

**Doğuş Gayrimenkul Yatırım Ortaklığı
Anonim Şirketi**

Convenience Translation to English of
Financial Statements

As at and for the Year Ended

31 December 2022

With Independent Auditor's Report

(Originally Issued in Turkish)



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CONVENIENCE TRANSLATION OF THE INDEPENDENT AUDITOR'S REPORT ORIGINALLY PREPARED AND ISSUED IN TURKISH TO ENGLISH

To the Shareholders of Doğuş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

A) Audit of the Financial Statements

Opinion

We have audited the financial statements of Doğuş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi ("the Company"), which comprise the statement of financial position as at 31 December 2022, the statements of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with Turkish Financial Reporting Standards ("TFRS").

Basis for Opinion

We conducted our audit in accordance with standards on auditing issued by Capital Markets Board of Turkey ("CMB") and Standards on Auditing which is a component of the Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority ("POA") ("Standards on Auditing issued by POA"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We declare that we are independent of the Company in accordance with the Code of Ethics for Auditors issued by POA (*including Independence Standards*) ("POA's Code of Ethics") and the ethical requirements in the regulations issued by POA that are relevant to audit of financial statements, and we have fulfilled our other ethical responsibilities in accordance with the POA's Code of Ethics and regulations. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Determination of fair value of investment property

Refer to Note 2.3 to the financial statements for summary of significant accounting policies and significant accounting assessments, estimates and assumptions for investment properties.

<u>The key audit matter</u>	<u>How the matter was addressed in our audit</u>
As of 31 December 2022, the investment properties amounting to TRY 5.051.517.034 represent 99% of the Company's total assets. The fair values of the Company's investment properties are determined by an independent real estate valuation company. For the year ended 31 December 2022, TRY 2.933.114.646 fair value gain is recognized in "other operating income" as a result of the value determined by the independent real estate valuation company. Fair value gain constitutes 91% of the Company's operating profit. Investment properties constitute a significant part of the Company's financial statements, and valuation methods include important estimates and assumptions. For this reason, determining the fair values of investment properties and reflecting them in the financial statements at the right amount has been considered as a key audit matter.	Our audit procedures in this area included, among others: • The competencies and integrity of the real estate appraisers assigned by the company management were evaluated, • Future plans and explanations were evaluated within the framework of macroeconomic data, by meeting with the company management, • The suitability of the valuation methods used in the calculations and reports prepared by the valuation companies has been evaluated, • Independent external experts were included in the studies to evaluate the estimates and assumptions (discount and capitalization rates, imputed rents) used by the valuation experts that the company management makes use of, • The suitability of key variables such as estimated increase rates, estimated occupancy rates, estimated profitability and accommodation fees used in valuations made using the Discounted Cash Flows ("DNA") method has been evaluated, • Evaluation whether the valuation results are within the acceptable range with sensitivity analysis, • The arithmetic accuracy of the calculations made in the valuation reports and the value increases/decreases to be reflected in the financial statements were checked • Evaluating the appropriateness and adequacy of other disclosures in the financial statements with respect to TFRSs.

Other Matter

The financial statements of the Company for the year ended 31 December 2021 were audited by another auditor who expressed an unmodified opinion on those financial statements on 23 February 2022.



Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with TFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Responsibilities of auditors in an audit are as follows:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with standards on auditing issued by the CMB and Standards on Auditing issued by POA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the standards on auditing issued by the CMB and Standards on Auditing issued by POA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

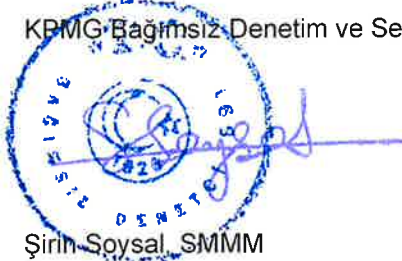
B) Other Legal and Regulatory Requirements

1) Pursuant to the fourth paragraph of Article 398 of Turkish Commercial Code ("TCC") numbered 6102; the Independent Auditor's Report on System and Committee of Early Identification of Risks is presented to the Board of Directors of the Company on 28 February 2023.

2) Pursuant to the fourth paragraph of Article 402 of the TCC; no significant matter has come to our attention that causes us to believe that for the period between 1 January 2022 and 31 December 2022, the Company's bookkeeping activities and financial statements are not in compliance with TCC and provisions of the Company's articles of association in relation to financial reporting.

3) Pursuant to the fourth paragraph of Article 402 of the TCC; the Board of Directors provided us the necessary explanations and required documents in connection with the audit.

KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi



Şirin Soysal, SMMM
Partner

28 February 2023
İstanbul, Türkiye

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**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞUŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

STATEMENT OF FINANCIAL POSITION AS OF 31 DECEMBER 2022

(Amounts expressed as Turkish Lira ("TRY") unless otherwise stated.)

		Audited	Audited
	Notes	31 December 2022	31 December 2021
ASSETS			
Current Assets		40.462.608	410.506.872
Cash and Cash Equivalents	3	16.995.328	12.429.664
Trade Receivables		21.669.257	45.918.703
<i>Trade Receivables from Related Parties</i>	5.25	16.393.935	40.996.390
<i>Trade Receivables from Third Parties</i>	5	5.275.322	4.922.313
Other Receivables	6	58.399	3.127
<i>Other Receivables from Third Parties</i>		58.399	3.127
Prepaid Expenses	7	847.478	529.274
Current Income Tax Assets	8	363.454	257.532
Other Current Assets	13	528.692	2.133.572
Subtotal		40.462.608	61.271.872
Non-current Assets Classified as Held for Sale	10	--	349.235.000
Non-Current Assets		5.055.380.822	2.029.402.417
Investment Properties	9	5.051.517.034	2.024.881.828
Tangible Assets		795.782	716.647
Intangible Assets		145.495	128.357
Prepaid Expenses	7	2.701.154	3.469.083
Other Non-Current Assets	13	221.357	206.502
TOTAL ASSETS		5.095.843.430	2.439.909.289
LIABILITIES			
Current Liabilities		365.831.250	348.755.440
Short-term portion of long-term borrowings	4	237.576.648	283.342.595
Trade Payables		101.968.498	63.365.715
<i>Trade Payables to Related Parties</i>	5.25	94.041.800	56.810.389
<i>Trade Payables to Third Parties</i>	5	7.926.698	6.555.326
Liabilities for Employee Benefits		204.859	101.707
Other Payables	6	22.793.568	371.430
<i>Other Payables to Related Parties</i>	25	22.500.000	--
<i>Other Payables to Third Parties</i>		293.568	371.430
Short Term Provisions	12	2.318.195	1.138.933
<i>Short Term Provisions Related to Employee Benefits</i>	12	2.268.247	1.108.896
<i>Other Short Term Provisions</i>	12	49.948	30.037
Other Short Term Liabilities	13	358.137	172.510
Deferred Income		611.345	262.550
<i>Deferred Income from Third Parties</i>	7	611.345	262.550
Non-Current Liabilities		1.660.260.468	1.685.792.728
Long-term borrowings	4	1.655.036.859	1.682.713.838
Other Payables	6	2.472.483	1.808.984
<i>Other Payables to Third Parties</i>		2.472.483	1.808.984
Deferred Income		900.921	369.959
<i>Deferred Income to Third Parties</i>	7	900.921	369.959
Long Term Provisions		1.850.205	899.947
<i>Long Term Provisions Related to Employee Benefits</i>	12	1.850.205	899.947
EQUITY		3.069.751.712	405.361.121
Share Capital	15	332.007.786	332.007.786
Share premium	15	261.639.202	261.639.202
Other Comprehensive Income not to be reclassified to profit or loss	15	(730.345)	(91.940)
Restricted Reserves		5.056.295	5.056.295
Retained Earnings		(193.250.222)	36.026.082
Profit / (Loss) for the Period		2.665.028.996	(229.276.304)
TOTAL EQUITY AND LIABILITIES		5.095.843.430	2.439.909.289

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

CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH

DOĞUŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

(Amounts expressed as Turkish Lira ("TRY") unless otherwise stated.)

		Audited 1 January- 31 December 2022	Audited 1 January- 31 December 2021
	Notes		
PROFIT OR LOSS			
Revenue	16	250.119.674	151.169.448
Cost of Sales (-)	16	(44.063.675)	(22.825.259)
GROSS PROFIT		206.055.999	128.344.189
General Administrative Expenses (-)	17	(19.000.484)	(9.196.504)
Other Operating Income	19	3.079.818.256	393.826.046
Other Operating Expenses (-)	19	(26.191.282)	(15.774.652)
OPERATING PROFIT		3.240.682.489	497.199.079
Income From Investing Activities	18	--	--
Expenses From Investing Activities (-)	18	--	--
OPERATING PROFIT BEFORE FINANCE INCOME		3.240.682.489	497.199.079
Financial Income	20	1.138.523	7.374.279
Financial Expenses (-)	21	(576.792.016)	(833.350.730)
PROFIT / LOSS FROM CONTINUING OPERATIONS, BEFORE TAX		2.665.028.996	(328.777.372)
Tax (expense) / income	23	--	--
PROFIT / (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX		2.665.028.996	(328.777.372)
PROFIT FOR THE YEAR FROM DISCONTINUED OPERATIONS	22	--	99.501.068
PROFIT / (LOSS) FOR THE PERIOD		2.665.028.996	(229.276.304)
Earnings per Share	24	8.027	(0.691)
Other comprehensive income/(expense) items that will not to be reclassified to profit or loss			
Gains on Remeasurements of Defined Benefit Plans	12	(638.405)	--
OTHER COMPREHENSIVE INCOME		(638.405)	--
TOTAL COMPREHENSIVE INCOME / (EXPENSE)		2.664.390.591	(229.276.304)

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

CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞUŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2022

(Amounts expressed as Turkish Lira ("TRY") unless otherwise stated.)

Audited	Notes	Paid-in capital	Treasury shares	Share premium	Other comprehensive expense not to be reclassified to profit or loss (Loss)/Gain on Benefit Obligations	Restricted Reserves	Retained earnings		Total
							Retained Earnings	Net Profit/(Loss) for the Period	
Balance at 1 January 2021		332.007.786	(2.934.646)	252.935.267	(91.940)	5.056.295	396.891.270	(360.865.188)	622.998.844
Repurchased shares	15	--	2.934.646	8.703.935	--	--	--	--	11.638.581
Transfers		--	--	--	--	--	(360.865.188)	360.865.188	--
Total comprehensive income		--	--	--	--	--	--	(229.276.304)	(229.184.364)
Balance at 31 December 2021		332.007.786	--	261.639.202	(91.940)	5.056.295	36.026.082	(229.276.304)	405.361.121
Balance at 1 January 2022		332.007.786	--	261.639.202	(91.940)	5.056.295	36.026.082	(229.276.304)	405.361.121
Transfers		--	--	--	--	--	(229.276.304)	229.276.304	--
Total comprehensive income		--	--	--	(638.405)	--	--	2.665.028.996	2.664.390.591
Balance at 31 December 2022		332.007.786	--	261.639.202	(730.345)	5.056.295	(193.250.222)	2.665.028.996	3.069.751.712

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

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞUŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

STATEMENTS OF CASH FLOW FOR THE PERIOD ENDED 31 DECEMBER 2022

(Amounts expressed as Turkish Lira ("TRY") unless otherwise stated.)

		Audited	Audited
		1 January - 31 December 2022	1 January - 31 December 2021
	Notes		
Cash flows from operating activities		194.866.082	118.515.474
Net profit / (loss) for the period		2.665.028.996	(229.276.304)
Adjustments for (loss) / profit for the period		(2.560.983.525)	362.619.587
Adjustments related with interest income and expenses	19,20,21	105.914.336	82.389.943
Adjustments for impairment loss		3.578.431	1.902.705
- <i>Provision for doubtful receivables</i>	5	3.578.431	1.902.705
Adjustments related with provisions	12	1.491.115	(2.995.717)
Adjustment for unrealised foreign exchange differences		401.311.119	733.964.881
Adjustments for fair value gains	19,20,22	(2.933.114.646)	(452.548.775)
Adjustments for gains on disposal of fixed assets		(140.163.880)	(93.450)
- <i>Gain on sale of investment property</i>	19	(140.187.613)	--
- <i>Gain on sale of tangible assets</i>		23.733	(93.450)
Changes in working capital		90.820.611	(14.827.809)
Adjustments for increase in trade receivables		26.534.680	(31.241.315)
Adjustments for increase in trade payables		38.602.783	26.092.398
Other adjustments for other increase in working capital		25.683.148	(9.678.892)
- <i>Increase in other assets related to operations</i>		1.878.556	16.346.612
- <i>Increase (decrease) in other liabilities related to operations</i>		23.804.592	(26.025.504)
Cash flows from operating activities		194.866.082	118.515.474
Cash flows from investing activities		396.231.629	(3.303.698)
Cash outflow from acquisition of investment properties	9	(2.335.978)	(3.299.899)
Cash inflow from sales of non-current assets classified as held for sale	10	398.687.613	--
Cash outflows from the acquisition of intangible assets		(17.138)	(3.799)
Cash outflows from the acquisition of tangible assets		(102.868)	--
Cash flow from financing activities		(586.534.294)	(113.727.152)
Cash inflows from borrowing	26	50.000.000	--
Cash outflows regarding repayment of borrowings	26	(552.793.574)	(64.154.861)
Interest received		1.136.276	895.357
Interest paid	26	(84.876.996)	(62.106.229)
Cash outflows from treasury shares	15	--	11.638.581
Net increase on cash and cash equivalents before effect of foreign exchange rate		4.563.417	1.484.624
Increase in cash and cash equivalents		4.563.417	1.484.624
Cash and cash equivalents at the beginning of the period		12.429.557	10.944.933
Cash and cash equivalents at the end of the period	3	16.992.974	12.429.557

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

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞUŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED
31 DECEMBER 2022**

(Amounts expressed as Turkish Lira (“TRY”) unless otherwise stated.)

1. COMPANY’S ORGANISATION AND NATURE OF OPERATIONS

Doğuş Gayrimenkul Yatırım Ortaklığı A.Ş. (“Company”) has been incorporated in accordance with capital market law on 25 July 1997.

Doğuş Gayrimenkul Yatırım Ortaklığı A.Ş.’s (the “Company”) which is traded on the Borsa Istanbul, main activity is to invest in properties, create, manage, make the necessary changes in the portfolio, minimize the risk of variation in real estate; property related capital market instruments, invest and monitor continuously the real estate based projects and take the necessary measures to protect, also research to increase the value of the portfolio.

The headquarter of the Company is registered in Doğuş Center Maslak, Maslak Mahallesi Ahi Evran Cad. No: 4/23 Maslak, Sarıyer-İstanbul.

The shareholders structure and information on their shares of the Company which is restricted on commercial register are as follows as of 31 December 2022 and 31 December 2021:

Shareholder	Class	Type	31 December 2022	31 December 2021
			Share rate (%)	Share rate (%)
Doğuş Holding A.Ş. (Non-public)	A	Registered	0.78	0.78
Doğuş Holding A.Ş. (Non-public)	B	Bearer	14.67	14.67
Public	B	Bearer	84.55	84.55
Total			100	100

The number of personnel of the Company with respect to education level is as follows:

	31 December 2022	31 December 2021
Post graduate	6	6
Undergraduate	5	5
Other	2	2
Total	13	13

CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞUŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2022

(Amounts expressed as Turkish Lira ("TRY") unless otherwise stated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1. Basis of Presentation of Financial Statements

2.1.1. Statement of Compliance to TFRS

The accompanying financial statements are prepared in accordance with Turkish Financial Reporting Standards ("TFRS") published by Public Oversight Accounting and Auditing Standards Authority ("POA") as set out in the Communiqué numbered II-14.1 "Communiqué on Principles of Financial Reporting in Capital Markets" published in the Official Gazette numbered 28676 on 13 June 2013. TFRSs consist of standards and interpretations which are published as Turkish Accounting Standards ("TAS"), Turkish Financial Reporting Standards, interpretations of TAS and interpretations of TFRS.

2.1.2. Basis of presentation of financial statements and approval

The financial statements are presented in accordance with "Announcement regarding with TFRS Taxonomy" which was published on 15 April 2019 by POA and templates defined in the Illustrative Financial Statements and User Guide published by Capital Markets Board of Turkey ("CMB").

Approval of the financial statements:

The financial statements are approved by the Company's Board of Directors on 28 February 2023. The General Assembly of the Company has the right to amend and relevant regulatory bodies have the right to request the amendment of these financial statements.

2.1.3. Basis of Measurement

The financial statements have been prepared based on the historical costs, except for the investment properties measured at fair value.

2.1.4. Functional and Presentation Currency

These financial statements are presented in Turkish Lira ("TRY"), which is the Company's functional currency.

2.1.5. Preparation of financial statements in hyperinflationary periods

In the announcement published by the Public Oversight Accounting and Auditing Standards Authority on January 20, 2022, it is stated that TAS 29 Financial Reporting in Hyperinflationary Economies does not apply to the TFRS financial statements as of December 31, 2021. No new announcement has been made by the POA regarding the application of inflation accounting, and in this respect, financial statements as of December 31, 2022 are not adjusted for inflation in accordance with TAS 29.

2.1.6. Comparative Information and Adjustments of Prior Period Financial Statements

Financial statements of the Company have been prepared comparatively with the prior period in order to give information about financial position and performance. In order to maintain consistency with current year financial statements, comparative information is reclassified and significant changes are disclosed if necessary. In the current period, The company did not adjusted or reclassified the previous years financial statements.

2.1.7. Going Concern

The Company's financial statements are prepared under the going concern assumption. The ultimate partner of the Company has given a support letter of at least one year, confirming that they will provide continuous financial support to the Company by giving loans to the Company and/or being a party to the necessary guarantees for the loans within the scope of the Company's business activities.

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞUŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED
31 DECEMBER 2022**

(Amounts expressed as Turkish Lira ("TRY") unless otherwise stated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1. Basis of Presentation of Financial Statements (Continued)

2.1.8. Changes in Accounting Estimates and Error

Preparation of condensed financial statements requires the management to make estimations and assumptions which may affect the reported amounts of assets and liabilities as of the financial reporting date, the disclosure of contingent assets and liabilities and the reported amounts of income and expenses during the financial period. The accounting assessments, estimates and assumptions are reviewed considering past experiences, other factors and reasonable expectations about future events under current conditions. Although these estimates and assumptions are based on the best estimates of the management's existing incidents and operations, they may differ from the actual results.

2.1.9. Changes in Accounting Policies

Significant changes in accounting policies are retrospectively applied and previous period financial statements are rearranged. The Company has not changed its accounting policies in the current year due to the effects of changes in standards.

2.1.10. Control of Compliance with the Portfolio Limitations

As of 31 December 2022, presented information in: "Additional Note: control of compliance with the portfolio limitations", in accordance with Capital Markets Board's Communiqué Serial: II, No: 14.1 "Financial Reporting in Capital Markets" Amendment No: 16 comprised condensed information and prepared in accordance with Capital Markets Board's Communiqué Serial: III, No: 48.1 "Real Estate Investment Company" published in the Official Gazette dated 28 May 2013 numbered 28660 and Capital Markets Board's Communiqué Serial: III, No: 48.1a "Amendment on Real Estate Investment Company" published in the Official Gazette dated 23 January 2014 numbered 28891.

The additional note for "Compliance control of the portfolio restrictions" is prepared according to the accompanying financial statements.

2.1.11. Critical accounting estimates, assumptions and judgments

The preparation of the financial statements in conformity with Communiqué serial: II, No: 14.1 requires the use of assumptions and estimates that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues expenses which are reported throughout the period. Even though, these assumptions and estimates rely on the best estimates of the Company management; the actual results might differ from them.

The basis of estimates and assumptions are continuously reviewed and the estimates update according to updates.

As of 31 December 2022 and 2021, significant estimations and assumptions that are stated on financial statements.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1. Basis of Presentation of Financial Statements (Continued)

2.1.11. Critical accounting estimates, assumptions and judgments (Continued)

The fair value measurement of investment property

In the financial statements, principal assumptions used in valuation reports during the finding fair values of real estates classified as investment property are explained below.

As of 31 December 2022, significant estimations and assumptions that are stated on financial statements are below:

	Valuation report date	Valuation method	Discount rate	Rent increase rate	Capitalisation rate	m2 value in TRY	Occupancy rate
Gebze Center Shopping Mall	23 December 2022	Discounted cash flow	22%	25%	7%	--	96%
Gebze Center Otel	23 December 2022	Discounted cash flow	22%	25%	8%	--	100%
Gebze Center Showroom	23 December 2022	Discounted cash flow	22%	25%	8%	--	100%
Gebze Center Land	23 December 2022	Market approach	--	--	--	9069	--
D Ofis Maslak	23 December 2022	Discounted cash flow	22%	7.5-37.5%	6%	--	100%
Doğuş Center Maslak	23 December 2022	Discounted cash flow	22%	7.5-37.5%	6.5%	--	100%
Doğuş Center Etiler (independent spaces numbered 16 and 17)	23 December 2022	Discounted cash flow	--	--	6%	--	100%

As of 31 December 2021, significant estimations and assumptions that are stated on financial statements are below:

	Valuation report date	Valuation method	Discount rate	Rent increase rate	Capitalisation rate	m2 value in TRY	Occupancy rate
Gebze Center Shopping Mall	30 December 2021	Discounted cash flow	17%	13%	7%	--	93.56%
Gebze Center Otel	30 December 2021	Discounted cash flow	19%	8%	8.5%	--	100%
Gebze Center Showroom	30 December 2021	Discounted cash flow	19%	9%	8.5%	--	100%
Gebze Center Land	30 December 2021	Market approach	--	--	--	3800	--
D Ofis Maslak	28 December 2021	Discounted cash flow	19%	6.5-21.5%	7%	--	100%
Doğuş Center Maslak	28 December 2021	Discounted cash flow	19%	6.5-21.5%	7%	--	95%
Doğuş Center Etiler	28 December 2021	Discounted cash flow	19%	6.5-21.5%	7%	--	98%

Gebze Center Shopping Mall, Hotel and Additional Buildings Project

Gebze Center Shopping Mall, Hotel and Additional Building Project is classified under investment property as of 31 December 2022 and 31 December 2021 in the financial statements. Gebze Center Shopping Mall, Hotel and Gebze Center Showroom and service area located on the 60,865 m² area, No.2 parcel, 6371 islands and the land located on the 2,000 m² area, No.4 parcel, Province of Kocaeli, Gebze district, Sultanorhan district. Management of the Hotel and Mall is conducted by Doğuş Otel Yatırımları ve Tur. A.Ş. and Fiba CP Gayrimenkul Yönetim Hizmetleri A.Ş. retrospectively.

Based on Net Kurumsal Gayrimenkul Değerleme ve Danışmanlık A.Ş.'s valuation report in accordance with Capital Markets Board's Serie: III No:62.1 Communiqué, dated 23 December 2022 with the report number 2022-1113 the aforementioned property's fair value is TRY 2.314.310.000 as at 31 December 2022 according to discounted cash flow. (31 December 2021: TRY 719.869.794).

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1. Basis of Presentation of Financial Statements (Continued)

2.1.11. Critical accounting estimates, assumptions and judgments (Continued)

The fair value measurement of investment property (Continued)

Doğuş Center Maslak

Doğuş Center Maslak Company is classified under investment property as of 31 December 2022 and 31 December 2021 in the financial statements. Doğuş Center Maslak located in province of İstanbul, Sarıyer district, Ayazağa district, 1 island, total of 31,265 m² on the No:131 parcel. Management of the Mall is conducted by Doğuş Center Maslak Management.

Based on TSKB Gayrimenkul Değerleme ve Danışmanlık A.Ş.'s valuation report in accordance with Capital Markets Board's Serie: III No: 62.1 Communiqué, dated 23 December 2022 with the report number 2022REV633 the aforementioned property's fair value is TRY 1.011.770.000 as at 31 December 2022 according to discounted cash flow (31 December 2021: TRY 579.745.000).

Doğuş Center Etiler Bağımsız Bölümler

On 8 April 2022, 45 of 47 independent units, which the Company had classified under investment properties in the previous periods, were sold to Getir Perakende Lojistik A.Ş. Doğuş Center Etiler Independent Areas located in province of İstanbul, Beşiktaş district, Bebek district, 2 independent area, total of 6,745 m² on the No.53 parcel and D-GYM sports center operates at the current location.

Based on TSKB Gayrimenkul Değerleme ve Danışmanlık A.Ş.'s valuation report dated 23 December 2022 the aforementioned property's fair value is TRY 150.725.000 as at 31 December 2022.

D-Ofis Maslak

D-Ofis Maslak Independent Areas is classified under investment property as of 31 December 2022 and 31 December 2021 in the financial statements. D-Ofis Maslak located in province of İstanbul, Sarıyer district, Maslak Ayazağa district, 21 independent area, 11 islands, total of 40,438 m² on the No.10 parcel.

Based on TSKB Gayrimenkul Değerleme ve Danışmanlık A.Ş.'s valuation report in accordance with Capital Markets Board's Serie: III No:62.1 Communiqué, dated 23 December 2022 with the report number 2022REV634 the aforementioned property's fair value is TRY 1.570.825.000 as at 31 December 2022 according to discounted cash flow (31 December 2021: TRY 721.390.000).

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2. Amendments published but not effective and not early effective as of 31 December 2022

Standards issued but not yet effective and not early adopted

A number of new standards, interpretations of and amendments to existing standards are not effective at reporting date and earlier application is permitted; however the Group has not early adopted are as follows.

Classification of Liabilities as Current or Non-current (Amendments to TAS 1)

On 23 January 2020, IASB issued “Classification of Liabilities as Current or Non-Current” which amends IAS 1 Presentation of Financial Statements to clarify its requirements for the presentation of liabilities in the statement of financial position which are issued by POA on 12 March 2020 as amendments to TAS 1.

The amendments clarify one of the criteria in TAS 1 for classifying a liability as non-current—that is, the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period.

After reconsidering certain aspects of the 2020 amendments; IASB has removed the requirement for a right to be unconditional and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period. Related amendment was published by POA as “TFRS 2023” on 3 January 2023.

This right may be subject to a company complying with conditions (covenants) specified in a loan arrangement. Additional disclosure is also required for non-current liabilities subject to future covenants. The amendments also clarify how an entity classifies a liability that can be settled in its own shares.

The Company shall apply retrospectively these amendments for annual periods beginning on or after 1 January 2024 with earlier application permitted. It also specifies the transition requirements for companies that may have early-adopted the previously issued but not yet effective 2020 amendments.

The Company does not expect that application of these amendments to TAS 1 will have significant impact on its financial statements.

Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction – Amendments to TAS 12 Income Taxes

In May 2021 IASB issued *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*, which amended IAS 12 Income Taxes. Related changes were published by POA as Amendments to TAS 12 on 27 August 2021.

The amendments to TAS 12 Income Taxes clarify how companies should account for deferred tax on certain transactions – e.g. leases and decommissioning provisions.

The amendments narrow the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning provision.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

**2.2. Amendments published but not effective and not early effective as of 31 December 2022
(continued)**

**Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction – Amendments
to TAS 12 Income Taxes (Continued)**

The amendments clarify that the exemption does not apply to transactions such as leases and decommissioning obligations. These transactions give rise to equal and offsetting temporary differences.

For leases and decommissioning liabilities, the associated deferred tax asset and liabilities will need to be recognised from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. If a company previously accounted for deferred tax on leases and decommissioning liabilities under the net approach, then the impact on transition is likely to be limited to the separate presentation of the deferred tax asset and the deferred tax liability.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023. Earlier application is permitted.

The Company does not expect that application of these amendments to Amendments to TAS 12 will have significant impact on its financial statements.

Definition of Accounting Estimates (Amendments to TAS 8)

The amendments introduce a new definition for accounting estimates: clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty which is issued by IASB on 12 February 2021. Related changes were published by POA as Amendments to TAS 8 on 11 August 2021.

The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy.

Developing an accounting estimate includes both:

- selecting a measurement technique (estimation or valuation technique) – e.g. an estimation technique used to measure a loss allowance for expected credit losses when applying IFRS 9 Financial Instruments; and
- choosing the inputs to be used when applying the chosen measurement technique – e.g. the expected cash outflows for determining a provision for warranty obligations when applying TAS 37 Provisions, Contingent Liabilities and Contingent Assets.

The effects of changes in such inputs or measurement techniques are changes in accounting estimates. The definition of accounting policies remains unchanged.

The amendments are effective for periods beginning on or after 1 January 2023, with earlier application permitted, and will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the company applies the amendments.

The Company does not expect that application of these amendments to Amendments to TAS 8) will have significant impact on its financial statements.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2. Amendments published but not effective and not early effective as of 31 December 2022 (continued)

Disclosure of Accounting Policies (Amendments to TAS 1)

IASB has issued amendments to IAS 1 Presentation of Financial Statements and an update to IFRS Practice Statement 2 Making Materiality Judgements to help companies provide useful accounting policy disclosures on 12 February 2021. Among these amendments, the ones related to TAS 1 were published by POA as Amendments to TAS 1 on 11 August 2021.

The key amendments to TAS 1 include:

- requiring companies to disclose their material accounting policies rather than their significant accounting policies;
- clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and
- clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company’s financial statements.

The amendments are effective from 1 January 2023, but companies can apply it earlier. The Company does not expect that application of these amendments to Amendments to TAS 1) will have significant impact on its financial statements.

Lease Liability in a Sale and Leaseback – Amendments to TFRS 16 Leases

In September 2022, IASB issued Lease Liability in a Sale and Leaseback, which amends IFRS 16 Leases. Related amendment was published by POA as “TFRS 2023” on 3 January 2023. Amendments to TFRS 16 *Leases* impact how a seller-lessee accounts for variable lease payments that arise in a sale-and-leaseback transaction. The amendments introduce a new accounting model for variable payments and will require seller-lessees to reassess and potentially restate sale-and-leaseback transactions entered into since 2019.

The amendments confirm the following:

- On initial recognition, the seller-lessee includes variable lease payments when it measures a lease liability arising from a sale-and-leaseback transaction.
- After initial recognition, the seller-lessee applies the general requirements for subsequent accounting of the lease liability such that it recognises no gain or loss relating to the right of use it retains.

A seller-lessee may adopt different approaches that satisfy the new requirements on subsequent measurement.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024, with earlier application permitted. Under TAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, a seller-lessee will need to apply the amendments retrospectively to sale-and-leaseback transactions entered into or after the date of initial application of TFRS 16. This means that it will need to identify and re-examine sale-and-leaseback transactions entered into since implementation of TFRS 16 in 2019, and potentially restate those that included variable lease payments.

The Company does not expect that application of these amendments to Amendments to TFRS 16 Leases will have significant impact on its financial statements.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

**2.2. Amendments published but not effective and not early effective as of 31 December 2022
(continued)**

Amendments are effective on 1 January 2022

Changes that have become effective and have been adopted for annual periods beginning on or after 1 January 2022:

- 1- Annual Improvements to TFRS Standards 2018–2020 -Amendment to TFRS 1 First-time Adoption of International Financial Reporting Standards, TFRS 9 Financial Instruments, TAS 41 Agriculture
- 2- Reference to the Conceptual Framework – Amendments to TFRS 3 Business Combinations
- 3- Property, Plant and Equipment – Proceeds before Intended Use: Amendments to TAS 16 Property, Plant and Equipment
- 4- Onerous Contracts – Cost of Fulfilling a Contract: Amendments to TAS 37 Provisions, Contingent Liabilities and Contingent Assets

These newly adopted amendments to standards have not been a significant impact on the financial statements of the Company.

2.3 Summary of significant accounting policies

2.3.1 Accounting of Revenue

Revenue

Company has started to implement IFRS 15 “Revenue from contracts with customers” specifically, the Standard introduces a 5-step approach to revenue recognition:

- (a) Identify the contract(s) with a customer
- (b) Identify the performance obligations in the contract
- (c) Determine the transaction price
- (d) Allocate the transaction price to the performance obligations in the contract
- (e) Recognize revenue when (or as) the entity satisfies a performance obligation

Revenue is rental income that have generated from investment property and recognized in profit or loss on accrual basis. Income is measured at fair value basis over the reasonable value that is received or can be received.

Interest Income

Interest income is charged to statement of income according to accrual basis.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 Summary of significant accounting policies (Continued)

2.3.2 Investment Properties

Investment properties comprise of operating investment properties and investment properties under development.

Operating investment properties

Operating Investment properties are properties held for rental income, capital appreciation, or both. It is reflected in the appraisal according to the value determined by the valuation that can be evaluated by the active investment properties. It can be used for net gain or loss to benefit from optimizing investment uses.

Investment property under development

In accordance with the amendment made in TAS 40 to be valid for the periods starting after January 1, 2009, when the fair valuation method is applied, the real estates under construction are also valued at their fair values. Real estates under construction are valued using the cost method until the date preceding the date when the fair value determination cannot be made reliably or when the investment is completed.

2.3.3 Borrowing costs

Borrowing costs directly attributable to the acquisition of a qualifying asset as part of the cost of that asset are capitalized over the respective assets. Other borrowing costs are recognized in the comprehensive income statement in the period they incur.

2.3.4 Financial assets

Classification

The Company, classifies its financial assets measured at amortized cost. The classification of financial assets is determined considering the entity’s business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The appropriate classification of financial assets is determined at the time of the purchase. Financial assets are not reclassified after initial recognition unless the business model that the Group uses in the management of financial assets has changed; In the event of a change in business model, the financial assets are reclassified on the first day of the following reporting period.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 Summary of significant accounting policies (Continued)

2.3.4 Financial instruments (Continued)

Recognition and Measurement

Financial assets measured at amortized cost" are non-derivative financial assets that are held within the scope of a business model aimed at collecting contractual cash flows and that only include interest and cash flows arising from the principal and principal balance on certain dates. The Company's financial assets accounted for at amortized cost are "cash and cash equivalents", "trade receivables", "other receivables" and "financial investments". Related assets are measured at fair value at initial recognition; in subsequent recognition, it is measured at amortized cost using the effective interest method. Gains and losses arising from the valuation of non-derivative financial assets measured at amortized cost are recognized in the income statement.

Derecognition

The Company derecognized a financial asset when the contractual rights to the cash flows from the asset expired, or it transferred the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset were transferred. Any interest in such transferred financial assets that was created or retained by the Company was recognized as a separate asset or liability.

Impairment

Impairment of the financial and contractual assets measured by using "Expected credit loss model" (ECL). The impairment model applies for amortized financial and contractual assets. Provision for loss measured as below; 12- Month ECL: results from default events that are possible within 12 months after reporting date. Lifetime ECL: results from all possible default events over the expected life of financial instrument. Lifetime ECL measurement applies if the credit risk of a financial asset at the reporting date has increased significantly since 12 month ECL measurement if it has not.

The Company may determine that the credit risk of a financial asset has not increased significantly if the asset has low credit risk at the reporting date. However lifetime ECL measurement (simplified approach) always apply for trade receivables and contract assets without a significant financing.

2.3.5 Financial liabilities

Financial liabilities are initially recognized at the value received by deducting transaction costs from the amount of financial liability on the borrowing date. Financial liabilities are measured in the consolidated financial statements from their amortised cost using effective interest rate on subsequent dates.

Financial liabilities are removed from the accounts when the debts arising from these liabilities are raised, cancelled and expired.

Financial liabilities

Financial liabilities are accounted for at their fair values on the first recording date. Financial liabilities are recorded with their acquisition costs after deducting transaction costs and then measured at amortized cost using the effective interest rate method.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 Summary of significant accounting policies (Continued)

2.3.6 Capital

Ordinary Shares

Adi hisse senetleri özkaynak olarak sınıflandırılır. Adi hisse ihraçları ile doğrudan ilişkili ek maliyetler vergi etkisi düşüldükten sonra özkaynaklardan azalış olarak kayıtlara alınır.

Repurchased shares

If the Company re-acquires its equity instruments, these instruments ("Repurchased shares") are deducted from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the entity's equity instruments. Likewise, the Company's own repurchased shares may be repurchased or held by the business. Amounts received or paid are accounted for directly in equity.

2.3.7 Cash and cash equivalents

Cash and cash equivalents are comprised of cash, bank deposits with maturity periods of less than three-months and other highly liquid short-term investments which are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. The carrying values of these assets are close to their fair values. The Company evaluates its cash and cash equivalents in accordance with expected credit loss model for impairment. In the calculation of the expected credit loss, the Company's future forecasts are taken into account along with past loan loss experiences.

2.3.8 Foreign Currency Transactions

Transactions in foreign currencies are translated into TRY at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to TRY at the exchange rate at that date. Gains or losses on translation of foreign currency denominated transactions to TRY are recognised in profit or loss.

The exchange rates used by the Company are as follows:

31 December 2022	USD	EUR
Exchange rates used in the valuation of asset items	18,6983	19,9349
Exchange rates used in the valuation of liability items	18,7320	19,9708
31 December 2021 (*)	USD	EUR
Exchange rates used in the valuation of asset items	13,3290	15,0867
Exchange rates used in the valuation of liability items	13,3530	15,1139

(*) For the valuations of monetary items denominated in foreign currency at the reporting period end, buying rate which is announced by the Central Bank of the Republic of Turkey (CBRT) on 31 December is used as closing rate of asset items, and the selling rate which is announced by the Central Bank of the Republic of Turkey (CBRT) on 31 December is used as closing rate of liability items; in accordance with the KGK's announcement dated March 15, 2021.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 Summary of significant accounting policies (Continued)

2.3.9 Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in TFRS 16.

Company as a lessee

The Company allocates the price in the contract on the basis of the relative stand-alone price for a contract that includes a lease component and one or more additional lease components or non-lease components, at the inception of the contract or when the contract containing the lease component is modified.

When the company is in the position of lessor, it classifies each of the leases as operating leases or finance leases.

To classify each lease, the Company makes an overall assessment of whether the lease essentially transfers all the risks and rewards of ownership of the asset. A lease is a finance lease when it transfers risks and rewards; otherwise, it is an operating lease. As part of this assessment, the Company considers some other indicators, such as whether the lease term covers most of the economic life of the underlying asset.

The Company reflects the lease payments obtained from operating leases to its financial statements on a straight-line basis (Note 2.3.1).

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 Summary of significant accounting policies (Continued)

2.3.9 Leases (Continued)

Sell and Lease Back transaction

Due to the Sell and Lease Back transaction; Within the scope of the "Common Principles Regarding Significant Transactions and the Right of Separation Communiqué (II-23.1)" of the Capital Markets Board, which was published in the Official Gazette dated 24 December 2013 and numbered 28861; As it is stated in article 12/f, titled Circumstances that do not give rise to the Right of Separation, as "asset transfer transactions made for the purpose of immediate repurchase of the asset subject to the transaction through Financial Leasing", the right to leave does not arise.

2.3.10 Offsetting

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.3.11 Earnings per share

Earnings per share are determined by dividing net comprehensive income by the weighted average number of shares that have been outstanding during the period concerned. Weighted average number of shares is number of ordinary shares at the beginning of the period and the number of shares issued during the period or taken back to a time-weight factor multiplied by the number of shares. The time-weight factor is the ratio of the number of days where a certain number of shares issued and total number of days in the period.

In Turkey, companies can increase their share capital by making a pro-rata distribution of their shares "bonus shares" to existing shareholders funded from retained earnings or other reserves. For the purpose of earnings per share computations, such bonus share issuances are regarded as issued shares for all periods presented and accordingly the weighted average number of shares used in earnings per share computations in prior periods is adjusted retroactively for the effects of these shares, issued without receiving cash or another consideration from shareholders.

2.3.12 Subsequent events

Subsequent events represent the events that occur against or on behalf of the Company between the reporting date and the date when reporting was authorised for the issue. There are two types of subsequent events:

- Those that provide evidence of conditions that existed as at reporting date (adjusting events after the reporting date); and
- Those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

If there is new evidence that the said events exist as of the reporting date or if the related events occur after the reporting date and these events require the financial statements to be adjusted, the Company adjusts its financial statements in accordance with the new situation. If the aforementioned events do not require the correction of the financial statements, the Company explains the said issues in the related footnotes.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 Summary of significant accounting policies (Continued)

2.3.13 Provisions, contingent liabilities and contingent assets

A provision is recognised when the Company has a present implicit or legal obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. If the specified criteria are not met, the Company discloses the related issues in the notes.

If the inflow of economic benefits is probable, contingent assets are disclosed in the notes to the financial statements. If the inflow of the economic benefit is more than likely to occur, such asset and income statement effect are recognised in the financial statements.

2.3.14 Related parties

- (a) A person or a relative of the subject person is considered as related party of the Company in such situations that are described as follows:

If the subject person,

- i) Has a sole control or jointly control over the Company.
- ii) Has a significant impact on or the authority to effect the Company.
- iii) Has a title in a key management personnel of the main Company or a parent company.

- (b) If any of the following conditions apply:

- i) Entity and the company are the members of the same group
- ii) Entity is the subsidiary or business partner of the other entity.
- iii) Both of the entities are the business partners of a third party.
- iv) One of the entities is a business partner of a third entity and the other entity is the subsidiary of the subject third party.
- v) Entity has utility plans for the personnel of the Company or a related party of the Company after quitting the job, these sponsors are also considered as related party.
- vi) Entity is being controlled or jointly controlled by a person that is specified in (a),
- vii) Entity is affected majorly by a person that has the characteristics specified in (a) (i).

Transaction between related parties is the transfers between the reserves, service or the obligations without considering if there is a compensation or not.

2.3.15 Segment reporting

Segment reporting is designed as to supply consistence on reporting to the competent authority on taking decisions about the activities of the group. The competent authority is responsible for evaluation of the departments' performance and decision taking related to the resources which are to be allocated according to departments.

Since the Company operates only in the development of real estate, the Company does not prepare a segment reporting.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 Summary of significant accounting policies (Continued)

2.3.16 Governments grants and incentives

As disclosed in Note 2.5.17, the Company which operates as a real estate investment trust, is exempt from corporate tax.

2.3.17 Taxation

According to Article 5/1(d) (4) of the New Corporate Tax Law No: 5520, the income of Real Estate Investment Trusts ("REIT") is exempt from Corporate Income Tax in Turkey. This exemption is also applicable to Quarterly Advance Corporate Tax.

Since the Company is exempt from Corporate Income Tax in Turkey in accordance with Article 5 of the Corporate Tax Law, deferred tax is not recognised.

2.3.18 Employee termination benefits / Retirement pay provision

Vacation pay liability

The vacation pay provision accrued on the financial statements represent the estimated total liability for future probable obligation of the employees.

Retirement pay provision

Provision is related to fair value of defined benefit plan calculated with the method of estimated liability. All actuarial profit and losses are accounted under comprehensive income statement. TFRS requires actuarial valuation methods to be developed to estimate the enterprise's obligation for such benefits. The liability for this unfunded plan recognized in the balance sheet is the full present value of the defined benefit obligation at the end of the reporting period, calculated using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows from the retirement of its employees using the long term TL interest rates

The principal actuarial assumption is that the maximum liability will increase in line with inflation. Thus the effective discount rate applied represents the expected real interest rate after adjusting for the effects of future inflation. As the maximum liability amount is revised periodically by the authorities, the maximum amount of TRY 19.982.83 which is effective from 1 January 2022 has been taken into consideration when calculating the liability (31 December 2021: TRY 10.848.59) as of 31 December 2022.

2.3.19 Non-current assets held for sale

A disposal group is a separate part of the Company in terms of its operations and cash flows, which is classified as held for sale or disposed of by the Company. A disposal operations can be a separate operational segment, a part of a separate plan for the purpose of sale or disposal. The Company measures a non-current asset or a disposal group classified as held for sale at the lower of its carrying amount and fair value less costs to sell (Note 10,22).

2.3.20 Statements of cash flow

The Company presents statement of cash flows as an integral part of other financial statements to inform the users of financial statements about the changes in its net assets, its financial structure and its ability to manage the amount and timing of its cash flows under new conditions.

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3. CASH AND CASH EQUIVALENTS

As of 31 December 2022 and 31 December 2021, cash and cash equivalents are as follows:

	31 December 2022	31 December 2021
Cash	4.748	628
Banks	16.990.580	12.429.036
<i>Demand deposits</i>	5.979.932	706.678
<i>Time deposits</i>	11.010.648	11.722.358
Total	16.995.328	12.429.664

	31 December 2022	31 December 2021
Cash and cash equivalents	16.995.328	12.429.664
Interest income accruals on cash equivalents	(2.354)	(107)
Cash and cash equivalents in the statement of cash flows	16.992.974	12.429.557

There are no blocked deposits as at 31 December 2022 and 2021.

Demand Deposits

31 December 2022 ve 31 December 2021, the details of demand deposits at banks are as follows:

	31 December 2022	31 December 2021
	TRY Equivalents	TRY Equivalents
EUR	89.691	--
TRY	5.890.241	706.678
Total	5.979.932	706.678

Time Deposits

As of 31 December 2022 and 31 December 2021, the details of time deposits at banks are as follows:

31 December 2022	Amount (TRY)	Nominal interest rate	Maturity
EUR	9.228.795	%0.01-%0.45	2 January 2023- 23 Mart 2023
TRY	1.781.853	19.00%	2 January 2023
Total	11.010.648		

31 December 2021	Amount (TRY)	Nominal interest rate	Maturity
USD	7.591.898	%0,25	4 January 2022 - 1 Şubat 2022
EUR	4.130.460	%0,01-%0,45	3 January 2022
Total	11.722.358		

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4. FINANCIAL LIABILITIES

The details of financial liabilities from their amortized values are as follows:

	31 December 2022	31 December 2021
Short term portion of long term financial liabilities	133.541.275	226.849.129
Financial leasing	104.035.373	56.493.466
<i>Short-term portion of long-term borrowing</i>	237.576.648	283.342.595
Bank loans	1.124.853.267	1.202.374.003
Financial leasing	530.183.592	480.339.835
<i>Long-term borrowings</i>	1.655.036.859	1.682.713.838
Total financial liabilities	1.892.613.507	1.966.056.433

a) Bank Loans:

31 December 2022	Weighted average effective interest rate (%)	Currency	Maturity	Original balance	TRY equivalents
Unsecured short term portion of long term bank loans	TLREF+%4	TRY	2024	6.274.418	6.274.418
Secured short term portion of long term bank loans	TLREF+%5	TRY	2023	51.083.893	51.083.893
Secured short term portion of long term bank loans	Euribor+%4,65	EUR	2026	3.821.588	76.182.964
Unsecured long term bank loans	TLREF+%4	TRY	2024	43.948.720	43.948.720
Secured long term bank loans	Euribor+%4,65	EUR	2026	54.221.719	1.080.904.547
Total bank loans					1.258.394.542

31 December 2021	Weighted average effective interest rate (%)	Currency	Maturity	Original balance	TRY equivalents
Unsecured short term portion of long term bank loans	12.58	TRY	2022	180.830.287	180.830.287
Secured short term portion of long term bank loans	4.65	EUR	2026	3.044.802	46.018.842
Secured long term bank loans	4.65	EUR	2026	79.554.185	1.202.374.003
Total bank loans					1.429.223.132

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4. FINANCIAL LIABILITIES (Continued)

a) Bank Loans: (continued)

Loan repayments according to the original maturities of the loan agreements as of 31 December 2022 and 31 December 2021 are as follows:

	31 December 2022	31 December 2021
2022	--	226.849.129
2023	133.541.275	45.341.700
2024	115.302.534	49.875.870
2025	66.469.075	55.165.735
2026	943.081.658	1.051.990.698
Total	1.258.394.542	1.429.223.132

b) Financial lease liabilities

	Minimum lease payments		Present value of minimum lease payments	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Financial leasing borrowings				
Less than 1 year	107.061.604	81.170.123	104.035.373	56.493.466
2 to 5 years	401.481.050	324.680.531	348.879.349	254.777.287
5 years+	240.890.142	243.511.550	181.304.243	225.562.548
Future financial expenses	(115.213.831)	(112.528.903)	-	-
Present value of the lease obligations	634.218.965	536.833.301	634.218.965	536.833.301
To be paid within 12 months payable (shown in the short term payable section)			(104.035.373)	(56.493.466)
Payables payable after 12 months			530.183.592	480.339.835

D-Ofis Maslak real estate, for the purpose of partial closure of the company's existing loan debts and reducing the financial expenses through the Sell and Leaseback method (40,000,000 Euro) with the condition of withdrawal at the end of the contract term, it was sold to Kuveyt Turk Participation Bank A.Ş. on 23 January 2020. Accordingly, financial leasing agreement was signed between the Company and Kuveyt Turk Participation Bank A.Ş. The interest rate is 0.39% (annual interest rate is %4.77) and the due date of the last payment is 23 January 2030.

As of the balance sheet date, the fair value of the assets subject to financial leasing is TRY 1.570.825.000 (31 December 2021: TRY 721.390.000).

Doğuş Holding is the guarantor of the Company's foreign currency loan transactions.

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5. TRADE RECEIVABLES AND PAYABLES

As of 31 December 2022 and 31 December 2021, trade receivables of the Company are as follows:

	31 December 2022	31 December 2021
Short term trade receivables		
Trade receivables	20.853.234	16.921.794
Due from related parties (Note 25)	16.393.935	40.996.390
Less: Provision for doubtful trade receivables	(15.577.912)	(11.999.481)
Total	21.669.257	45.918.703

As of 31 December 2022 and 2021 provisions for doubtful receivables of the Company are as follows:

	1 January- 31 December 2022	1 January- 31 December 2021
The movement of the provision for doubtful receivables		
Opening balance	(11.999.481)	(10.096.776)
Provision for the period (Note 19)	(3.901.179)	(2.811.747)
Provision no longer required (Note 19)	322.748	909.042
Closing balance	(15.577.912)	(11.999.481)

As of 31 December 2022 and 31 December 2021, trade payables of the Company are as follows:

	31 December 2022	31 December 2021
Short term trade payables		
Trade payables to third parties	7.926.698	6.555.326
Due to related parties (Note 25)	94.041.800	56.810.389
Total	101.968.498	63.365.715

6. OTHER RECEIVABLES AND PAYABLES

As at 31 December 2022, other receivables from third parties are amounting to TRY 58.399 (31 December 2021: TRY 3.127).

As at 31 December 2022 other short term payables comprise the short term deposits and guarantee received amounting to TRY 293.568 (31 December 2021: TRY 371.430). As of 31 December 2022, the Company's other short-term payables to related parties amounting to TRY 22.500.000 and arise from intra-group funding transactions.

As at 31 December 2022, other long term payables comprise of deposits and guarantee received TRY 2.472.483 (31 December 2021: TRY 1.808.984).

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7. PREPAID EXPENSES AND DEFERRED INCOME

As of 31 December 2022 and 31 December 2021, the details of prepaid expenses of the Company are as follows:

Short Term Prepaid Expenses	31 December 2022	31 December 2021
Prepaid insurance expenses	30.795	--
Prepaid comission expenses	432.185	514.216
Prepaid other expenses	384.498	15.058
Total	847.478	529.274

Long Term Prepaid Expenses	31 December 2022	31 December 2021
Prepaid comission expenses	2.701.154	3.133.338
Prepaid expenses	--	335.745
Total	2.701.154	3.469.083

As of 31 December 2022 and 31 December 2021, the details of deferred income of the Company are as follows:

Short Term Deferred Income	31 December 2022	31 December 2021
Deferred income from non-related parties (*)	611.345	262.550
Total	611.345	262.550

Long Term Deferred Income	31 December 2022	31 December 2021
Deferred income from non-related parties (*)	900.921	369.959
Total	900.921	369.959

(*) Income for the coming months consists of rental income collected in advance as per the contract.

8. CURRENT INCOME TAX ASSETS

As at 31 December 2022 and 31 December 2021, the details of current income tax assets of the Company are as follows:

	31 December 2022	31 December 2021
Prepaid taxes and funds	363.454	257.532
Total	363.454	257.532

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9. INVESTMENT PROPERTIES

As of 31 December 2022 and 31 December 2021, investment properties of the Company are as follows:

	31 December 2022	31 December 2021
Operating investment properties	5.047.630.000	2.021.004.794
Investment properties under development	3.887.034	3.877.034
Total	5.051.517.034	2.024.881.828

Operating Investment Properties

As of 31 December 2022, the fair values of investment properties are as follows:

31 December 2022

Description	Valuation Method	Valuation Report Date	Fair Value
Gebze Center AVM	"Discounted cash flow"	23 December 2022	1.757.930.000
Gebze Center Otel	"Discounted cash flow"	23 December 2022	379.510.000
Gebze Center Showroom ve Servis Alanı	"Discounted cash flow"	23 December 2022	163.370.000
Gebze Arsa	"Market approach"	23 December 2022	13.500.000
D-Ofis Maslak	"Discounted cash flow"	23 December 2022	1.570.825.000
Doğuş Center Maslak	"Discounted cash flow"	23 December 2022	1.011.770.000
Doğuş Center Etiler	"Discounted cash flow"	23 December 2022	150.725.000
Total			5.047.630.000

As of 31 December 2021, the fair values of investment properties are as follows:

31 December 2021

Description	Valuation Method	Valuation Report Date	Fair Value
Gebze Center AVM	"Discounted cash flow"	30 December 2021	609.934.405
Gebze Center Otel	"Discounted cash flow"	30 December 2021	70.748.203
Gebze Center Showroom ve Servis Alanı	"Discounted cash flow"	30 December 2021	33.530.278
Gebze Arsa	"Market approach"	30 December 2021	5.656.908
D-Ofis Maslak	"Discounted cash flow"	28 December 2021	721.390.000
Doğuş Center Maslak	"Discounted cash flow"	28 December 2021	579.745.000
Doğuş Center Etiler (*)	"Discounted cash flow"	28 December 2021	349.235.000
Total			2.370.239.794

(*) Classified as "Non-current Assets or Disposal Groups Classified as Held for Sale" as of 31 December 2021 (Note 10).

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9. INVESTMENT PROPERTIES (Continued)

As of 31 December 2022 and 31 December 2021, the movement table of the investment properties are as follows:

	1 January-31 December 2022	1 January-31 December 2021
Opening balance	2.021.004.794	1.914.391.120
Additions	2.335.978	3.299.899
Transfer (*)	--	(349.235.000)
Transfer (**)	91.174.582	--
Transfer to Non-Current Assets or Disposal Groups		
Classified as Held for Sale (Note 22)	--	73.177.131
Investment property value decrease/ (increase), net (Not 19)	2.933.114.646	379.371.644
Total	5.047.630.000	2.021.004.794

(*) Reclassified to "Non-current Assets Held for Resale" as of December 31, 2021 (Not 10).

(**) Assets amounting to TRY 91.174.582, which were classified as "Non-current Assets Held for sale" as of 30 September 2021, were reclassified to investment properties on 8 April 2022. The existing floors consist of independent sections 16 and 17 of Doğuş Center Etiler.

As of 31 December 2022 and 31 December 2021, the total insurance amount on investment properties are as follows:

		31 December 2022	31 December 2021
Gebze Center AVM, Otel, Showroom	EUR	73.120.323	120.276.629
D-Ofis Maslak	EUR	49.513.067	66.874.756
Doğuş Center Maslak Binası	EUR	40.045.593	45.062.239
Doğuş Center Etiler Bağımsız Bölümler	EUR	8.940.850	83.897.345
Total (*)		171.619.833	316.110.969

(*) As of 31 December 2022, the TRY equivalent of the total insurance amount on investment properties is TRY 3.421.224.209 (31 December 2021: TRY 4.769.071.356).

There is a mortgage amounting to EUR 100.000.000 on investment properties (31 December 2021: EUR 100.000.000) (Not 11).

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9. INVESTMENT PROPERTIES (Continued)

Investment properties under development measured at cost

As of 1 January 2022 and 31 December 2022 the movement table of investment properties under Development are as follows:

	1 January 2022	Additions	Disposals	31 December 2022
Investment properties	3.877.034	--	--	3.877.034
Total	3.877.034	--	--	3.877.034

As of 1 January 2021 and 31 December 2021 the movement table of investment properties under Development are as follows:

	1 January 2021	Additions	Disposals	31 December 2021
Investment properties	3.877.034	--	--	3.877.034
Total	3.877.034	--	--	3.877.034

Due to reason that the comparable market transactions being infrequent and alternative reliable estimates of fair value (for example based on discounted cash flow projections) being not available, the fair value of the investment property under development, namely "Doğuş GYO Office Tower Project" is deemed to be not reliably determinable. Therefore, the Company determines that the fair value of its investment property under development is not reliable determinable but expects the fair value of the property to be reliably determinable when construction is complete; it measures that investment property under development at cost until either its fair value becomes reliably determinable or construction is completed (whichever is earlier).

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9. INVESTMENT PROPERTIES (Continued)

Legal processes related to investment properties:

Doğuş GYO Office Tower Project

İstanbul province, Şişli district, Ayazağa district, address and the title of the two layouts, 1 island, and 131 numbered following the finalization of development plans on registered real estate parcel, a "Business Project", it was decided to construct. According to the Board of Directors resolution dated 16 November 2012 and numbered 340, the Company has decided to receive service in scope of projection, related application to the governmental institutions and obtaining required permission and approvals in order to initiate the process of construction from Doğuş Gayrimenkul Yatırım ve İşletme A.Ş. through signing engagement letter of "Improvement of Project Construction" and then start to construct the project.

The company raised an objection to and demanded the correction of the Master Development Plan for Maslak and its surroundings, scaled 1/5000, which was finalised upon the approval of Istanbul Metropolitan Municipality and announced on 12 March 2014. Since the demand for correction was rejected, a lawsuit was filed on 11 September 2014 regarding the request of the cancellation and the stay of the execution for the said development plan. The İstanbul 2nd Administrative Court rejected the company's demand for stay of execution on 11 June 2015. The Company filed a lawsuit on 3 November 2015 regarding the request of the cancellation and the stay of the execution to İstanbul Administrative Court. The request of the cancellation and the stay of the execution has been rejected as of 29 February 2016. An appeal was made against the decision of the Istanbul 2nd Administrative Court. With the Company's PDP statement on the subject dated 1 November 2021; It has been announced that the decision of the 6th Chamber of the Council of State, with the decision numbered 2021/5461 E. 2021/10533 K., has been rejected and the legal process has been completed.

Regarding the lawsuit filed on 3 November 2015 for the stay of execution and annulment of the 1/1000 scale Implementation Development Plan for Sarıyer District, Maslak and Surroundings, which was suspended by Sarıyer Municipality between 7 July 2015 and 7 August 2015, Istanbul 2nd Administration The decision of the Court of Appeals regarding the rejection of the request for stay of execution was notified to the Company on April 4, 2016, and the decision regarding the rejection of the case was notified on June 20, 2017. Against the decision of the Istanbul 2nd Administrative Court, an appeal was made to the Presidency of the Istanbul Regional Administrative Court. With the decision of the 4th Administrative Case Division of the Istanbul Regional Administrative Court, which was notified to the Company on 04 June 2018, it was decided to reject the appeal request and an appeal was filed against this decision within the legal time limit. Approval of the appeal of the 6th Chamber of the Council of State with the decision numbered N2018/5709, Decision N2021/10534 and the 1/1000 scaled Implementation Development Plan for Maslak and its environs, in terms of the contradiction of the plan hierarchy, on May 18, granted by the 4th Administrative Case Division of the Istanbul Regional Administrative Court. It was decided that the decision dated 2018 and numbered E.2017/1187, K:2018/1104 should not be reversed and that the file be sent to the Administrative Case Department of the aforementioned Regional Administrative Court for a re-decision. With the decision of the Trial Chamber numbered 2021/1660 E., 2022/46 K., the application for appeal was accepted by the Istanbul 2nd Administrative Court dated 6 June 2017 and E:2015 due to the contradiction of the 1/1000 scale Implementation Development Plan for Maslak and its environs. /2177, K:2017/1332 decision, cancellation of the action subject to the lawsuit, open to appeal. The decision was appealed by the Defendants, and the file it is in review.

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9. INVESTMENT PROPERTIES (Continued)

Legal processes related to investment properties: (Continued)

On 16 November 2016, an amendment to the 1/1000 scale Maslak and Environmental Implementation Plan was suspended by Sarıyer Municipality between 17 October 2016 and 17 November 2016, and on 6 February 2017, 3 Administrative Court has been sued. The 3rd Administrative Court decided to approve the cancellation of the request and notified on 13 November 2017 and regarding the cancellation of the construction plan amendment to the Company on 30 January 2018. Sarıyer Municipality has appealed against the decision of the 3rd Administrative Court of İstanbul in the presence of the İstanbul Regional Administrative Authority, the judicial process continues. As of 26 December 2018, appeal demand rejected by the notified decision of Administrative Suit Department of Istanbul 4rd Regional Administrative Court. Sarıyer Municipality has appealed against the decision of the 3rd Administrative Court of İstanbul in the presence of the İstanbul Regional Administrative Authority. With the PDP statement dated 1 November 2021, It was announced by the Company that and it was decided to approve and notify the parties since there is no reason to overturn the decision dated 27 November 2018 and numbered E:2018/1092, K:2018/2536 given by the Sixth Chamber of the Council of State by the 4th Administrative Case Division of the Istanbul Regional Administrative Court as it is appropriate in accordance with the law and procedure, and that the case was concluded in favor of the Company.

10. NON-CURRENT ASSETS HELD FOR SALE

The Company started negotiations for the sale of the Doğuş Center Etiler real estate to Getir, upon the request of Getir Perakende Lojistik A.Ş. published the relevant decision on Public Disclosure Platform, It was announced that the sales negotiations were ended on 24 January 2022, but it was reported that the sales negotiations started again on 28 January 2022. Within this scope, Doğuş Center Etiler real estate has been reported as non-current assets classified as held for sale as of 31 December 2021.

The company is located in the Doğuş Center Etiler building, which consists of 47 independent spaces; Except for the independent spaces numbered 16 and 17 (2 units); 1,289, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335 numbered 45 independent spaces and located in the related real estate The sale of the fixtures purchased to Getir Perakende Lojistik A.Ş. was completed on 8 April 2022 with a price of 24.850.000-€+VAT and a profit of 140.187.613 TL was obtained (Note 19).

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11. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

As of 31 December 2022 and 2021, the Company's position related to commitments, pledges and mortgages ("CPM") are as follows:

31 December 2022	Original balance (TRY equivalent)		
	EUR	TRY	Total
A. Total amount of CPM is given on behalf of own legal personality (*)	1.993.490.000	30.472	1.993.520.472
B. Total amount of CPM is given in favor of subsidiaries which are fully consolidated	--	--	--
C. Total amount of CPM is given for assurance of third party's debts to conduct of usual business activities	--	--	--
D. Total Amount of other CPM	--	--	--
i. Total amount of CPM is given in favor of parent company	--	--	--
ii. Total amount of CPM is given in favor of other company companies, which B and C doesn't include	--	--	--
iii. The amount of CPM is given in favor of third party which C doesn't include	--	--	--
Total	1.993.490.000	30.472	1.993.520.472

31 December 2021	Original balance (TRY equivalent)		
	USD	TRY	Total
A. Total amount of CPM is given on behalf of own legal personality (*)	1.508.670.000	30.472	1.508.700.472
B. Total amount of CPM is given in favor of subsidiaries which are fully consolidated	--	--	--
C. Total amount of CPM is given for assurance of third party's debts to conduct of usual business activities	--	--	--
D. Total Amount of other CPM	--	--	--
i. Total amount of CPM is given in favor of parent company	--	--	--
ii. Total amount of CPM is given in favor of other company companies, which B and C doesn't include	--	--	--
iii. The amount of CPM is given in favor of third party which C doesn't include	--	--	--
Total	1.508.670.000	30.472	1.508.700.472

(*) Credit Europe Bank N.V. in the amount of EUR 100.000.000 (31 December 2021: EUR 100,000,000) at the 1st Degree on the Company's Gebze Center Shopping Mall, Hotel and Showroom real estates. mortgage has been established and TL 30,472 of guarantee given to Bedaş.

There are no other CPM which the company gave as of 31 December 2022 (31 December 2021: None).

As of 31 December 2022, the Company has a contingent liability that will arise in the event of the continuation of the collateral regarding the loan used to the related parties amounting to TRY 14.356.441 (31 December 2021: TRY 12.458.231).

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11. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

The details of guarantee received are below as of 31 December 2022 and 2021:

	31 December 2022		31 December 2021	
	Original Amount	TRY equivalents	Original Amount	TRY equivalents
TL	11.303.705	11.303.705	7.821.449	7.821.449
EUR	925.707	18.453.885	1.022.818	15.017.321
USD	11.619	217.254	111.619	1.448.536
Total		29.974.844		24.287.306

As of 31 December 2022, the Company have 4 business cases, 33 execution proceeding case on customer bases, 1 compensation case, 3 cases regarding bankruptcy and concordat transactions and 1 administrative cases (As of 31 December 2021, the number of worker lawsuits to which the Company is a party is 8, the number of enforcement proceedings on a current basis is 29, the number of eviction lawsuits is 1, the number of lawsuits regarding bankruptcy and concordat transactions is 3, and the number of administrative lawsuits is 3).

12. SHORT AND LONG TERM PROVISIONS

Provisions For Employee Benefits

As of 31 December 2022 and 31 December 2021, the Company's liabilities within the scope of employee benefits are as follows:

Provision for unused vacation

The provision for unused leave is the total undiscounted liability amount corresponding to the days off that all employees are entitled to but have not yet taken.

	31 December 2022	31 December 2021
Short term liabilities		
Unused vacation	2.268.247	1.108.896
Other provisions	49.948	30.037
Total	2.318.195	1.138.933

The movements of the provision for unused vacation during the interim accounting periods ending on 31 December 2022 and 2021 are as follows:

	31 December 2022	31 December 2021
As at 1 January	1.108.896	686.051
Provision for the period	1.159.351	422.845
Total	2.268.247	1.108.896

Reserve for severance payments

	31 December 2022	31 December 2021
Provisions for severance pay	1.850.205	899.947
Total	1.850.205	899.947

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12. SHORT AND LONG TERM PROVISIONS (Continued)

Provisions For Employee Benefits (Continued)

The provision for severance pay shows the present value of the Company's probable future liabilities, calculated in accordance with the Turkish Labor Law, which will occur due to the retirement of its employees. The provision for severance pay is calculated on an accrual basis as the employees earn and is reflected in the financial statements. The calculation of severance pay provision is based on the severance pay ceiling determined by the government. The severance pay ceiling effective as of 31 December 2022 is TRY 19.982,83, respectively (31 December 2021: TRY 10.848,59)

TAS 19 - Employee Benefits standard requires actuarial valuation methods to be developed in determining the enterprise's obligation for severance pay. As of 31 December 2022 and 2021, the main actuarial estimates used in the calculation of the severance pay liability are as follows:

	31 December 2022	31 December 2021
Discount rate	%2,00	%3,42
Expected rate of increase in salary ceiling	%9,80	%17
Interest rate	%21	%21
Estimated severance pay entitlement rate	%100	%93,33

The movement of severance pay

	31 December 2022	31 December 2021
As at 1 January	899.947	543.136
Service cost	177.453	336.880
Interest cost	134.400	19.931
Actuarial gain	638.405	--
Provision as of 31 December	1.850.205	899.947

Other short-term provisions

	31 December 2022	31 December 2021
Lawsuit provisions	49.948	30.037
Total	49.948	30.037

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13. OTHER CURRENT / NON-CURRENT ASSETS AND SHORT-TERM LIABILITIES

Other current assets

As at 31 December 2022 and 2021, the details of other current assets are presented below:

	31 December 2022	31 December 2021
VAT receivables	235.859	1.942.558
Work advances	134.192	108.394
Other	158.641	82.620
Total	528.692	2.133.572

Other non-current assets

As at 31 December 2022, the other non-current assets amounting to TRY 221.357 consist of deposits and guarantees given (31 December 2021: TRY 206.502 consists of deposits and guarantees given).

Other short-term liabilities

As of 31 December 2022 and 31 December 2021, the details of other short-term liabilities are presented below:

	31 December 2022	31 December 2021
Taxes payables and other duties	358.137	172.510
Total	358.137	172.510

14. NON-CONTROLLING INTERESTS

None.

15. SHAREHOLDER'S EQUITY

15.1. Paid in capital

As of 31 December 2022, The Company's paid in capital is TRY 332,007,786 (31 December 2021: TRY 332,007,786). As of 31 December 2022 and 31 December 2021, The Company's capital comprise of issued and each carries TRY 1 nominal value shares.

As of 31 December 2022 and 31 December 2021, The Company's capital structure shows below:

			31 December 2022		31 December 2021	
Shareholder's			Capital		Capital	
Name/Title	Class	Type	Amount (TL)	Rate%	Amount (TL)	Rate%
Doğuş Holding A.Ş. (Non-public)	A (**)	Nama	2.604.451	%0.78	2.604.451	%0.78
Doğuş Holding A.Ş. (Non-public)	B	Hamiline	48.693.875	%14.67	48.693.875	%14.67
Public (*)	B	Hamiline	280.709.460	%84.55	280.709.460	%84.55
Total			332.007.786	%100.00	332.007.786	%100.00

(*) As of 31 December 2022, the other publicly-held shares belong to Doğuş Holding A.Ş. amounting to TRY 262.237.222.

(**) 1,874,850 Group A shares in the company's capital have the privilege to nominate candidates in the election of the Members of the Board of Directors. There are no privileges regarding voting.

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15. SHAREHOLDER'S EQUITY (Continued)

15.2. Restricted reserves

As of 31 December 2022 and 31 December 2021, restricted reserves are consist of legal reserves.

The legal reserves consist of first and second reserves, appropriated in accordance with the Turkish Commercial Code ("TCC"). The TCC stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve balance reaches 20% of the Company's paid-in share capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the paid-in share capital. Under the TCC, the legal reserves can only be used to offset losses and are not available for any other usage unless they exceed 50% of paid-in share capital.

15.3. Dividend distribution

According to Communiqué Serial: IV, No: 27, regarding profit distribution obligation, it has been made possible that shares, issued in cash or through the addition of dividend to the capital upon the decision of the Company's general assembly, can be distributed to the shareholders free of charge or that the distribution can be partly made in cash and partly through the free distribution of shares. It has been further made possible that initial dividend amount be left to the companies without distribution, if such amount is lower than the 5% of the existing paid-up/issued capital amount.

In this context; according to the decision of CMB, the net distributable profit that is calculated per CMB's minimum profit distribution requirements will be wholly distributed if it is met by the net distributable profit of statutory records, if the amount per CMB is not met by statutory records, the amount to be distributed will be limited to the amount at the statutory records. If losses are incurred in either of CMB or statutory financial statements, no profit will be distributed.

15.4 Retained earnings

As of 31 December 2022 the Company's statutory retained earnings and statutory net profit are TRY (193.250.222) and TRY 2.665.028.996 respectively (31 December 2021: the Company's statutory retained earnings and statutory net loss are TRY 36.026.082 and TRY (229.276.304) respectively).

15.5 Share premium

	31 December 2022	31 December 2021
Share premium	261.639.202	261.639.202
Total	261.639.202	261.639.202

15.6 Remeasurements of defined benefit liability

As a result of the adoption of IAS 19 (2011), all actuarial differences are recognised immediately in other comprehensive income.

	31 December 2022	31 December 2021
Remeasurements of defined benefit liability	(730.345)	(91.940)
Total	(730.345)	(91.940)

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15. SHAREHOLDER'S EQUITY (Continued)

15.7 Treasury shares

	31 December 2022	31 December 2021
Treasury shares	-	-
Total	-	-

Extraordinary General Assembly held on 31 January 2019, with a total of 114,895 shareholder investors demanding the right of resignation by placing a dissenting commentary on articles 3 and 4 of the agenda on the exercise of the right to resign, which is included in the agenda of the meeting. It was used each share price TRY 2.2216. After this use, the shares in the company portfolio increased by 114,895 and reached a share with a nominal value of TRY 4,239,836. Pursuant to the Board of Directors' decision dated October 22, 2020, 490,655 shares were sold in December 2020, and as of December 31, 2020, the shares in the company's portfolio decreased to 2,934,646 TL shares. Since the sale of the remaining 1.103.210 shares in the company's portfolio after 31 December 2020 has been completed, as of 31 December 2022, there is no stock in the portfolio.

16. SALES AND COST OF SALES

Sales for the periods ended 31 December 2022 and 2021 are as follows:

	1 January - 31 December 2022	1 January - 31 December 2021
Rent income	250.119.674	151.169.448
Total	250.119.674	151.169.448

Cost of the sales for the periods ended 31 December 2022 and 2021 are as follows:

	1 January - 31 December 2022	1 January - 31 December 2021
Cost of Sales		
Common area expenses	28.526.036	10.645.387
Real estate tax expenses	9.303.218	7.283.405
Insurance expenses	3.543.717	3.499.438
Other expenses	2.690.704	1.397.029
Total	44.063.675	22.825.259

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17. GENERAL ADMINISTRATIVE EXPENSES

General administrative expenses for the periods ended 31 December 2022 and 2021 are as follows:

	1 January - 31 December 2022	1 January - 31 December 2021
Personal expenses	15.496.665	7.018.411
Travel and vehicle rent expenses	694.175	394.762
Tax and other duties	590.508	268.195
Head office expenses	531.596	105.970
Consultancy expenses	502.849	734.381
Software expenses	449.703	191.881
Communication expenses	60.372	45.021
Other	674.616	437.883
Total	19.000.484	9.196.504

18. INCOME/ EXPENSES FROM INVESTMENT ACTIVITIES

None (1 January 2021 – 31 December 2021: None).

19. OTHER OPERATING INCOME/EXPENSES

Other operating income for the periods ended 31 December 2022 and 2021 are as follows:

	1 January - 31 December 2022	1 January - 31 December 2021
Increase in value of investment property (Note 9)	2.933.114.646	379.371.644
Gain on sales of investment property (**)	140.187.613	--
Default interest income (*)	5.863.666	2.900.692
Provisions no longer required	322.748	909.042
Foreign exchange gains	--	8.935.454
Other	329.583	1.709.214
Total	3.079.818.256	393.826.046

(*) 1 January 2022 – 31 December 2022 The amount of TRY 5.860.135 of default interest income consists of invoices issued to related parties and TRY 3.531 to third parties (1 January 2021 – 31 December 2021: The amount of TRY 2.812.285 of default interest income consists of invoices issued to related parties and TRY 88.407 to third parties).

(**) Income from the sale of Doğuş Center Etiler building to Getir Perakende Lojistik A.Ş. (Note 10).

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19. OTHER OPERATING INCOME/EXPENSES (Continued)

Other operating expense for the periods ended 31 December 2022 and 2021 are as follows:

	1 January - 31 December 2022	1 January - 31 December 2021
Default interest expense	10.464.527	6.365.675
Provision for doubtful receivables	3.901.179	2.811.747
Foreign exchange losses	1.408.033	3.792.641
Other	10.417.543	2.804.589
Total	26.191.282	15.774.652

20. FINANCE INCOME

Finance income for the periods ended 31 December 2022 and 2021 are as follows:

	1 January - 31 December 2022	1 January - 31 December 2021
Finance income		
Interest income	1.138.523	892.337
Foreign exchange gains	--	6.481.942
Total	1.138.523	7.374.279

21. FINANCE EXPENSE

Finance expense for the periods ended 31 December 2022 and 2021 are as follows:

	1 January - 31 December 2022	1 January - 31 December 2021
Finance expense		
Foreign exchange losses	450.437.710	733.964.881
Interest expenses	112.916.525	86.182.972
Commission expenses	13.437.781	13.202.877
Total	576.792.016	833.350.730

22. DISCONTINUED OPERATIONS

The operating results of the Etiler real estate for the periods ended 31 December 2021 are as follows:

	1 January - 31 December 2022	1 January - 31 December 2021
Revenue	--	28.426.775
Cost of Sales	--	(2.102.838)
Increase in value of investment property	--	73.177.131
Income before tax	--	99.501.068
Net profit	--	99.501.068

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23. TAX ASSETS AND LIABILITIES

In accordance with the Corporate Tax Law, the income of the Company is exempted from taxation since it's operations are related to real estate investment trust. Since the earnings of the Company are exempt from tax in accordance with the Corporate Income Tax Law, the Company does not any deferred tax assets and liabilities earnings per share stated in statement of income are calculated by dividing net income for the period by the weighted average number of the Company's shares for the period (31 December 2021: None).

24. EARNINGS / (LOSS) PER SHARE

Earnings per share amounts, net income is calculated by the weighted average number of shares in the current period, the Company's shares.

	1 January - 31 December 2022	1 January - 31 December 2021
Profit / (Loss) for the period	2.665.028.996	(229.276.304)
Weighted average number of shares	332.007.786	331.823.918
Earnings per share	8.027	(0.691)

25. RELATED PARTY DISCLOSURES

Due to/from related parties

As of 31 December 2022 and 31 December 2021, the Company's related party balances are as follows:

Trade receivables from related parties	31 December 2022	31 December 2021
Doğuş Yayın Grubu A.Ş.	15.287.354	8.089.710
Doğuş Center Maslak Yöneticiliği	1.079.360	1.096.334
Zingat Gayrimenkul Sistemleri A.Ş.	20.552	14.750
Kral Müzik Medya Hizmetleri A.Ş.	6.669	70.674
Doğuş Holding A.Ş.	--	27.850.153
Doğuş Otel İşletmeciliği ve Yönetim Hizmetleri A.Ş.	--	2.657.649
Dg Financial Advisers LTD	--	1.217.120
Total	16.393.935	40.996.390
Trade payables to related parties	31 December 2022	31 December 2021
Doğuş Holding A.Ş.	94.008.695	56.803.916
Havana Yayıncılık Tur. ve Gıda Paz. Tic. A.Ş.	17.920	--
Doğuş Bilgi İşlem ve Teknoloji Hizmetleri A.Ş.	15.185	--
Maya Residence T Blok Yöneticiliği	--	6.473
Total	94.041.800	56.810.389

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25. RELATED PARTY DISCLOSURES (Continued)

Other payables to related parties	31 December 2022	31 December 2021
Doğuş Holding A.Ş.	22.500.000	--
Total	22.500.000	--

There is no collateral for receivables from related parties and payables to related parties. Doğuş Holding has a guarantee on the loan amounting to EUR 58.000.000 as of 31 December 2022, which the Company used from Credit Europe. No expense is defined for doubtful receivables from related parties.

The Company accrues interest from its related companies for its financial receivables and payables. The interest rate varies every month during the year. The interest rate used for 31 December 2022 is 18.10% for TRY (31 December 2021: 12.50% for TRY).

Transactions with related parties

As of 31 December 2022 and 31 December 2021, the Company's transactions with related parties summary is as follows:

Rent and other income	1 January - 31 December 2022	1 January- 31 December 2021
Doğuş Holding A.Ş.	65.001.752	51.194.382
Doğuş Oto Pazarlama Ticaret A.Ş.	39.614.099	31.321.768
Doğuş Yayın Grubu A.Ş.	18.858.555	13.836.351
Doğuş Otel İşletmeciliği ve Yönetiği Hizmetleri A.Ş.	12.813.463	12.998.897
Doğuş Spor Kompleksi Yatırım ve İşletme A.Ş.	14.858.316	7.710.344
Doğuş Otomotiv Servis ve Ticaret A.Ş.	2.455.267	2.052.899
Dg Financial Advisers LTD	561.417	1.190.677
Kral Müzik Medya Hizmetleri A.Ş.	228.699	171.400
Zingat Gayrimenkul Bilgi Sist. A.Ş.	184.414	280.825
Total	154.575.982	120.757.543

The company has a total of TRY 5.860.135 default interest income from its related parties for the period 1 January 2022- 31 December 2022. The amount of TRY 3.731.089 of default interest income from Doğuş Holding A.Ş., TRY 1.989.773 from Doğuş Yayın Grubu A.Ş., TRY 120.826 from DG Financial Advisers LTD, TRY 18.447 from Kral Müzik Medya Hizmetleri A.Ş. arises from overdue rental receivables (1 January 2021 -31 December 2021: The amount of TRY 2.501.826 of default interest income from Doğuş Holding A.Ş., TRY 303.902 from Doğuş Yayın Grubu A.Ş., TRY 217.834 from DG Financial Advisers LTD, TRY 3.169 from Zingat Real Estate Information Systems Inc. and TRY 3.389 from Kral Müzik Medya Hizmetleri A.Ş. arises from overdue rental receivables).

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25. RELATED PARTY DISCLOSURES (Continued)

	1 January - 31 December 2022	1 January- 31 December 2021
Service and other expenses		
Doğuş Holding A.Ş. (*)	26.174.594	27.148.650
Doğuş Power Center Maslak Yöneticiliği (**)	1.154.639	692.377
VDF Filo Kiralama A.Ş. (***)	703.469	490.097
Doğuş Bilgi İşlem Ve Teknoloji Hizmetleri A.Ş. (****)	356.266	122.318
Maya Residence T Blok Yöneticiliği	153.811	74.377
Havana Yayıncılık Tur. Ve Gıda Paz. Tic. A.Ş.	52.097	--
Doğuş Yayın Grubu A.Ş.	39.632	--
Doğuş Otel Yatırımları ve Tur. A.Ş.	24.386	--
Doğuş Otel İşletmeciliği ve Yönetim Hizmetleri A.Ş.	--	3.144
Doğuş Planet Elektronik Ticaret ve Bilişim Hizmetleri	--	10.000
Total	28.658.894	28.540.963

(*)Includes the Company's guarantor commission, financing cost and decoration expense.

(**)Includes the Company's common Management expense.

(***)Includes the Company's rent a car expense.

(****)Includes the Company's technology infrastructure expense.

Employee benefits to key management:

The total amount of the benefits provided to the members of the Board of Directors, Board of Directors Consultants and the key management with administrative responsibility. The Company's employee benefits to key management balances are as follows:

	1 January - 31 December 2022	1 January- 31 December 2021
Salary and other short-term benefits	7.403.346	3.111.332
Total	7.403.346	3.111.332

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26. NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk. The Company has exposure to the following risks from its operations:

- Credit risk,
- Liquidity risk,
- Market risk,
- Capital management

26.1. Credit risk

The ownership of the financial assets brings the risk of not meeting the obligations of the agreement of the counter party. These risks are controlled by credit evaluations and restricting the maximum exposure to a counter party. The Company leased out the majority of its investment property portfolio to the main shareholders, group companies and public institutions. Credit risk of other tenants is limited via letter of guarantee. The movement table of bank loans and financial leases as of 31 December 2022 and 31 December 2021 is as follows:

	2022	2021
1 January	1.966.056.433	1.297.671.916
Additions	50.000.000	--
Principal payments	(552.793.574)	(64.154.861)
Interest paid	(84.876.996)	(62.106.229)
Foreign exchange lossess	515.730.747	790.958.180
Change in interest accruals	(1.503.103)	3.687.427
31 December	1.892.613.507	1.966.056.433

As at 31 December 2022, credit risk exposure of financial assets is as follows:

31 December 2022	Receivables				
	Trade Receivables		Other Receivables		
	Related party	Other party	Related party	Other party	Deposits on Banks
Maximum exposed credit risk as of reporting date (A+B+C+D+E) (*)	16.393.935	5.275.322	--	58.399	16.990.580
- Secured portion of the maximum credit risk by guarantees, etc	--	29.974.844	--	--	--
A. Net book value of financial assets that are either not due or not impaired	16.393.935	5.275.322	--	58.399	16.990.580
B. Net book value of the expired but not impaired financial assets	--	--	--	--	--
C. Not past due	--	--	--	--	--
- Covered portion of net book value (with letter of guarantee etc.)	--	--	--	--	--
D. Net carrying value of impaired assets	--	--	--	--	--
- Overdue (Gross book value)	--	15.577.912	--	--	--
- Impairment (-)	--	(15.577.912)	--	--	--
- Covered portion of net book value (with letter of guarantee etc.)	--	8.634.048	--	--	--
- Not overdue (Gross book value)	--	--	--	--	--
- Impairment (-)	--	--	--	--	--
- Secured portion of the net value	--	21.340.796	--	--	--
E. Off balance sheet items with credit risks	--	--	--	--	--

(*) This field represents the total of the A, B, C, D and E rows in the table. In determining the amount in question, factors that increase credit reliability, such as guarantees received, were not taken into account.

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26. NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS (Continued)

26.1. Credit risk (Continued)

As at 31 December 2021, credit risk exposure of financial assets is as follows:

31 December 2021	Alacaklar				
	Ticari alacaklar		Diğer alacaklar		
	İlişkili Taraf	Diğer Taraf	İlişkili Taraf	Diğer Taraf	Bankalardaki mevduat
Maximum exposed credit risk as of reporting date (A+B+C+D+E) (*)	40.996.390	4.922.313	--	3.127	12.429.036
- Secured portion of the maximum credit risk by guarantees, etc	--	24.287.306	--	--	--
A. Net book value of financial assets that are either not due or not impaired	40.996.390	4.922.313	--	3.127	12.429.036
B. Net book value of the expired but not impaired financial assets	--	--	--	--	--
C. Not past due	--	--	--	--	--
- Covered portion of net book value (with letter of guarantee etc.)	--	--	--	--	--
D. Net carrying value of impaired assets	--	--	--	--	--
- Overdue (Gross book value)	--	11.999.481	--	--	--
- Impairment (-)	--	(11.999.481)	--	--	--
- Covered portion of net book value (with letter of guarantee etc.)	--	6.434.024	--	--	--
- Not overdue (Gross book value)	--	--	--	--	--
- Impairment (-)	--	--	--	--	--
- Secured portion of the net value	--	17.853.282	--	--	--
E. Off balance sheet items with credit risks	--	--	--	--	--

(*) This field represents the total of the A, B, C, D and E rows in the table. In determining the amount in question, factors that increase credit reliability, such as guarantees received, were not taken into account.

26.2. Liquidity risk

Liquidity risk is the inability of the Company to match the net funding requirements with sufficient liquidity.

The following table presents the Company's financial liabilities including interest payments according to their remaining contractual maturities.

Contract terms

31 December 2022	Carrying value	Total of contractual cash flows	Up to 3 months	3 months to 1 year	1 year to 5 years	More than 5 years
Financial liabilities (Non-derivative):						
Bank Loans	1.258.394.542	1.534.202.459	115.602.952	48.949.341	1.369.650.166	--
Financial lease liabilities	634.218.965	749.432.796	26.765.400	80.296.205	428.246.453	214.124.738
Trade payables	101.968.498	101.968.498	101.968.498	--	--	--
Other payables and liabilities	25.829.047	25.829.047	856.564	22.500.000	2.472.483	--
Total	2.020.411.052	2.411.432.800	245.193.414	151.745.546	1.800.369.102	214.124.738

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26. NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS
(Continued)

26.2. Liquidity risk (Continued)

31 December 2021	Carrying value	Total of contractual cash flows	Up to 3 months	3 months to 1 year	1 year to 5 years	More than 5 years
Financial liabilities (Non-derivative):						
Bank Loans	1.429.223.132	1.714.196.165	77.470.728	221.937.726	1.414.787.711	--
Financial lease liabilities	536.833.301	649.362.206	20.292.532	60.877.593	324.680.531	243.511.550
Trade payables	63.365.715	63.365.715	63.365.715	--	--	--
Other payables and liabilities	2.454.631	2.454.631	2.454.631	--	--	--
Total	2.031.876.779	2.429.378.717	163.583.606	282.815.319	1.739.468.242	243.511.550

As of 31 December 2022 the Company does not have any derivative financial liabilities (31 December 2021: None).

26.3. Market Risk

The Company is exposed to various market risks, including the effects of changes in exchange rates, interest rates, equity prices and credit spreads.

The total risk management program of the Company focuses on the unpredictability of the financial markets and aims at reducing the potential negative effects on the Company's financial performance.

Foreign currency risk

Exchange risk comprises the effects arising from exchange movements in the event foreign currency assets and liabilities. As of 31 December 2022 and 31 December 2021, the Company's foreign currency assets and liabilities are as follows:

Foreign currency in details;

	31 December 2022			31 December 2021		
	Currency Type	Currency Amount	TRY Amount	Currency Type	Currency Amount	TRY Amount
Assets						
	USD					
Cash and cash equivalents	EUR	--	--	USD	569.577	7.591.892
	EUR	467.420	9.317.971	EUR	273.782	4.130.466
Total			9.317.971			11.722.358
Liabilities						
Bank loans	EUR	58.043.307	1.157.087.511	EUR	82.598.987	1.248.392.845
Financial lease liabilities	EUR	31.814.504	634.218.965	EUR	35.519.178	536.833.301
Total			1.791.306.476			1.785.226.146
Net position			(1.781.988.505)			(1.773.503.788)

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26. NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS
(Continued)

26.3. Market Risk (Continued)

Foreign currency risk (Continued)

31 December 2022	Profit/Loss	
	Valuation of foreign currency	Devaluation of foreign currency
<i>In the case of USD gaining 20% value against TRY;</i>		
1-USD net asset / liability	--	--
2- Hedged portion against USD risk (-)	--	--
3- Net effect of USD (1+ 2)	--	--
<i>In the case of EUR gaining 20% value against TRY;</i>		
1-EUR net asset / liability	(356.397.701)	356.397.701
2- Hedged portion against EUR risk (-)	--	--
3- Net effect of EUR (1+ 2)	(356.397.701)	356.397.701

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26. NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS
(Continued)

26.3. Market Risk (Continued)

Foreign currency risk (Continued)

31 December 2021	Profit / loss	
	Valuation of foreign currency	Devaluation of foreign currency
<i>In the case of USD gaining 20% value against TRY;</i>		
1-USD net asset / liability	1.518.378	(1.518.378)
2- Hedged portion against USD risk (-)	--	--
3- Net effect of USD (1+ 2)	1.518.378	(1.518.378)
<i>In the case of EUR gaining 20% value against TRY;</i>		
1-EUR net asset / liability	(356.219.136)	356.219.136
2- Hedged portion against EUR risk (-)	--	--
3- Net effect of EUR (1+ 2)	(356.219.136)	356.219.136

Interest rate risk

The Company is exposed to interest rate risk due to interest bearing assets and liabilities. The table below shows the financial instruments sensitive to interest rates as of 31 December 2022 and 31 December 2021:

<i>Financial instruments with fixed interest rates</i>	31 December 2022	31 December 2021
Financial assets	11.010.648	11.722.358
Time deposits	11.010.648	11.722.358
Financial liabilities	--	1.966.056.433
Borrowings	--	1.429.223.132
Financial lease	634.218.965	536.833.301
<i>Financial instruments with variable interest rates</i>	31 December 2022	31 December 2021
Financial liabilities	1.892.613.507	--
Borrowings	1.258.394.542	--

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**26. NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS
(Continued)**

26.3. Market Risk (Continued)

Interest rate risk (Continued)

Weighted average interest rates which are applied to financial instruments as of 31 December 2022 and 31 December 2021 are as follows:

<i>Financial instruments</i>	31 December 2022	31 December 2021
Time deposits- TRY	%19	-
Time deposits - EUR	%0,01- %0,45	%0.01- %0.45
Time deposits - USD	--	%0.25
Financial liabilities- EUR	Euribor+%4,65	%4.65
Financial liabilities- TRY	TRYREF+%4-TRYREF+%5	%12.58

Interest rate sensitivity:

The company's financial claims and debts are generally short term and there is no exposure to the risk of interest. The company reduces interest risk of change by using variable-rate loans and loan term credit.

Cash flow sensitivity analysis for variable rate instruments:

The floating interest loans which are classified by the Company as the financial liabilities in the financial statement are exposed to the interest risk depending on the interest changes.

The following table shows the sensitivity of the Company with regard to the effect of the interest rates on the profit (loss) for a possible change (0.01%) when all other factors remain as fixed. As of 31 December 2022 and 2021, the aforesaid calculation has been made for the portion that is not included in the Company's interest rate swap transaction:

31 December 2022	Increase / (Decrease)	Effect profit / (loss) before tax and equity
Variable rate instruments	(0,01%) 0,01%	2.099 (2.107)

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26. NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS
(Continued)

26.3. Market risk

Interest rate risk (continued)

Non-Financial Asset

Investment properties measured at fair value in the Company's financial statements are based on real estate valuation reports prepared by the real estate appraisal company authorized by the CMB.

Investment Properties:

The Company does not have any investment properties calculated with the market approach method except for land of Gebze AVM (31 December 2021: None).

As of 31 December 2022 and 31 December 2021 the sensitivity analysis of investment property calculated by using cash discount comparative method is as follows;

31 December 2022	Sensitivity Analysis	Profit / (loss) Effect on Fair Value
Discount Rate	Increase by %1	(255.805.000)
	Decrease by %1	371.415.000
Rent Increase Rate	Increase by %1	340.565.000
	Decrease by %1	(308.380.000)
Capitalisation Rate	Increase by %1	(386.170.000)
	Decrease by %1	526.090.000
Occupancy Rate	Increase by %1	19.570.000
	Decrease by %1	(49.470.000)
31 December 2021	Sensitivity Analysis	Profit / (loss) Effect on Fair Value
Discount Rate	Increase by %1	(138.845.317)
	Decrease by %1	156.074.885
Rent Increase Rate	Increase by %1	24.723.942
	Decrease by %1	(21.771.258)
Capitalisation Rate	Increase by %1	(147.425.840)
	Decrease by %1	198.701.722
Occupancy Rate	Increase by %1	17.675.430
	Decrease by %1	(22.755.362)

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**26. NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS
(Continued)**

26.4. Capital management

The Company manages capital by using effective portfolio management to reduce the risk of investment. The main objectives of the Company are to continue operations with generating revenue, to secure the benefits of the shareholders, cost of capital and to continue the optimum level of net liabilities/equity and to achieve the efficient capital structure continuity.

27. FINANCIAL INSTRUMENTS

Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date except involuntary liquidation or distress sale. When available, the quoted price in an active market provide the best estimate of its fair value. Foreign currency-based financial receivables and payables are evaluated at the foreign currency exchange rates of the day the financial statements are prepared. The following methods and assumptions are used in estimating the fair values of the Company's financial instruments:

a) Financial Assets

The fair values of some financial assets include their cost values and cash and cash equivalents, interest accruals on them and other short-term financial assets, and because they are short-term, their fair values are considered to be close to their carrying values. Trade receivables are considered to be close to their fair values after carrying the provisions for doubtful receivables.

b) Financial Liabilities

Due to the fact that commercial liabilities and other monetary liabilities are short-term, their fair value is thought to approach the value they carry. Bank loans are expressed at discounted cost and transaction costs are added to the initial book values of the loans. Since the interest rates on it are updated considering the changing market conditions, the fair values of the loans are thought to represent the value they carry. The fair values of commercial liabilities are expected to be close to their carrying values.

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27. FINANCIAL INSTRUMENTS (Continued)

Classification of Fair Value Measurement

IFRS 13 - Financial Instruments requires the classification of fair value measurements into a fair value hierarchy by reference to the observability and significance of the inputs used in measuring fair value of financial instruments measured at fair value to be disclosed. This classification basically relies on whether the relevant inputs are observable or not. Observable inputs refer to the use of market data obtained from independent sources, whereas unobservable inputs refer to the use of predictions and assumptions about the market made by the Company.

This distinction brings about a fair value measurement classification generally as follows:

- Level 1: Financial assets and financial liabilities with standard terms and conditions are valued with quoted market prices which are determined on active liquid markets.
- Level 2: Financial assets and financial liabilities are valued by directly or indirectly observable market prices rather than the quoted market prices mentioned in first level of the regarding assets or liabilities.
- Level 3: Financial assets and financial liabilities are valued by the inputs where there is no observable market data of the fair value of the regarding assets and liabilities.

Classification requires using observable market data if possible.

In this context, classification of fair value of financial assets and liabilities measured at fair value are as follows:

31 December 2022	Level 1	Level 2	Level 3	Total
Investment property	--	--	5.047.630.000	5.047.630.000
Total	--	--	5.047.630.000	5.047.630.000

31 December 2021	Level 1	Level 2	Level 3	Total
Investment property	--	--	2.021.004.794	2.021.004.794
Non-current assets which are classified as for sale	--	--	349.235.000	349.235.000
Total	--	--	2.370.239.794	2.370.239.794

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**28. OTHER MATTERS THAT MAY AFFECT THE FINANCIAL STATEMENTS OR
WHICH MUST BE EXPLAINED FOR THE OPEN, INTERPRETABLE AND
UNDERSTANDABLE FINANCIAL STATEMENTS**

1st Degree 100,000,000 mortgage on the Company's Gebze Center Shopping Mall, Hotel and Showroom real estates (31 December 2021: EUR 100,000,000) on behalf of Credit Europe Bank N.V..

The company continues to communicate with banks that have loan debts in line with the changes in cash projections due to periodic developments. In this context, the Company announced on the Public Disclosure Platform on 11 February 2022, that the T.R. announced that the maturity of the two-year loan, which was used on 11 February 2020 from Ziraat Bankası A.Ş., was postponed for 3 months, the interest rate was re-determined and a cash commission would be paid.

With the PDP statement dated 8 April 2022, the company has completed the sale of the remaining 45 independent sections, excluding the independent spaces 16 and 17, located in Doğuş Center Etiler real estate, to Getir Perakende Lojistik A.Ş.

With the Public Disclosure Platform dated April 13, 2022, the company has signed a contract with Credit Europe Bank N.V. to reduce its loan debt liability. and EUR 23.804.185.42 early principal payment and the loan balance of EUR 58.000.000.00 to be paid at maturity (September 2026).

The Company purchased from T.C.Ziraat Bankası A.Ş. on 11 February 2020, the principal amount of TRY 50.000.000 with a maturity of two years, principal payment at the end of maturity, interest payment every 3 months, fixed interest of 11.5%, and 3 months on 11 February 2022. The Company and Ziraat Bankası A.Ş., regarding the postponement of the loan, which was extended until 11 May 2022, this time under the following conditions. Negotiations between the parties have been completed and the parties have agreed on the following conditions.

In line with the relevant agreement; It has been agreed that the maturity of the loan will be extended for 3 months until 10 February 2023, the interest rate will continue as TRYREF+%5 and TRY 500.000+BITT will be paid as a cash commission.

As announced in the Public Disclosure Platform dated 14 December 2022, a two-year-term credit limit of 200.000.000 TL was obtained from Halkbank A.Ş..

**29. FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDITOR/ INDEPENDENT
AUDIT FIRMS**

Information regarding the fees for the services received from the independent audit firms, in accordance with the letter of POA dated 19 August 2021 that was prepared considering the Board Decision published in the Official Gazette on 30 March 2021, are as follows:

	31 December 2022	31 December 2021
Independent audit fee for the reporting period	349.500	125.000
Total	349.500	125.000

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30. EVENTS AFTER THE REPORTING DATE

The principal amount of TRY 50.000.000 was used from Ziraat Bankası A.Ş. on 11 February 2020, with a maturity of two years, principal payment at maturity, interest payment every three months, fixed interest of 11.5%, for a period of 3 months on 11 February 2022. The loan, which was extended for 6 months on 11 May 2022 and for 3 months on 11 November 2022, Ziraat Bankası A.Ş. Within the scope of the agreement made with this company, the interest amount accrued on 10 February 2023, which is the maturity of the loan, and the principal payment of TRY 10.000.000, the remaining principal to be paid in 6 monthly equal installments, the interest rate to be determined as TLREF+4.00%, 440.000- It has been decided to pay TL+BSMV cash commission and 400.000 TL+BSMV as payment plan change fee.

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**31. SUPPLEMENTARY INFORMATION: COMPLIANCE CONTROL OF THE PORTFOLIO
RESTRICTIONS**

Presented information, in accordance with Capital Markets Board's Communiqué Serial: II, No: 14.1 "Financial Reporting in Capital Markets" Amendment No: 16 comprised condensed information and prepared in accordance with Capital Markets Board's Communiqué Serial: III, No: 48.1 "Real Estate Investment Company" published in the Official Gazette dated 28 May 2013 numbered 28660 Capital Markets Board's Communiqué Serial: III, No: 48.1a "Amendment on Real Estate Investment Company" published in the Official Gazette dated 23 January 2014 numbered 28891.

As of 31 December 2022, the information in the table of "control of compliance with the portfolio limitations" is prepared in accordance with the provisions on the control of portfolio limitations of Communiqué Series:III No: 48.1a, and article 22(e), article 24(a,b,c,d) and article 28 and 31 "Principles Regarding Real Estate Investment Companies", and the limitations are showed below:

Financial Statement Primary Account Items	Related Regulations	31 December 2022	31 December 2021
A Monetary and capital market instruments	Serial III-48.1 Art , Md.24/(b)	16.995.328	12.429.664
B Real estates, projects based on real estates, rights based on real estates	Serial III-48.1 Art , Md.24/(a)	5.051.517.034	2.374.116.828
C Subsidiaries	Serial III-48.1 Art , Md.24/(b)	--	--
Due from related parties (non-trade)	Serial III-48.1 Art , Md.23/(f)	--	--
Other assets		27.331.068	53.362.797
D Total asset	Serial III-48.1 Art , Md.3/(p)	5.095.843.430	2.439.909.289
E Financial liabilities	Serial III-48.1 Art , Md.31	1.258.394.542	1.429.223.132
F Other financial liabilities	Serial III-48.1 Art , Md.31	--	--
G Financial leasing obligations	Serial III-48.1 Art , Md.31	634.218.965	536.833.301
H Due to related parties (non-trade)	Serial III-48.1 Art , Md.23/(f)	--	--
I Equity	Serial III-48.1 Art , Md.31	3.069.751.712	405.361.121
Other liabilities		133.478.211	68.491.735
D Total liabilities	Serial III-48.1 Art , Md.3/(p)	5.095.843.430	2.439.909.289

Financial Information	Related Regulations	31 December 2022	31 December 2021
A1 The portion of money and capital market instruments held for payables of properties for the following 3 years	Serial III-48.1 Art , Md.24/(b)	--	--
A2 Time deposit/ demand deposit/TRY/foreign currency	Serial III-48.1 Art , Md.24/(b)	16.990.580	12.429.036
A3 Foreign capital market instruments	Serial III-48.1 Art , Md.24/(d)	--	--
B1 Foreign properties, projects based on properties on rights based on properties	Serial III-48.1 Art , Md.24/(d)	--	--
B2 Idle lands	Serial III-48.1 Art , Md.24/(c)	--	--
C1 Foreign Subsidiaries	Serial III-48.1 Art , Md.24/(d)	--	--
C2 Investments in affiliated operating company	Serial III-48.1 Art , Md.28/1(a)	--	--
J Non-cash loans (*)	Serial III-48.1 Art , Md.31	30.472	30.472
K Mortgage amounts on lands that project to be developed and the ownership does not belong the partnership	Serial III-48.1 Art , Md.28(e)	--	--
L Total investments of monetary and capital market instruments at one company	Serial III-48.1 Art , Md.22/(l)	--	--

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31. SUPPLEMENTARY INFORMATION: COMPLIANCE CONTROL OF THE PORTFOLIO RESTRICTIONS (Continued)

Portfolio Restrictions	Related Regulation	Calculation	31 December 2022	31 December 2021	Min/Max Rate
1 Mortgage amounts on lands that projects to be developed and the ownership does not belong the partnership (K/D)	Serial III-48.1Art , Md.22/(e)	K/D	0%	0%	<%10
2 Real estates,projects based on real estates rights based on real estates (B+A1)/D)	Serial III-48.1Art, Md. 24/(a),(b)	(B+A1)/D	99.13%	97.30%	>%50
3 Monetary and capital market instruments (A+C-A1)/D)	Serial III-48.1Art , Md.24/(b)	(A+C-A1)/D	0.33%	0.51%	<%50
4 Foreign properties,projects based on properties rights based on properties affiliated capital market intruments (A3+B1+C1)/D)	Serial III-48.1Art , Md.24/(d)	(A3+B1+C1)/D	0%	0%	<%49
5 Idle lands(B2/D)	Serial III-48.1Art , Md.24/(c)	B2/D	0%	0%	<%20
6 Subsidiaries (operating companies) (C2/D)	Serial III-48.1Art , Md.28/1(a)	C2/D	0%	0%	<%10
7 Borrowing limit (E+F+G+H+J)/I	Serial III-48.1Art , Md.31	(E+F+G+H+J)/İ	61.65%	485.02%	<%500
8 TRY and foreign currency, time and demand deposit(A2-A1)/D)	Serial III-48.1Art , Md.24/(b)	(A2-A1)/D	0.33%	0.51%	<%10
9 Total investments of monetary and capital market instruments at one company	Serial III-48.1Art , Md.22/1(l)	L/D	0%	0%	<%10