	2024	2023
January 1	198.386.619	326.906.959
Arrangements	(39.340.324)	(53.989.995)
June 30	159.046.295	272.916.964

As of June 30, 2024, the fair values of the investment properties are as follows:

June 30, 2024				
Name of investment property	Date of appraisal report	Fair value	Currency	Fair value (TL)
Hotel - Peker GMBH	December 14, 2023	86.000.000	Euro	3.021.042.400
Peker Tower Maslak	June 14, 2024	981.830.000	Turkish lira	981.830.000
Düsseldorf 2 - Nordstern	December 12, 2023	11.050.000	Euro	388.168.820
Düsseldorf - Nordstern	December 12, 2023	10.700.000	Euro	375.873.880
Solingen - Peker GYO Global	August 22, 2024	8.700.000	Euro	305.617.080
Right of use land	-	159.046.295	Turkish lira	159.046.295
Grevenbroich - Bluestone	December 14, 2023	2.805.000	Euro	98.535.162
Ritz Carlton A 95 - Peker GYO	January 8, 2024	77.335.704	Turkish lira	77.335.704
Nef 22 - Peker GYO	January 8, 2024	63.303.015	Turkish lira	63.303.015
House - Peker GMBH	December 14, 2023	1.475.000	Euro	51.814.390
Parcela Benalmadena - Spain	January 15, 2024	1.397.604	Euro	49.095.605
Parcela Mijas - Spain	January 16, 2024	1.157.057	Euro	40.645.555
Grevenbroich - Peker GYO Global	December 14, 2023	690.000	Euro	24.238.596
Kaiserwall - Peker GYO	December 31, 2023	474.000	Euro	19.259.120

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

12. Investment properties (cont'd)

As of December 31, 2023, the fair values of the investment properties are as follows:

December 31, 2023				
Name of investment property	Date of appraisal report	Fair value	Currency	Fair value (TL)
Hotel - Peker GMBH	December 14, 2023	86.000.000	Euro	3.494.270.824
Düsseldorf 2 - Nordstern	December 12, 2023	11.050.000	Euro	448.973.170
Düsseldorf - Nordstern	December 12, 2023	10.700.000	Euro	434.752.300
Peker Tower Maslak	-	305.231.604	Turkish lira	305.231.604
Solingen - Peker GYO Global	December 14, 2023	6.525.000	Euro	265.117.641
Right of use land	-	198.386.619	Turkish lira	198.386.619
Grevenbroich - Bluestone	December 14, 2023	2.805.000	Euro	113.970.112
Ritz Carlton A 95 - Peker GYO	January 8, 2024	77.335.704	Turkish lira	77.335.704
Nef 22 - Peker GYO	January 8, 2024	63.303.015	Turkish lira	63.303.015
House - Peker GMBH	December 14, 2023	1.475.000	Euro	59.930.808
Parcela Benalmadena - Spain	January 15, 2024	1.397.604	Euro	56.786.141
Parcela Mijas - Spain	January 16, 2024	1.157.057	Euro	47.012.441
Grevenbroich - Peker GYO Global	December 14, 2023	690.000	Euro	28.035.429
Kaiserwall - Peker GYO	December 31, 2023	474.000	Euro	19.259.120

As of January 1, 2023, the fair values of the investment properties are as follows:

January 1, 2023				
Name of investment property	Date of appraisal report	Fair value	Currency	Fair value (TL)
Hotel - Peker GMBH	December 30, 2022	72.000.000	Avro	2.950.167.680
Düsseldorf - Nordstern	December 20, 2022	10.700.000	Avro	438.427.696
Right of use land	-	326.906.959	Türk lirası	326.906.959
Solingen - Peker GYO Global	December 13, 2022	4.425.000	Avro	181.312.390
Peker Tower Maslak	-	153.696.230	Türk lirası	153.696.230
Grevenbroich - Bluestone	December 19, 2022	2.830.000	Avro	115.957.980
Nef 22 - Peker GYO	December 31, 2022	13.500.000	Türk lirası	27.748.142
House - Peker GMBH	December 13, 2022	1.515.000	Avro	62.076.446
Grevenbroich - Peker GYO Global	December 30, 2022	769.000	Avro	31.509.430
Kaiserwall - Peker GYO	December 31, 2022	566.000	Avro	23.191.595
Land in Çamlıca	December 30, 2022	541.870.000	Türk lirası	1.113.769.316
Malaga Marbella - Spain	December 13, 2022	1.994.785	Avro	81.735.419

As of June 30, 2024, the methods that are used to identify the fair values of investment properties are as follows:

Name of investment property	Valuation method use	Based on valuation method
Hotel - Peker GMBH	Precent comparison, Income discount	Income discount
Düsseldorf 2 - Nordstern	Precent comparison	Precent comparison
Düsseldorf - Nordstern	Precent comparison	Precent comparison
Solingen - Peker GYO Global	Cost analysis, Precent comparison, Income discount	Precent comparison
Grevenbroich - Bluestone	Precent comparison	Precent comparison
Ritz Carlton A 95 - Peker GYO	Precent comparison, Income discount	Precent comparison
Nef 22 - Peker GYO	Precent comparison, Income discount	Precent comparison
House - Peker GMBH	Precent comparison	Precent comparison
Parcela Benalmadena - Spain	Precent comparison	Precent comparison
Parcela Mijas - Spain	Precent comparison	Precent comparison
Grevenbroich - Peker GYO Global	Precent comparison, Income discount	Precent comparison
Kaiserwall - Peker GYO	Cost analysis, Income discount	Income discount
Peker Tower Maslak	Income discount	Income discount

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

12. Investment properties (cont'd)

As of December 31, 2023, the methods that are used to identify the fair values of investment properties are as follows:

Name of investment property	Valuation method use	Based on valuation method
Hotel - Peker GMBH	Precent comparison, Income discount	Income discount
Düsseldorf 2 - Nordstern	Precent comparison	Precent comparison
Düsseldorf - Nordstern	Precent comparison	Precent comparison
Solingen - Peker GYO Global	Cost analysis, Precent comparison, Income discount	Precent comparison
Grevenbroich - Bluestone	Precent comparison	Precent comparison
Ritz Carlton A 95 - Peker GYO	Precent comparison, Income discount	Precent comparison
Nef 22 - Peker GYO	Precent comparison, Income discount	Precent comparison
House - Peker GMBH	Precent comparison	Precent comparison
Parcela Benalmadena - Spain	Precent comparison	Precent comparison
Parcela Mijas - Spain	Precent comparison	Precent comparison
Grevenbroich - Peker GYO Global	Precent comparison, Income discount	Precent comparison
Kaiserwall - Peker GYO	Cost analysis, Income discount	Income discount

As of January 1, 2023, the methods that are used to identify the fair values of investment properties are as follows:

Name of investment property	Valuation method use	Based on valuation method
Hotel - Peker GMBH	Precent comparison, Income discount	Income discount
Düsseldorf - Nordstern	Precent comparison	Precent comparison
Solingen - Peker GYO Global	Cost analysis, Precent comparison, Income discount	Precent comparison
Grevenbroich - Bluestone	Precent comparison, Income discount	Precent comparison
Nef 22 - Peker GYO	Precent comparison	Precent comparison
House - Peker GMBH	Precent comparison	Precent comparison
Grevenbroich - Peker GYO Global	Precent comparison, Income discount	Precent comparison
Kaiserwall - Peker GYO	Cost analysis, Income discount	Income discount
Land in Çamlıca - Peker GYO	Precent comparison, Income discount	Precent comparison
Marbella - Peker GYO Spain	Precent comparison	Precent comparison

As of June 30, 2024 the fair values classification of the investment properties are as follows:

	June 30, 2024	1. level	2. level	3. level
Hotel - Peker GMBH	3.021.042.400	-	3.021.042.400	-
Peker Tower Maslak	981.830.000	-	981.830.000	-
Düsseldorf 2 - Nordstern	388.168.820	-	388.168.820	-
Düsseldorf - Nordstern	375.873.880	-	375.873.880	-
Solingen - Peker GYO Global	305.617.080	-	305.617.080	-
Grevenbroich - Bluestone	98.535.162	-	98.535.162	-
Ritz Carlton A 95 - Peker GYO	77.335.704	-	77.335.704	-
Nef 22 - Peker GYO	63.303.015	-	63.303.015	-
House - Peker GMBH	51.814.390	-	51.814.390	-
Parcela Benalmadena - Spain	49.095.605	-	49.095.605	-
Parcela Mijas - Spain	40.645.555	-	40.645.555	-
Grevenbroich - Peker GYO Global	24.238.596	-	24.238.596	-
Kaiserwall - Peker GYO	19.259.120	-	-	19.259.120
Total	5.496.759.327	-	5.477.500.207	19.259.120

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

12. Investment properties (cont'd)

As of December 31, 2023 the fair values classification of the investment properties are as follows:

	December 31, 2023	1. level	2. level	3. level
Hotel - Peker GMBH	3.494.270.824	-	3.494.270.824	-
Düsseldorf 2 - Nordstern	448.973.170	-	448.973.170	-
Düsseldorf - Nordstern	434.752.300	-	434.752.300	-
Solingen - Peker GYO Global	265.117.641	-	265.117.641	-
Grevenbroich - Bluestone	113.970.112	-	113.970.112	-
Ritz Carlton A 95 - Peker GYO	77.335.704	-	77.335.704	-
Nef 22 - Peker GYO	63.303.015	-	63.303.015	-
House - Peker GMBH	59.930.808	-	59.930.808	-
Parcela Benalmadena - Spain	56.786.141	-	56.786.141	-
Parcela Mijas - Spain	47.012.441	-	47.012.441	-
Grevenbroich - Peker GYO Global	28.035.429	-	28.035.429	-
Kaiserwall - Peker GYO	19.259.120	-	-	19.259.120
Total	5.108.746.705	-	5.089.487.585	19.259.120

As of January 1, 2023 the fair values classification of the investment properties are as follows:

	January 1, 2023	1. level	2. level	3. level
Hotel - Peker GMBH	2.950.167.680	-	2.950.167.680	-
Düsseldorf - Nordstern	438.427.696	-	438.427.696	-
Solingen - Peker GYO Global	181.312.390	-	181.312.390	-
Grevenbroich - Bluestone	115.957.980	-	115.957.980	-
Nef 22 - Peker GYO	27.748.142	-	27.748.142	-
House - Peker GMBH	62.076.446	-	62.076.446	-
Grevenbroich - Peker GYO Global	31.509.430	-	31.509.430	-
Kaiserwall - Peker GYO	23.191.595	-	-	23.191.595
Land in Çamlıca	1.113.769.316	-	1.113.769.316	-
Malaga Marbella - Spain	81.735.419	-	81.735.419	-
Total	5.025.896.094	-	5.002.704.499	23.191.595

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

13. Property, plant and equipment

Movement of property, plant and equipment and accumulated depreciation for the periods ended June 30, 2024 and 2023 are as follows:

	January 1, 2024	Addition	Translation difference	June 30, 2024
Cost:				
Vehicles	82.480.863	6.512.303	(1.492.045)	87.501.121
Furniture and fixtures	17.442.696	258.360	(2.144.340)	15.556.716
Leasehold improvements	-	73.545	-	73.545
Total	99.923.559	6.844.208	(3.636.385)	103.131.382
Accumulated depreciation (-):				
Vehicles	27.950.782	7.696.748	(237.954)	35.409.576
Furniture and fixtures	3.885.574	895.678	(421.507)	4.359.745
Leasehold improvements	-	3.677	-	3.677
Total	31.836.356	8.596.103	(659.461)	39.772.998
Book value	68.087.203			63.358.384
	January 1, 2023	Addition	Translation difference	June 30, 2023
Cost:				
Vehicles	68.136.899	75.681	1.989.296	70.201.876
Furniture and fixtures	14.307.692	721.642	2.507.547	17.536.881
Total	82.444.591	797.323	4.496.843	87.738.757
Accumulated depreciation (-):				
Vehicles	17.301.787	3.950.187	508.095	21.760.069
Furniture and fixtures	1.752.409	706.217	453.220	2.911.846
Total	19.054.196	4.656.404	961.315	24.671.915
Book value	63.390.395			63.066.842

As of June 30, 2024 and December 31, 2023, there are pledges on vehicles amounting to 4.849.398 Turkish liras and 6.048.897 Turkish liras (Note 14).

As of June 30, 2024 and December 31, 2023 there are no property, plant and equipment acquired through financial leasing.

As of June 30, 2024 and 2023 there is no capitalized borrowing cost.

For the periods ended June 30, 2024 and 2023, depreciation expenses are included in general administrative expenses (Note 20).

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

14. Provisions, commitments and contingencies

a) Provisions

As of June 30, 2024 and December 31, 2023, there are 8 lawsuits to which the Group is a party. The Group does not foresee a significant cash outflow risk for the related lawsuits.

b) Contingent assets

The details of collaterals, pledges and mortgages ("CPM") received as of June 30, 2024 and December 31, 2023 are as follows:

	June 30, 2024	December 31, 2023
Letter of guarantees taken (*)		
- Turkish lira	2.060.200	2.569.791
- US dollar	63.480.323	71.009.773
Total	65.540.523	73.579.564

(*) As of June 30, 2024 and December 31, 2023, letter of guarantees taken consist of the letter of guarantees received from the customers regarding the undelivered residences and workplaces within the scope of the sales contracts made within the scope of Nef 22 Project.

c) Contingent liabilities

The details of collaterals, pledges and mortgages ("CPM") given as of June 30, 2024 and December 31, 2023 are as follows:

	June 30, 2024	December 31, 2023
A. Total amount of guarantees provided by the Company on behalf of itself (*)	327.304.398	218.139.917
B. Total amount for guarantees provided on behalf of subsidiaries accounted under full consolidation method (**)	2.520.781.471	2.915.647.256
C. Provided on behalf of third parties in order to maintain operating activities	-	-
D. Other guarantees given	-	-
i. Total amount of guarantees given on behalf of the parent company	-	-
ii. Total amount of guarantees provided on behalf of the associates which are not in the scope of B and C	-	-
iii. Total amount of guarantees provided on behalf of third parties which are not in the scope of C	-	-
Total	2.848.085.869	3.133.787.173

(*) As of June 30, 2024, guarantees, pledges and mortgages consist of amounting to 210.305.000 Turkish liras consist of mortgages on independent sections, amounting to 57.150.000 Turkish liras is from mortgages within the scope of "sale-leaseback", amounting to 4.849.398 Turkish liras consist of pledges on vehicles, amounting to 20.000.000 Turkish liras, amounting to 20.000.000 Turkish liras and 15.000.00 Turkish liras guarantee given to respectively Kuveyt Türk Katılım Bankası A.Ş., Albaraka Türk Katılım Bankası A.Ş. and Vakıf Katılım Bankası A.Ş. As of December 31, 2023, guarantees, pledges and mortgages consist of amounting to 96.245.531 Turkish liras consist of mortgages on independent sections, amounting to 29.312.726 Turkish liras is from mortgages within the scope of "sale-leaseback", amounting to 6.048.897 Turkish liras consist of pledges on vehicles, amounting to 52.230.637 Turkish liras is from liens within the scope of "sale-leaseback", amounting to 24.947.001 Turkish liras and 9.355.125 Turkish liras guarantee given to Kuveyt Türk Katılım Bankası A.Ş. and Albaraka Türk Katılım Bankası A.Ş.

(**) As of June 30, 2024 and December 31, 2023, guarantees provided on behalf of subsidiaries accounted under full consolidation method consist of mortgage amounting to 11.000.000 euros related to land in Nordstern, amounting to 10.000.000 euros related to land in Solingen, amounting to 50.000.000 euros related to Hotel in Northgate and amounting to 630.000 euros related to real estates in Grevenbroich.

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

15. Shareholders' equity

a) Paid in capital

The details of paid-in capital as of June 30, 2024, December 31, 2023, and January 1, 2023 are as follows:

Name of shareholder	Share (%)	June 30, 2024		December 31, 2023		January 1, 2023	
		Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Hasan Peker	31,26	209.390.029	39,17	262.364.967	25,97	173.958.175	
Treasury shares (Not 15b)	3,73	25.000.000	-	-	-	-	
Ayşegül Peker	-	-	-	-	13,03	87.306.792	
Public shares	65,01	435.443.718	60,83	407.468.780	61,00	408.568.780	
Total	100	669.833.747	100	669.833.747	100	669.833.747	
Inflation adjustment to share capital		2.394.947.714		2.394.947.714		2.394.947.714	
Total		3.064.781.461		3.064.781.461		3.064.781.461	

As of June 30, 2024, December 31, 2023, and January 1, 2023, the Company's share capital consists of 669.833.747 units of shares with the nominal value of Turkish lira 1.

Shareholder	Units of share	June 30, 2024		December 31, 2023		Group	Type
		Amount	Units of share	Amount	Units of share		
Hasan Peker	42.166.667	42.166.667	42.166.667	42.166.667	42.166.667	A	Registered
Hasan Peker	167.223.362	167.223.362	220.198.300	220.198.300	220.198.300	B	Bearer
Treasury shares (*)	25.000.000	25.000.000	-	-	-	B	Bearer
Public shares	435.443.718	435.443.718	407.468.780	407.468.780	407.468.780	B	Bearer
Total	669.833.747	669.833.747	669.833.747	669.833.747	669.833.747		

Shareholder	Units of share	January 1, 2023		Group	Type
		Amount	Units of share		
Hasan Peker	28.083.000	28.083.000	28.083.000	A	Registered
Hasan Peker	145.875.175	145.875.175	145.875.175	B	Bearer
Ayşegül Peker	14.083.667	14.083.667	14.083.667	A	Registered
Ayşegül Peker	73.223.125	73.223.125	73.223.125	B	Bearer
Public shares	408.568.780	408.568.780	408.568.780	B	Bearer
Total	669.833.747	669.833.747	669.833.747		

(*) As of June 30, 2024, it refers to publicly traded shares that have been repurchased by the Company.

Shares are divided into groups A and B, and group A shares are privileged. The nominal amount of the privileged shares is amounting to 42.166.667 Turkish liras. Group A shares have the privilege to nominate candidates in the election of the members of the Board of Directors. If the Board of Directors consists of 5 members, 3 of them, in case of 6 or 7 members, 4 of them are selected by the General Assembly from among the candidates nominated by the group A shareholders.

The management control of the Company belongs to group A shareholders, and this control is achieved by owning the majority of the privileges granted to the shares.

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

15. Shareholders' equity (cont'd)

b) Treasury shares

As of June 30, 2024, in accordance with the decision of the board of directors dated March 12, 2024, based on the completed transactions, a total of 25.000.000 shares, corresponding to 3,73% of the Company's capital, were purchased for a total price of 261.393.296 Turkish liras, including transaction costs (Note 15a).

c) Restricted reserves

In accordance with the Turkish Commercial Code ("TCC"), unless the required reserves and the dividend for shareholders as determined in the article of association or in the dividend distribution policy of the Company are set aside, no decision may be made to set aside other reserves, to transfer profits to the subsequent year or to distribute dividends to the holders of usufruct right certificates, to the members of the board of directors or to the employees; and no dividend can be distributed to these persons unless the determined dividend for shareholders is paid in cash.

The Turkish Commercial Code ("TCC") stipulates that the legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Group's paid-in share capital. Other legal reserve is appropriated out of 10% of the distributable income after 5% dividend is paid to shareholders. Under the TCC, legal reserves can only be used for compensating losses, continuing operations in severe conditions or preventing unemployment and taking actions for relieving its effects in case general legal reserves does not exceed half of paid-in capital or issued capital.

As of June 30, 2024, the total amount of legal reserves is 492.418.710 Turkish liras (December 31, 2023: 143.755.431 Turkish liras, January 1, 2023: 120.321.022 Turkish liras).

16. Earnings per share

Earnings per share disclosed in the consolidated statements of income are determined by dividing the net income per share by the weighted average number of shares that have been outstanding during the year.

	June 30, 2024	December 31, 2023
Profit for the year	415.523.562	143.078.601
Weighted average number of ordinary shares with nominal value	3.064.781.461	3.064.781.461
Earnings per share	0,14	0,05

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

17. Taxation

The earnings of companies that are granted the Real Estate Investment Trust ("REIT") status is exempt from Corporate Tax and provisional corporate tax as per the article 5, section 1, paragraph d/4 of the Corporate Tax Law nr 5520. On the other hand, as per the article 15, paragraph 3 of the Corporate Tax Law, the percentage of the income tax withholding required to be made over the earnings of these partnerships that are subject to exemption is currently zero in accordance with the Ministerial Council Decision nr 2010/14594 (nr 2003/6577 for 2008).

Deferred tax is calculated using the liability method, based on temporary differences between the recorded values and tax basis of assets and liabilities in the financial statements prepared in accordance with TAS. During this calculation, effective tax rate of the balance sheet date are used. Since the Company is exempt from corporate tax in accordance with the current tax legislation after the approval of the CMB for its transformation into a real estate investment corporation, no deferred tax assets or liabilities have been recognized over temporary and taxable differences.

Subsidiaries in Germany and Spain deferred tax assets and liabilities based upon the temporary differences arising between its taxable statutory financial statements and its financial statements prepared in accordance with the TFRS. These differences consist of fair value differences related to investment properties. As of June 30, 2024, deferred tax asset is 2.792.831 Turkish liras (December 31, 2023: 11.470.665 Turkish liras, January 1, 2023: 15.965.167 Turkish liras) and deferred tax liability is 213.778.816 Turkish liras (December 31, 2023: 238.883.662 Turkish liras, January 1, 2023: 144.466.491 Turkish liras).

Movements in deferred tax asset / (liabilities) for the period ended June 30 are as follows:

	2024	2023
January 1	(227.412.997)	(128.501.324)
Deferred tax income recognized in statement of profit or loss	(28.669.083)	(23.403.315)
Translation differences	45.096.095	21.222.509
June 30	(210.985.985)	(130.682.130)

18. Related parties

a) Short-term trade receivables

The details of short-term trade receivables from related parties as of June 30, 2024, December 31, 2023, and January 1, 2023 are as follows:

	June 30, 2024	December 31, 2023	January 1, 2023
Peker Holding GMBH (*)	159.754.517	184.314.852	-
Peker Port GMBH	250.817	145.053	-
Pollux Construction GMBH	250.817	145.053	-
PekFor 95 GMBH	250.817	145.053	-
Peker Investment GMBH	250.817	145.053	-
Total	160.757.785	184.895.064	-

(*) As of June 30, 2024, 146,582,550 Turkish lira of short-term trade receivables from Peker Holding GMBH consists of the sale of 9% of the shares of Nordstern Dusseldorf GMBH, operating in Germany, to Peker Holding GMBH on December 28, 2023.

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

18. Related parties (cont'd)

b) Long-term trade receivables

The details of long-term trade receivables from related parties as of June 30, 2024, December 31, 2023, and January 1, 2023 are as follows:

	June 30, 2024	December 31, 2023	January 1, 2023
UK Imperial Investment Ltd.	-	-	1.058.294.037
Total	-	-	1.058.294.037

On June 23, 2023, long-term trade receivables from related parties was transferred to Peker Holding GMBH during the acquisition of Peker GMBH.

c) Short-term other receivables

The details of short-term other receivables from related parties as of June 30, 2024, December 31, 2023, and January 1, 2023 are as follows:

	June 30, 2024	December 31, 2023	January 1, 2023
Hasan Peker	3.442.142	3.737.547	3.569.336
Peker Investment GMBH	779.871	33.589	-
Peker Holding GMBH	-	204.645	-
Peker Holding A.Ş.	-	-	304.443.646
Pollux Construction GMBH	-	-	25.939.444
PekFor 95 GMBH	-	-	492.581
Total	4.222.013	3.975.781	334.445.007

d) Short-term prepaid expenses

The details of short-term prepaid expenses to related parties as of June 30, 2024, December 31, 2023, and January 1, 2023 are as follows:

	June 30, 2024	December 31, 2023	January 1, 2023
Marbella Lifestyle Investment SL (*)	353.253.057	339.176.623	263.483.101
Pollux Construction GMBH	139.652.954	110.333.632	74.245.205
Total	492.906.011	449.510.255	337.728.306

(*) The Company signed a real estate purchase agreement amounting to 8.900.000 euros with its related party, Marbella Life Style Investments SL, regarding the purchase of a villa with 16 rooms and a total construction area of 1,992 m² on a 7,100 m² land in Malaga, Spain. Pursuant to the aforesaid agreement, the title deed will be transferred after the permissions for the construction of 4 additional villas on the land area excluding the existing villa are obtained. Within the scope of the relevant agreement, an advance of 8.500.000 euros was paid to the seller.

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

18. Related parties (cont'd)

e) Long-term prepaid expenses

The details of long-term prepaid expenses to related parties as of June 30, 2024, December 31, 2023, and January 1, 2023 are as follows:

	June 30, 2024	December 31, 2023	January 1, 2023
Marbella Lifestyle Investment SL	-	16.252.422	-
Total	-	16.252.422	-

f) Short-term trade payables

The details of short-term trade payables to related parties as of June 30, 2024, December 31, 2023, and January 1, 2023 are as follows:

	June 30, 2024	December 31, 2023	January 1, 2023
Peker Management GMBH	1.630.966	1.198.367	-
Pollux Construction GMBH	418.781	-	-
Peker Holding A.Ş.	21.959	27.391	-
Total	2.071.706	1.225.758	-

g) Short-term other payables

The details of short-term other payables to related parties as of June 30, 2024, December 31, 2023, and January 1, 2023 are as follows:

	June 30, 2024	December 31, 2023	January 1, 2023
Peker Holding A.Ş.	732.362.370	2.035.214	552.386.531
Peker Investment GMBH	-	-	14.924.739
Peker Management GMBH	-	-	269.116
Total	732.362.370	2.035.214	567.580.386

h) Long-term other payables

The details of long-term other payables to related parties as of June 30, 2024, December 31, 2023, and January 1, 2023 are as follows:

	June 30, 2024	December 31, 2023	January 1, 2023
Peker Holding A.Ş.	328.466.521	254.809.854	119.601.399
Peker Holding Ltd.	1.251.340	1.447.355	6.187.624
Peker Holding GMBH	-	-	156.354.709
Total	329.717.861	256.257.209	282.143.732

i) Benefits of the key management

The key management of the Group consists of the Board of Directors, General Manager and Directors. For the period ended June 30, 2024, the total compensation consisting of short term benefits such as salaries and rental of car. For the periods ended June 30, 2024 and 2023, benefits of the key management amounting to 11.710.466 Turkish liras and 16.402.738 Turkish liras.

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

19. Sales and cost of sales

For the periods ended June 30, 2024 and 2023, the details of sales and cost of sales are as follows:

	January 1 - June 30, 2024	April 1 - June 30, 2024	January 1 - June 30, 2023	April 1 - June 30, 2023
Domestic sales (*)	-	-	1.003.452.722	1.003.452.722
Export sales (**)	-	-	77.352.238	-
Rent income	60.089.154	28.521.396	8.251.638	6.665.584
Net sales	60.089.154	28.521.396	1.089.056.598	1.010.118.306
Cost of domestic sales (-)	-	-	(1.138.780.817)	(1.138.780.817)
Cost of export sales (-)	-	-	(72.517.248)	-
Other (-)	(31.830)	(6.066)	(734.117)	(597.367)
Cost of sales (-)	(31.830)	(6.066)	(1.212.032.182)	(1.139.378.184)
Gross profit	60.057.324	28.515.330	(122.975.584)	(129.259.878)

(*) For the period ended June 30, 2023, domestic sales consist of sales of the investment property with a land of 11,020 m² in Üsküdar, and residences and warehouses in Sultan Makamı Residences.

(**) For the period ended June 30, 2023, export sales consist of the sales of investment properties numbered 18 and 19 in the Urbanization Oasis Club project in Malaga Marbella, Spain.

20. Marketing and general administrative expenses

a) Marketing expenses

For the periods ended June 30, 2024 and 2023, the details of general administrative expenses are as follows:

	January 1 - June 30, 2024	April 1 - June 30, 2024	January 1 - June 30, 2023	April 1 - June 30, 2023
Sponsorship expenses	11.436.595	-	-	-
Total	11.436.595	-	-	-

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

20. Marketing and general administrative expenses (cont'd)

b) General administrative expenses

For the periods ended June 30, 2024 and 2023, the details of general administrative expenses are as follows:

	January 1 - June 30, 2024	April 1 - June 30, 2024	January 1 - June 30, 2023	April 1 - June 30, 2023
Personnel expenses	21.578.974	10.260.488	28.142.015	13.498.988
Consultancy expenses	10.302.238	5.565.894	17.071.673	5.426.712
Amortization and depreciation expenses (Note 13)	8.596.103	4.277.759	4.656.404	1.473.936
Rent expenses	8.071.849	3.970.525	7.114.302	3.735.702
Insurance expenses	3.511.867	1.740.135	2.191.631	911.559
Taxes, duties and other charges	3.433.178	2.238.558	7.172.410	4.776.249
Travel expenses	1.669.696	655.376	1.323.049	420.367
Outsourced benefits and services	1.006.593	680.810	2.980.581	1.645.719
Maintenance and repair expenses	771.640	181.492	1.521.158	977.092
Travel and accommodation expenses	583.777	373.463	3.477.251	697.629
Contribution expenses	503.902	223.399	606.410	68.846
Donations and grants (**)	51.507	24.536	5.630.202	21.006
Other (**)	6.471.270	3.039.264	1.993.843	792.046
Total	66.552.594	33.231.699	83.880.929	34.445.851

(*) For the period ended June 30, 2023, donations and grants mainly consist of donations related to Kahramanmaraş-centered earthquake on February 6, 2023.

(**) For the period ended June 30, 2024, other expenses mainly consist of capital market transaction expenses.

21. Other income and expenses from operating activities

a) Other income from operating activities

For the periods ended June 30, 2024 and 2023, the details of other income from operating activities are as follows:

	January 1 - June 30, 2024	April 1 - June 30, 2024	January 1 - June 30, 2023	April 1 - June 30, 2023
Fair value differences of investment properties (Note 12)	739.432.004	646.365.096	245.585.019	234.081.725
Foreign exchange gains	192.202.815	34.722.484	473.817.002	388.025.049
Taxes, duties and other charges refunds	3.357.757	-	823.231	823.231
Late interest income (*)	-	-	27.455.450	18.236.906
Provision no longer required	-	-	2.722.372	2.722.372
Other (**)	43.415	-	2.154.145	-
Total	935.035.991	681.087.580	752.557.219	643.889.283

(*) As of June 30, 2023, late interest income consists of interest income related to trade receivables from UK Imperial Investment Ltd.

(**) For the period ended June 30, 2023, other expenses mainly consist of income arising from trade payables that will not be paid.

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

21. Other income and expenses from operating activities

b) Other expenses from operating activities

For the periods ended June 30, 2024 and 2023, the details of other expenses from operating activities are as follows:

	January 1 - June 30, 2024	April 1 - June 30, 2024	January 1 - June 30, 2023	April 1 - June 30, 2023
Foreign exchange loss	88.353.678	24.308.832	62.789.869	33.370.586
Fair value differences of investment properties (Note 12)	14.836.487	101.989	92.199.761	69.568.948
Taxes, duties and other charges	1.540.350	573	110.872	36.285
Other	408.689	319.179	706.524	318.017
Total	105.139.204	24.730.573	155.807.026	103.293.836

22. Income and expenses from investing activities

a) Income from investing activities

For the periods ended June 30, 2024 and 2023, the details of income from investing activities are as follows:

	January 1 - June 30, 2024	April 1 - June 30, 2024	January 1 - June 30, 2023	April 1 - June 30, 2023
Profit from sales of funds (Note 5a)	23.455.830	23.455.830	-	-
Profit from sales of stocks (Note 5a)	12.935.573	9.397.221	-	-
Interest income from funds	62.659	-	-	-
Fair value gain of stocks (Note 5a)	18.700	-	-	-
Total	36.472.762	32.853.051	-	-

b) Expense from investing activities

For the periods ended June 30, 2024 and 2023, the details of expense from investing activities are as follows:

	January 1 - June 30, 2024	April 1 - June 30, 2024	January 1 - June 30, 2023	April 1 - June 30, 2023
Loss from sales of funds (Not 5a)	23.261.523	-	-	-
Fair value loss of stocks (Note 5a)	9.956.447	-	-	-
Total	33.217.970	-	-	-

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

23. Income and expenses from financing activities

a) Income from financing activities

For the periods ended June 30, 2024 and 2023, the details of income from financing activities are as follows:

	January 1 - June 30, 2024	April 1 - June 30, 2024	January 1 - June 30, 2023	April 1 - June 30, 2023
Interest income from time deposits	1.408.567	204.833	1.227.412	1.160.118
Late interest income	-	-	1.172.141	618.644
Other	2.688	2.688	2.814.977	2.772.580
Total	1.411.255	207.521	5.214.530	4.551.342

b) Expense from financing activities

For the periods ended June 30, 2024 and 2023, the details of expense from financing activities are as follows:

	January 1 - June 30, 2024	April 1 - June 30, 2024	January 1 - June 30, 2023	April 1 - June 30, 2023
Interest and comission expenses related to loans	86.505.776	44.399.335	30.464.632	13.596.913
Late interest expenses	46.470.207	20.456.274	40.218.538	27.123.775
Interest and comission expenses related to lease liabilities	36.147.690	17.234.421	25.648.424	12.558.589
Interest expenses related to commerical papers	25.366.493	16.604.902	-	-
Bank comission expenses	1.037.899	812.398	1.621.475	131.034
Taxes, duties and other charges	407.913	62.353	34.455	20.710
Interest expenses related to retirement payment liability	46.510	21.301	120.429	56.333
Interest expense related to group companies	-	-	1.976.117	1.976.117
Interest expense arising other payables	-	-	1.859.454	542.139
Other	251.545	45.478	69.787	28.642
Total	196.234.033	99.636.462	102.013.311	56.034.252

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

24. Nature and level of risks arising from financial instruments

The primary financial instruments of the Group consist of bank loans, cash and short-term deposits. The main objective of the related financial instruments is to finance the Group's business activities. The Group also has other financial instruments such as trade receivables and trade payables arising directly from its operating activities.

a) Capital risk management

The Group manages its capital through the optimization of the debt and the equity balance that minimizes the financial risk.

Through the forecasts regularly prepared by the Group, the future capital amount, debt to equity ratio and similar ratios are forecasted and required precautions are taken to strengthen the capital.

The capital structure of the Group consists of debt which includes the financial liabilities disclosed in Note 4 cash and cash equivalents and equity attributable to equity holders of the parent company, comprising issued capital, reserves and retained earnings as disclosed in Note 15.

As of reporting date the net financial debt/ equity ratio is as follows:

	June 30, 2024	December 31, 2023	January 1, 2023
Financial liabilities	3.006.702.409	3.139.298.576	2.690.739.832
Less: Cash and cash equivalents	(67.553.302)	(72.468.223)	(115.217.497)
Net financial debt	2.939.149.107	3.066.830.353	2.575.522.335
Total equity	3.266.658.377	4.040.127.767	4.409.944.532
Net financial debt/ Total equity ratio	0,90	0,76	0,58

b) Financial risk factors

The Group's activities expose it to a variety of financial risks: foreign exchange risk, credit risk and liquidity risk. Group Management and Board of Directors examines and approves the policies on the management of risks stated below. In addition, the Group also considers the market risk of all of its financial instruments.

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

**Notes to the Condensed Consolidated Financial Statements
As of and for the Period Ended June 30, 2024, and 2023**

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

24. Nature and level of risks arising from financial instruments (cont'd)

b) Financial risk factors (cont'd)

b.1) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults.

Credit risk of receivables is managed by securing receivables with collaterals covering receivables at the highest possible proportion. Methods used are bank guarantees, mortgages and cheques-notes negotiated.

In credit risk control, for the customers which are not secured with collaterals, the credit quality of the customer is assessed by taking into account its financial position, past experience and other factors. Individual risk limits are set in accordance and the utilization of credit limits is regularly monitored.

Current period	Receivables		Bank deposits	Financial investments
	Trade receivables	Other receivables		
June 30, 2024				
Maximum net credit risk as of balance sheet date (A+B+C+D+E) (*)	888.310.519	16.566.602	67.545.503	38.134.019
- The part of maximum risk under guarantee with collateral	-	-	-	-
A. Net book value of financial assets that are neither overdue nor impaired	888.310.519	16.566.602	67.545.503	38.134.019
B. Net book value of financial assets that are renegotiated	-	-	-	-
C. Net book value of financial assets that are overdue but not impaired	-	-	-	-
- The part of maximum risk under guarantee with collateral	-	-	-	-
D. Net book value of impaired asset	-	-	-	-
- Overdue (gross net book value)	-	-	-	-
- Impairment (-)	-	-	-	-
- The part of net value under guarantee with collateral etc	-	-	-	-
- Undue (gross net book value)	-	-	-	-
- Impairment (-)	-	-	-	-
- The part of net value under guarantee with collateral etc.	-	-	-	-
E. Credit risk off the statement of financial position	-	-	-	-

(*) The factors that increase the credit reliability, such as guarantee received are not considered in the determination of the balance.

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

**Notes to the Condensed Consolidated Financial Statements
As of and for the Period Ended June 30, 2024, and 2023**

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

24. Nature and level of risks arising from financial instruments (cont'd)

b) Financial risk factors (cont'd)

b.1) Credit risk (cont'd)

	Receivables		Bank deposits	Financial investments
	Trade receivables	Other receivables		
Prior period				
December 31, 2023				
Maximum net credit risk as of balance sheet date (A+B+C+D+E) (*)	1.065.501.307	9.998.896	72.463.795	116.165.352
- The part of maximum risk under guarantee with collateral	-	-	-	-
A. Net book value of financial assets that are neither overdue nor impaired	1.065.501.307	9.998.896	72.463.795	116.165.352
B. Net book value of financial assets that are renegotiated	-	-	-	-
C. Net book value of financial assets that are overdue but not impaired	-	-	-	-
- The part of maximum risk under guarantee with collateral	-	-	-	-
D. Net book value of impaired asset	-	-	-	-
- Overdue (gross net book value)	-	-	-	-
- Impairment (-)	-	-	-	-
- The part of net value under guarantee with collateral etc	-	-	-	-
- Undue (gross net book value)	-	-	-	-
- Impairment (-)	-	-	-	-
- The part of net value under guarantee with collateral etc.	-	-	-	-
E. Credit risk off the statement of financial position	-	-	-	-

(*) The factors that increase the credit reliability, such as guarantee received are not considered in the determination of the balance.

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

**Notes to the Condensed Consolidated Financial Statements
As of and for the Period Ended June 30, 2024, and 2023**

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

24. Nature and level of risks arising from financial instruments (cont'd)

b) Financial risk factors (cont'd)

b.1) Credit risk (cont'd)

Prior period	Receivables		Bank deposits	Financial investments
	Trade receivables	Other receivables		
January 1, 2023				
Maximum net credit risk as of balance sheet date (A+B+C+D+E) (*)	1.131.848.399	354.440.734	115.202.432	6.557
- The part of maximum risk under guarantee with collateral	-	-	-	-
A. Net book value of financial assets that are neither overdue nor impaired	73.554.362	354.440.734	115.202.432	6.557
B. Net book value of financial assets that are renegotiated	-	-	-	-
C. Net book value of financial assets that are overdue but not impaired	-	-	-	-
- The part of maximum risk under guarantee with collateral	-	-	-	-
D. Net book value of impaired asset	1.058.294.037	-	-	-
- Overdue (gross net book value)	-	-	-	-
- Impairment (-)	-	-	-	-
- The part of net value under guarantee with collateral etc	-	-	-	-
- Undue (gross net book value)	1.061.224.331	-	-	-
- Impairment (-)	(2.930.294)	-	-	-
- The part of net value under guarantee with collateral etc.	-	-	-	-
E. Credit risk off the statement of financial position	-	-	-	-

(*) The factors that increase the credit reliability, such as guarantee received are not considered in the determination of the balance.

There is no additional impairment in the financial assets except for the provisions in the consolidated financial statements.

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

24. Nature and level of risks arising from financial instruments (cont'd)

b) Financial risk factors (cont'd)

b.2) Liquidity risk

Liquidity risk is the risk of the Group not meeting its net funding requirements. The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

The Group management eliminates of the liquidity risk with the principle of managing the balance sheet in accordance with the expected cash flow by keeping sufficient cash and cash equivalents for daily transactions and ensuring the availability of high quality credit providers. The Group management also tries to adjust the maturity structures of the financial debts used for construction costs and investment property development according to the cash flow of the incomes to be obtained from these real estates as much as possible.

As of June 30, 2024, December 31, 2023, and January 1, 2023 the maturity analysis of the financial liabilities is as follows:

Contractual maturity analysis June 30, 2024	Carrying value	Total cash outflow according to contract (I+II+III)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)	More than 5 years (IV)
Non derivative financial liabilities						
Bank loans	2.456.325.356	2.531.297.463	67.183.144	617.185.736	1.846.928.583	-
Commercial paper	174.606.560	200.199.655	-	200.199.655	-	-
Lease liabilities	375.770.493	814.352.549	12.726.091	39.411.606	93.671.259	668.543.593
Trade payables	122.385.679	122.385.679	101.951.533	20.434.146	-	-
Other payables	1.064.822.616	1.064.822.616	2.742.385	732.362.370	329.717.861	-
Total liabilities	4.193.910.704	4.733.057.962	184.603.153	1.609.593.513	2.270.317.703	668.543.593

Contractual maturity analysis December 31, 2023	Carrying value	Total cash outflow according to contract (I+II+III)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)	More than 5 years (IV)
Non derivative financial liabilities						
Bank loans	2.675.069.902	2.701.769.563	27.555.178	169.200.478	2.505.013.907	-
Lease liabilities	464.228.674	1.045.409.898	14.309.990	47.064.990	131.347.756	852.687.162
Trade payables	150.650.248	150.650.248	126.520.099	24.130.149	-	-
Other payables	296.846.069	296.846.069	38.553.646	2.035.214	256.257.209	-
Total liabilities	3.586.794.893	4.194.675.778	206.938.913	242.430.831	2.892.618.872	852.687.162

Contractual maturity analysis January 1, 2023	Carrying value	Total cash outflow according to contract (I+II+III)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)	More than 5 years (IV)
Non derivative financial liabilities						
Bank loans	2.076.115.360	2.078.973.660	2.141.252	389.746.741	1.687.085.667	-
Lease liabilities	614.624.472	765.777.714	727.209	2.181.627	55.181.416	707.687.462
Trade payables	158.977.987	158.977.987	126.774.208	32.203.779	-	-
Other payables	850.664.205	850.664.205	940.087	567.580.386	282.143.732	-
Total liabilities	3.700.382.024	3.854.393.566	130.582.756	991.712.533	2.024.410.815	707.687.462

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

24. Nature and level of risks arising from financial instruments (cont'd)

b) Financial risk factors (cont'd)

b.3) Interest rate risk

Changes in interest rates create significant risks over financial results with due to the impact on interest sensitive assets and liabilities. These exposures are managed by establishing a fixed-floating balance in the consolidated financial statements and balancing interest rate sensitive assets and maturity with inter balance sheet items.

As of June 30, 2024, December 31, 2023, and January 1, 2023, interest rate table of financial instruments is as follow:

	June 30, 2024	December 31, 2023	January 1, 2023
Fixed interest rate financial assets			
Time deposits (Note 4)	407.630	690.015	8.073.682
Fixed interest rate financial liabilities			
Bank loans (Note 6)	2.285.190.587	2.544.374.224	1.922.491.035
Floating interest rate financial liabilities			
Bank loans (Note 6)	171.134.769	130.695.678	153.624.325

The Group's floating rate bank loans are exposed to interest rate risk depending on interest rate changes. Interest rates of floating interest rate bank loans as of June 30, 2024, December 31, 2023, and January 1, 2023 are %2,90+3 months libor (Note 6).

b.4) Foreign currency risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions.

As of June 30, 2024 and December 31, 2023, details of foreign currency positions of assets and liabilities of the Group are as follows:

Foreign exchange position	Current period			
	June 30, 2024			
	TL equivalent	USD	EUR	GBP
1. Monetary financial assets	2.920.146	4.714	62.667	13.611
2. Trade receivables	868.784.440	-	23.500.000	1.044.177
3. Other receivables	44.378	-	-	1.071
4. Current assets (1+2+3)	871.748.964	4.714	23.562.667	1.058.859
5. Other receivables	1.383.679.633	-	39.389.202	-
6. Non-current assets (5)	1.383.679.633	-	39.389.202	-
7. Total assets (4+6)	2.255.428.597	4.714	62.951.869	1.058.859
8. Trade payables	(263.287)	-	(7.495)	-
9. Other payables	(870.002.671)	-	(24.766.362)	-
10. Current liabilities (8+9)	(870.265.958)	-	(24.773.857)	-
11. Total liabilities (10)	(870.265.958)	-	(24.773.857)	-
12. Net foreign currency (liability)/ asset (7+11)	1.385.162.639	4.714	38.178.012	1.058.859

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

24. Nature and level of risks arising from financial instruments (cont'd)

b) Financial risk factors (cont'd)

b.4) Foreign currency risk (cont'd)

	Prior period			
	December 31, 2023			
Foreign exchange position	TL equivalent	USD	EUR	GBP
1. Monetary financial assets	1.365.355	5.503	16.197	10.816
2. Trade receivables	1.044.226.975	-	24.500.000	1.044.177
3. Other receivables	86.214	-	-	1.846
4. Current assets (1+2+3)	1.045.678.544	5.503	24.516.197	1.056.839
5. Other receivables	1.484.085.713	-	36.525.896	-
6. Non-current assets (5)	1.484.085.713	-	36.525.896	-
7. Total assets (4+6)	2.529.764.257	5.503	61.042.093	1.056.839
8. Trade payables	(385.914)	-	(9.498)	-
9. Other payables	(1.008.232.271)	-	(24.814.326)	-
10. Current liabilities (8+9)	(1.008.618.185)	-	(24.823.824)	-
11. Total liabilities (10)	(1.008.618.185)	-	(24.823.824)	-
12. Net foreign currency (liability)/ asset (7+11)	1.521.146.072	5.503	36.218.269	1.056.839

Foreign currency sensitivity

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD, EUR and GBP.

In foreign currency sensitivity analysis gain/ loss section as of June 30, 2024 and December 31, 2023, the exposure of the 10% loss/ gain of Turkish lira against foreign currencies on the comprehensive financial income statement is disclosed. During the foreign currency sensitivity analysis, all variables, especially interest rates are assumed to be fixed.

Foreign currency sensitivity table		
Current period	June 30, 2024	
	Profit/ (loss)	
	Appreciation of foreign currency	Depreciation of foreign currency
US dollar against Turkish lira by 10%		
1- US dollar denominated net assets/ (liabilities)	15.474	(15.474)
2- Hedged amount against US dollar risk (-)	-	-
3- Net effect of USD (1+2)	15.474	(15.474)
EUR against Turkish lira by 10%		
4- EUR denominated net assets/ (liabilities)	134.113.249	(134.113.249)
5- Hedged amount against EUR risk (-)	-	-
6- Net effect of EUR (4+5)	134.113.249	(134.113.249)
GBP against Turkish lira by 10%		
7- GBP denominated net assets/ (liabilities)	4.387.541	(4.387.541)
8- Hedged amount against GBP risk (-)	-	-
9- Net effect of GBP (7+8)	4.387.541	(4.387.541)
Total (3+6+9)	138.516.264	(138.516.264)

Peker Gayrimenkul Yatırım Ortaklığı Anonim Şirketi and Its Subsidiaries

Notes to the Condensed Consolidated Financial Statements

As of and for the Period Ended June 30, 2024, and 2023

(Amounts expressed in Turkish lira ("TL") in terms of purchasing power of the TL at June 30, 2024 unless otherwise indicated.)

24. Nature and level of risks arising from financial instruments (cont'd)

b) Financial risk factors (cont'd)

b.4) Foreign currency risk (cont'd)

Foreign currency sensitivity (cont'd)

Foreign currency sensitivity table		
Prior period	December 31, 2023	
	Profit/ (loss)	
	Appreciation of foreign currency	Depreciation of foreign currency
US dollar against Turkish lira by 10%		
1- US dollar denominated net assets/ (liabilities)	20.207	(20.207)
2- Hedged amount against US dollar risk (-)	-	-
3- Net effect of USD (1+2)	20.207	(20.207)
EUR against Turkish lira by 10%		
4- EUR denominated net assets/ (liabilities)	147.158.652	(147.158.652)
5- Hedged amount against EUR risk (-)	-	-
6- Net effect of EUR (4+5)	147.158.652	(147.158.652)
GBP against Turkish lira by 10%		
7- GBP denominated net assets/ (liabilities)	4.935.748	(4.935.748)
8- Hedged amount against GBP risk (-)	-	-
9- Net effect of GBP (7+8)	4.935.748	(4.935.748)
Total (3+6+9)	152.114.607	(152.114.607)

25. Subsequent events

In accordance with the board of directors' decision dated July 8, 2024, the Company has decided to increase its paid-in capital by a total of TL 1.830.166.253, including TL 1.486.463.823 from equity inflation adjustment differences and TL 343.702.430 from retained earnings, to reach TL 2.500.000.000, and to distribute the increased capital to the Company's shareholders in proportion to their shares, free of charge. In this context, the Company applied to the Capital Markets Board on July 16, 2024 to increase the capital ceiling of TL 1.850.000.000 to TL 15.000.000.000.

As of the balance sheet date, the Company has realized the repurchase of 25.000.000 shares that it committed to within the scope of the program initiated for the repurchase of 25.000.000 shares with a nominal value of 25.000.000 Turkish liras between March 12, 2024 and March 11, 2025 in accordance with the decision of the Board of Directors dated March 12, 2024; and sold all of its repurchased shares on July 10, 2024 at an average price of 9.8260 Turkish liras.

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

The application of the corporate tax exemption provided to the earnings of Real Estate Investment Partnerships ("REITs") and Real Estate Investment Funds ("REITs") has been made conditional on the distribution of at least 50% of the earnings obtained from the real estates owned by the said funds and partnerships as dividends by the end of the second month following the month in which the corporate tax return should be filed,

The application of 10% domestic minimum corporate tax has been introduced with the c clause added to Article 32 of the Corporate Tax Law, and it has been stipulated that the earnings obtained from real estates by REITs and REITs cannot be taken into account as exemptions and deductions from the corporate earnings for which the minimum corporate tax will be calculated.

On August 22, 2024, the Company applied to the Capital Markets Board regarding the issuance of debt instruments abroad up to 150.000.000 Euros without a public offering, within the framework of the capital markets legislation.