

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

As of December 31, 202 Statement of Financial Position (Balance Sheet)

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

		<i>Audited</i>	<i>Audited</i>
		December 31,	December 31,
	Notes	2021	2020
ASSETS			
Current assets		492.261.589	464.909.637
Cash and cash equivalents	5	138.562.954	59.156.089
Trade receivables	8	109.092.484	125.644.421
<i>Trade receivables from related parties</i>	25	2.369.667	2.183.477
<i>Trade receivables from third parties</i>		106.722.817	123.460.944
Other receivables	9	5.560.768	6.374.055
<i>Other receivables from related parties</i>	25	--	1.175.000
<i>Other receivables from third parties</i>		5.560.768	5.199.055
Derivatives	6	28.049.500	33.617.110
Inventories	11	139.873.007	234.619.247
Prepaid expenses	16	68.485.450	5.234.925
<i>Prepaid expenses to related parties</i>	25	229.092	211.610
<i>Prepaid expenses to third parties</i>		68.256.358	5.023.315
Other current assets	16	2.637.426	263.790
Non-current assets		6.184.059.709	4.760.495.830
Financial investments	6	272.785.497	230.571.960
Trade receivables	8	3.528.353	13.203.105
<i>Other trade receivables from third parties</i>		3.528.353	13.203.105
Inventories	11	381.236.548	200.107.126
Equity accounted investees	3	5.768.402	4.285.294
Investment properties	10	4.979.646.022	3.942.624.436
Investment properties under development	10	474.465.000	318.570.000
Tangible assets	12	55.492.519	41.395.040
Intangible assets	13	1.249.812	939.699
Prepaid expenses	16	9.887.556	8.799.170
<i>Prepaid expenses to third parties</i>		9.887.556	8.799.170
TOTAL ASSETS		6.676.321.298	5.225.405.467

The accompanying notes form an integral part of these financial statements

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

As of December 31, 2021 Statement of Financial Position (Balance Sheet)

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

		<i>Audited</i>	<i>Audited</i>
	Notes	December 31, 2021	December 31, 2020
LIABILITIES			
Short-term liabilities		1.000.398.213	962.552.803
Short-term loans and borrowings	7	840.482.361	446.021.370
<i>Loans and borrowings to related parties</i>	25	442.594.531	222.657.441
<i>Loans and borrowings to third parties</i>		397.887.830	223.363.929
Current portion of long term loans and borrowings	7	5.645.663	437.419.301
<i>Loans and borrowings to related parties</i>	25	5.645.663	235.880.646
<i>Loans and borrowings to third parties</i>		--	201.538.655
Trade payables	8	10.550.029	8.041.258
<i>Trade payables to related parties</i>	25	4.310.834	2.896.856
<i>Trade payables to third parties</i>	8	6.239.195	5.144.402
Other payables	9	16.137.729	11.374.522
<i>Other payables to third parties</i>	9	16.137.729	11.374.522
Liabilities from contracts with customers		98.315.105	38.013.150
<i>Contractual obligations from sales of goods and services</i>	17	98.315.105	38.013.150
Deferred income (Excluding liabilities from contracts with customers)	16	18.673.511	2.107.021
<i>Deferred income from related parties</i>	25	56.771	47.113
<i>Deferred income from third parties</i>		18.616.740	2.059.908
Short-term provisions		6.517.479	7.207.646
<i>Provisions for employee benefits</i>	15	496.510	459.525
<i>Other short-term provisions</i>	14	6.020.969	6.748.121
Other short-term liabilities	16	4.076.336	2.460.885
Derivatives	6	--	9.907.650
Long-term liabilities		200.260.206	131.898.858
Long-term loans and borrowings	7	197.107.317	129.538.235
<i>Loans and borrowings to related parties</i>	25	117.000.002	129.538.235
<i>Loans and borrowings to third parties</i>		80.107.315	-
Long-term provisions		3.152.889	2.360.623
<i>Provisions for employee benefits</i>	15	3.152.889	2.360.623
EQUITY		5.475.662.879	4.130.953.806
Share capital	18	958.750.000	958.750.000
Inflation restatement difference on share capital	18	240.146.090	240.146.090
Share premium	18	423.981	423.981
Other comprehensive income that will never be reclassified to profit or loss		55.581.064	40.791.881
<i>Revaluation and classification of gains / losses</i>		56.043.574	41.094.769
<i>Other earnings/ losses</i>		(462.510)	(302.888)
Restricted reserves	18	71.190.580	70.941.969
Prior years' profits	18	2.819.651.274	2.553.397.882
Net profit for the period		1.329.919.890	266.502.003
TOTAL EQUITY AND LIABILITIES		6.676.321.298	5.225.405.467

The accompanying notes form an integral part of these financial statements

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

Statement of Profit or Loss For the Year Ended December 31, 2021

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

		<i>Audited</i>	<i>Audited</i>
		January 1 - December 31 2021	January 1 - December 31 2020
Revenue	19	488.577.001	552.678.714
Cost of sales (-)	19	(200.955.447)	(356.313.056)
Gross profit		287.621.554	196.365.658
General administrative expense (-)	20	(30.243.898)	(30.471.174)
Marketing expenses (-)	20	(14.512.469)	(7.139.564)
Other operating income	22	1.235.439.964	358.709.081
Other operating expense (-)	22	(659.131)	(75.744.314)
Operating profit		1.477.646.020	441.719.687
Share of profit of equity-accounted investees	3	1.983.108	2.044.038
Operating Profit Before Finance Expense		1.479.629.128	443.763.725
Financial income	23	46.193.755	10.929.166
Financial expenses (-)	23	(195.902.993)	(188.190.888)
Operating Profit before Tax From Continuing Operations		1.329.919.890	266.502.003
Tax Expense From Continuing Operations			
- Corporate tax charge		--	--
- Deferred tax benefit		--	--
Net profit for the period		1.329.919.890	266.502.003
Earnings per share	24	0,0139	0,0028

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İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi
Statement of Cash Flow For the Year Ended December 31, 2021
(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated.)

		<i>Audited</i>	<i>Audited</i>
		January 1 - December 31 2021	January 1 - December 31 2020
	Notes		
Net profit for the period		1.329.919.890	266.502.003
Other comprehensive income			
Other comprehensive income that will never be reclassified to profit or loss		14.789.183	4.224.725
Revaluation and classification of gains / losses	12	14.948.805	4.142.813
Actuarial gain/(loss) arising from defined benefit plans	15	(159.622)	81.912
Other comprehensive income		14.789.183	4.224.725
TOTAL COMPREHENSIVE INCOME		1.344.709.073	270.726.728

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İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi
Statement of Cash Flow For the Year Ended December 31, 2021
(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated.)

					Other comprehensive income that will never be reclassified to profit or loss					
	Notes	Share capital	Inflation restatement difference on share capital	Share premium	Other earnings/losses	Revaluation and classification of gains/losses	Legal reserves	Prior years' profits	Net profit for the period	Equity
Balances at January 1, 2020		958.750.000	240.146.090	423.981	(384.800)	36.951.956	65.949.792	2.261.000.280	297.389.779	3.860.227.078
Transfers		--	--	--	--	--	4.992.177	292.397.602	(297.389.779)	--
Total comprehensive income		--	--	--	81.912	4.142.813	--	--	266.502.003	270.726.728
Balances at December 31, 2020	18	958.750.000	240.146.090	423.981	(302.888)	41.094.769	70.941.969	2.553.397.882	266.502.003	4.130.953.806
Balances at January 1, 2021		958.750.000	240.146.090	423.981	(302.888)	41.094.769	70.941.969	2.553.397.882	266.502.003	4.130.953.806
Transfers		--	--	--	--	--	248.611	266.253.392	(266.502.003)	--
Total comprehensive income		--	--	--	(159.622)	14.948.805	--	--	1.329.919.890	1.344.709.073
Balances at December 31, 2021	18	958.750.000	240.146.090	423.981	(462.510)	56.043.574	71.190.580	2.819.651.274	1.329.919.890	5.475.662.879

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İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi
Statement of Cash Flow For the Year Ended December 31, 2021
(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated.)

		<i>Audited</i>	<i>Audited</i>
		January 1- December 31 2021	January 1- December 31 2020
	Notes		
A. Cash flows from operating activities			
Net profit for the period		1.329.919.890	266.502.003
<i>Profit adjustments for:</i>			
Adjustments to depreciation and amortization	12, 13	2.477.126	2.307.159
Adjustments to impairment or cancellation		(32.220.733)	(8.425.983)
- Adjustments to impairment of receivables	8	2.096.646	1.078.370
- Adjustments to impairment of inventories	11	(34.317.379)	(9.504.353)
Adjustments for provisions		760.529	698.245
- Adjustments to provision for employee severance indemnity	15	760.529	698.245
Adjustments for (gain)/losses on fair value		(1.226.018.007)	(280.908.566)
- Adjustments to (gain)/losses on fair value of investment property	10	(1.139.831.513)	(261.329.951)
- Adjustments to (gain)/losses on fair value of financial assets		(39.992.739)	(8.649.449)
- Adjustments to (gain)/losses on fair value of derivatives	23	(46.193.755)	(10.929.166)
Adjustments for retained earnings of investments valued by equity method	3	(1.983.108)	(2.044.038)
- Adjustments for retained earnings of subsidiaries		(1.983.108)	(2.044.038)
Adjustments to interest income and expense		148.338.747	130.208.283
- Adjustments to interest income	19	(6.123.271)	(7.418.947)
- Adjustments to interest expense	23	154.462.018	137.627.230
Adjustments to foreign exchange differences		(19.297.162)	40.142.550
Operating profit from before the changes in working capital		201.977.282	148.479.653
<i>Changes in working capital</i>			
Changes in trade receivables		24.130.044	9.264.481
- Changes in trade receivables from related parties		(186.190)	881.022
- Changes in trade receivables from third parties		24.316.234	8.383.459
Changes in other receivables		813.287	811.233
- Changes in other receivables from related parties		1.175.000	325.000
- Changes in other receivables from third parties		(361.713)	486.233
Changes in inventories		77.884.013	253.776.783
Changes in prepaid expenses		(64.338.911)	2.060.962
Changes in trade payables		2.508.771	(33.303.260)
- Changes in trade payables from related parties		1.413.968	(31.155.930)
- Changes in trade payables from third parties		1.094.803	(2.147.330)
Changes in other payables		4.763.236	(894.662)
- Changes in other payables from third parties		4.763.236	(894.662)
Changes in liabilities from contracts with customers		60.301.956	(111.023.095)
- Changes in contractual obligations from sales of goods and services		60.301.956	(111.023.095)
Changes in deferred income (Excluding liabilities from contracts with customers)		16.566.490	(20.724.167)
Other changes in working capital		(1.485.363)	16.117.004
- Changes in other assets		(2.373.636)	12.593.003
- Changes in other liabilities		888.273	3.524.001
		323.120.805	264.564.932
Cash generated from operating activities			
Employee termination benefits paid	15	(90.902)	(265.375)
Interest received	5, 19	5.798.034	8.625.877
Net cash provided by / (used in) operating activities		328.827.937	272.925.434
B. Cash flows from investing activities			
Cash outflows for the acquisition of shares of other entities or funds or debt instruments		(2.220.798)	(2.799.999)
Cash outflows arising from purchase of investment properties	10	(182.934.674)	(13.880.749)
Cash outflows arising from purchases of tangible and intangible assets	12, 13	(1.935.913)	(1.107.263)
- Cash outflows arising from purchases of tangible assets		(1.029.066)	(322.173)
- Cash outflows arising from purchases of intangible assets		(906.847)	(785.090)
Dividends received		500.000	--
Net cash used in investing activities		(186.591.385)	(17.788.011)
C. Cash flows from financing activities			
Cash inflows arising from derivatives		45.227.800	30.636.424
Cash outflows arising from derivatives		(3.374.085)	(9.442.867)
Borrowings received	7	2.291.187.851	521.607.215
Borrowings paid	7	(2.272.488.656)	(987.641.445)
Interest paid	7	(143.004.995)	(146.833.209)
Net cash provided by financing activities		(82.452.085)	(591.673.882)
Increase / (decrease) in cash and cash equivalents before effect of changes in foreign currency rates		59.784.467	(336.536.459)
Effect of changes in foreign currency rates over cash and cash equivalents		19.297.161	8.484.092
Net increase / (decrease) in cash and cash equivalents		79.081.628	(328.052.367)
Cash and cash equivalents at the beginning of the period	5	58.915.973	386.968.340
Cash and cash equivalents at the end of the period	5	137.997.601	58.915.973

The accompanying notes form an integral part of these financial statements