



**AKMERKEZ GAYRİMENKUL  
YATIRIM ORTAKLIĞI  
ANONİM ŞİRKETİ**

**ACTIVITY REPORT  
COVERING THE PERIOD OF  
01.01.2022 – 31.03.2022**



**CONVENIENCE TRANSLATION INTO ENGLISH OF  
INDEPENDENT AUDITOR'S REVIEW REPORT ON INTERIM PERIOD REPORT  
ORIGINALLY ISSUED IN TURKISH**

To the General Assembly of Akmerkez Gayrimenkul Yatırım Ortaklığı A.Ş.

We have been assigned to the review whether the financial information in the review report of Akmerkez Gayrimenkul Yatırım Ortaklığı A.Ş. (the "Company") prepared as at 31 March 2022 is consistent with the reviewed interim condensed consolidated financial information. Management is responsible for the preparation of the interim period report. Our responsibility is to express a conclusion on whether the financial information provided in the interim period report is consistent with the reviewed interim condensed financial information on which we have expressed our conclusion dated 9 May 2022.

We conducted our review in accordance with the Standard on Review Engagements ("SRE") 2410 "Review on Interim Financial Information Performed by the Independent Auditor of the Entity". Our review includes the assessment as to whether the financial information included in the interim period report is consistent with the reviewed interim condensed financial statements and other explanatory notes. A review is substantially less in scope than an audit conducted in accordance with Independent Auditing Standards, the objective of which is to express an opinion on the financial statements. Consequently, a review on the interim period financial information does not provide assurance that the audit firm will be aware of all significant matters which would have been identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to conclude that the accompanying financial information included in the review report is not consistent, in all material respects, with the interim financial information and the information presented in the explanatory notes to interim condensed financial statements.

PwC Bağımsız Denetim ve  
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Baki Erdal, SMMM  
Partner

Istanbul, 9 May 2022

**AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ**  
**REPORT OF THE BOARD OF DIRECTORS ON THE ACTIVITIES IN THE PERIOD**  
**OF**  
**01.01.2022 - 31.03.2022**

This Activity Report (the "Report") is issued pursuant to the provision of article 516 of the Turkish Commercial Code, the provisions of the 'Regulation on the Establishment of Minimum Content of Annual Reports of Companies' of the Ministry of Trade, which was published in the Official Gazette no. 28395 of 28.08.2012, and the provision of article 8 of the 'Communiqué on the Principles Applicable to Financial Reporting in Capital Market' (II-14.1), provisions of relevant articles of the 'Corporate Governance Communiqué' (II-17.1) and provisions of article 39 of the 'Communiqué on the Principles Applicable to Real Estate Investment Partnerships' (III-48.1), of the Capital Markets Board. The Report intends to evaluate, and provide information to our investors about, the business activities of the Company during the period of 01.01.2022-31.03.2022.

**1. GENERAL INFORMATION**

<b>Report Period:</b>	01.01.2022 – 31.03.2022
<b>Trade Name:</b>	AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ
<b>Trade Registry Office:</b>	İstanbul
<b>Trade Registration Number:</b>	260139
<b>Stock Exchange where stocks of the Company are traded:</b>	Borsa İstanbul A.Ş.
<b>Market where the Capital Market Instrument is Traded, and Indexes where the Company Takes Place:</b>	BIST SubMarket BIST All Shares / BIST Real Est. Inv. Trusts / BIST Corporate Governance / BIST All Shares-100 / BIST Dividend / BIST Financials
<b>Trading Symbol:</b>	AKMGY
<b>Portfolio Details:</b>	Date of Establishment: 08.12.1989 Date of Public Offering: 15.04.2005
<b>Head Office Address:</b>	Kültür Mah. Nispetiye Cad. Akmerkez No: 56/1 E- 3 Kule Kat:1 Beşiktaş/İstanbul
<b>Website:</b>	<a href="http://www.akmgyo.com">www.akmgyo.com</a>
<b>E-mail:</b>	<a href="mailto:gyo@akmerkez.com.tr">gyo@akmerkez.com.tr</a>
<b>Investor Relations E-mail:</b>	<a href="mailto:yatirimciiliskileri@akmerkez.com.tr">yatirimciiliskileri@akmerkez.com.tr</a>
<b>Registered e-mail address:</b>	<a href="mailto:akmerkez@akmerkez.hs02.kep.tr">akmerkez@akmerkez.hs02.kep.tr</a>
<b>Central Registration System:</b>	0837003197300012
<b>Tax Office:</b>	Büyük Mükellefler Vergi Dairesi
<b>Tax Number:</b>	837 003 1973
<b>Phone Number:</b>	+90 (212) 282 01 70
<b>Fax Number:</b>	+90 (212) 282 01 19

## 1.1. ORGANIZATION, CAPITAL AND SHAREHOLDING STRUCTURE OF THE COMPANY AND VARIATIONS PERFORMED DURING THE ACCOUNTING PERIOD

The rate of publicly held shares of stock pertaining to Akmerkez GYO A.Ş. is 57.34% as of 31.03.2022.

All shares representing the capital are listed in the İstanbul Stock Exchange (BIST).

The registered capital ceiling of Akmerkez GYO A.Ş. is TRY-75,000,000.00 and the paid-in capital is TRY-37,264,000.00. The paid-in capital of the company is divided into 3,726,400,000 shares at par value of 1 kurush each.

### 1.1.1. Shareholding Structure

List of the shareholders who hold 5% and more of the capital of the Company as of 31.03.2022 is as follows:

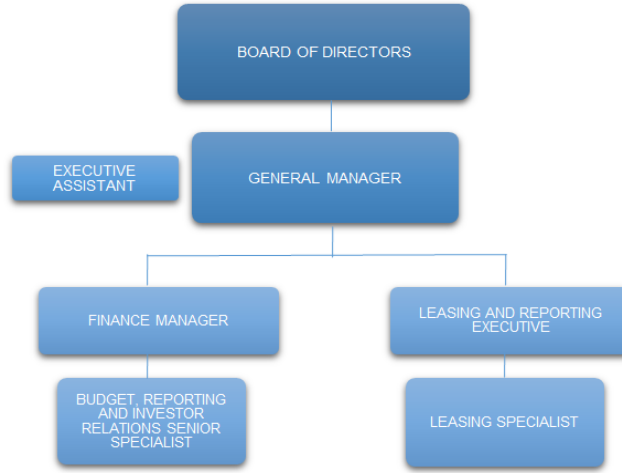
Tradename/Name-Surname of the Shareholder	Nominal Value (TRY)	Capital Share (%)
Klepierre S.A.	17,113,907.88	45.93
Akkök Holding A.Ş.	4,671,085.00	12.54
Tekfen Holding A.Ş.	3,901,279.04	10.47
Davit Braunştayn	2,534,461.82	6.80
Other	9,043,266.26	24.26
<b>Total</b>	<b>37,264,000.00</b>	<b>100.00</b>

### 1.1.2. Information about the Shares Representing the Capital

Class	Registered/Bearer	Total Nominal Value (TRY)	Capital Ratio (%)	Trading Status in Stock Exchange
<b>A</b>	Registered	4,075,750.00	10.93	Not Traded
<b>B</b>	Registered	2,841,380.00	7.63	Not Traded
<b>C</b>	Registered	2,398,870.00	6.44	Not Traded
<b>D</b>	Bearer	27,948,000.00	75.00	76.45% Traded
<b>Total</b>		<b>37,264,000.00</b>	<b>100.00</b>	<b>57.34% Traded</b>

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### 1.1.3. Organizational Chart



No change occurred in the shareholding structure, capital-stock and organizational chart of the Company within the period.

### 1.2. REMARKS ON THE PRIVILEGED SHARES AND VOTING RIGHTS OF THE SHARES

Class (A), (B), (C) and (D) shares of the Company have privilege to nominate candidates to the Board of Directors. 4 members of the Board of Directors of the Company are elected by the General Assembly Meeting among the candidates nominated by majority of the owners of the Class (A) registered shares, 3 members among the candidates nominated by majority of the owners of the Class (B) registered shares, 2 members among the candidates nominated by majority of the owners of the Class (C) registered shares and 1 member among the candidates nominated by majority of the owners of the Class (D) bearer shares offered to public, who attended the General Assembly Meeting.

If, however, the holders of the Class (D) bearer shares offered to public, who attended the General Assembly Meeting are not able to nominate a candidate and/or agree on a candidate by majority during the General Assembly Meeting, the Board of Directors of the Company is formed by 9 (nine) members elected by the General Assembly Meeting among the candidates 4 of whom were nominated by the majority of the owners of the Class (A) registered shares, 3 by the majority of the owners of the Class (B) registered shares, and 2 by the majority of the owners of the Class (C) registered shares.

Apart from the privilege of nominating candidates to the Board of Directors as described above, there is not any other privilege.

Each shareholder is entitled to cast one vote per share.

### 1.3. INFORMATION ABOUT BOARD OF DIRECTORS, SENIOR OFFICERS AND NUMBER OF EMPLOYEES

#### 1.3.1. BOARD OF DIRECTORS

Chairman	: RAİF ALİ DİNÇKÖK
Vice-Chairman	: MURAT GİGİN
Member	: SİNAN KEMAL UZAN
Member	: DAVİT BRAUNŞTAYN
Member	: ALİZE DİNÇKÖK
Member	: AHMET CEMAL DÖRDÜNCÜ
Member	: KLE DIR SAS (Natural person representative Johan Caspar Bergenthal)
Member	: ÖZGE BULUT MARAŞLI
Member	: ÖMER EGESEL
Member	: AYCAN AVCI

The Members of the Board of Directors that were elected at the Ordinary General Assembly Meeting held on 28.03.2022 for an office term of three years are RAİF ALİ DİNÇKÖK, AHMET CEMAL DÖRDÜNCÜ and ALİZE DİNÇKÖK who were proposed by majority of the Class (A) registered shares; MURAT GİGİN and SİNAN KEMAL UZAN who were proposed by majority of the Class (B) registered shares; DAVİT BRAUNŞTAYN who was proposed by majority of the Class (C) registered shares; AYCAN AVCI, ÖMER EGESEL and ÖZGE BULUT MARAŞLI who were nominated and proposed to be elected based on the joint proposal of the shareholders of the Classes (A), (B), (C) and (D) within the framework of the principles regarding the independency of the Board members as provided for in the Corporate Governance Principles of the Capital Market Board and KLE DIR SAS who was nominated by majority of the Class (D) bearer shares subject to public offering and participating in the Ordinary General Assembly Meeting. JOHAN CASPAR BERGENTHAL has been appointed as the natural person representative of KLE DIR SAS.

ÖZGE BULUT MARAŞLI, ÖMER EGESEL and AYCAN AVCI, are independent directors of the Board of Directors, who have been elected pursuant to the provisions of the ‘Corporate Governance Communiqué’ (II-17.1) of the Capital Market Board.

All members of the Board of Directors are eligible according to the requirements set forth in the Communiqué on the Real Estate Investment Partnerships (III-48.1) of the Capital Market Board. Apart of JOHAN CASPAR BERGENTHAL as the natural person representative of KLE DIR SAS, a national of Germany, all members of the Board of Directors are citizens of Turkey.

General Manager of the Company is MURAT KAYMAN.

The Board of Directors made 12 resolutions during the relevant accounting period within 2022.

The Members of the Board of Directors that were elected at the Ordinary General Assembly Meeting held on 29.03.2019 for an office term of three years are RAİF ALİ DİNÇKÖK, AHMET CEMAL DÖRDÜNCÜ and ALİZE DİNÇKÖK who were proposed by majority of the Class (A) registered shares; MURAT GİGİN and SİNAN KEMAL UZAN who were proposed by majority of the Class (B) registered shares; DAVİT BRAUNŞTAYN who was proposed by majority of the Class (C) registered shares; AYCAN AVCI, ATILLA ALTINORDU and FATMA DİLEK BİL who were nominated and proposed to be elected based on the joint proposal of the shareholders of the Classes (A), (B), (C) and (D) within the framework of the principles regarding the independency of the Board members as provided for in the Corporate Governance Principles of the Capital Market Board and BENAT ORTEGA\* who was nominated by majority of the Class (D) bearer shares subject to public offering and participating in the Ordinary General Assembly Meeting. The mentioned elected board members, except BENAT ORTEGA\*, worked until the annual meeting held on 28.03.2022.

\* In the Ordinary General Assembly meeting held on 29.03.2019, Member of the Board of Directors BENAT ORTEGA, who was elected to serve for three years, announced that he was leaving his position as of 01.02.2022. KLE DIR SAS has been appointed as a member of the Board of Directors to the vacant Board of Directors membership was appointed for the remaining term of the members of the Board of Directors. JOHAN CASPAR BERGENTHAL was appointed as the natural person representative of KLE DIR SAS with the decision of the Board of Directors dated 01.02.2022 and numbered 03, and served until the Ordinary General Assembly meeting dated 28.03.2022.

### **1.3.2. POWERS OF DIRECTORS**

The resolution on internal directive adopted by the board of directors on 06.06.2017 is announced in Turkish Trade Registry Gazette on issue number 9346 of 13.06.2017, and the resolution on distribution of tasks on 11.04.2022 is announced in Turkish Trade Registry Gazette on issue number 10564 of 21.04.2022

### **1.3.3. LIMITATIONS OF POWER**

The Directors and General Manager of the Company retain the Powers indicated in the Capital Market Law, Turkish Commercial Code, Articles of Association and the relevant regulations. The duties and powers of the General Manager and Finance Manager of the Company have been determined in the Internal Directives of the Company.

### **1.3.4. SENIOR OFFICERS**

The senior officer of the Company is General Manager MURAT KAYMAN.

### **1.3.5. NUMBER OF EMPLOYEES**

The Company has six employees including the General Manager.

## **2. FINANCIAL BENEFITS PROVIDED TO DIRECTORS AND SENIOR OFFICERS**

- a) **Total sum of the financial benefits such as remuneration, salary, premium, bonus, profit share, etc.:** Directors received financial benefit of net TRY-8,750.00 per person monthly, making gross TRY-322,716.97 in total and the senior officer was paid gross TRY-786,410.00 in total during the accounting period.

**b) Information about total sum of allowances, travel, accommodation and representation expenses and cash and non-cash facilities, insurances and similar securities:** The sole senior officer in the Company is the General Manager. General Manager was provided with a health insurance amounting to TRY-6,950.00 during the accounting period.

### **3. RESEARCH AND DEVELOPMENT ACTIVITIES**

The Company has not carried out any research and development activities during the accounting period.

### **4. CORPORATE ACTIVITIES AND IMPORTANT DEVELOPMENTS**

The Company performed its activities in line with the Capital Market Regulations during the period from 01.01.2022–31.03.2022.

The Company doesn't have any subsidiary and affiliate.

There isn't any own share acquired by the Company.

There isn't any company with which the Company has reciprocal participation relationship.

There isn't any private audit and public audit conducted during the accounting period.

There isn't any administrative or judicial sanction imposed on the Company and any members of the Board of Directors due to their practices in violation of the laws and regulations.

No extraordinary general assembly meeting was held during the period from 01.01.2022–31.03.2022.

The Company did not incur any expense as donations and social responsibility projects during the period from 01.01.2022–31.03.2022.

In the relevant accounting period, total amount of the expenses were TRY 417,835 that incurred by Üçgen Bakım ve Yönetim Hizmetleri A.Ş. for management services which were posted to the Company in pro rata basis for investment purposes.

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## **FINANCIAL STANDING**

### **5.1. BALANCE SHEET**

	<i>Reviewed</i>	<i>Audited</i>
	<b>31 March 2022</b>	<b>31 December 2021</b>
<b>ASSETS</b>		
<b>Current assets</b>	<b>135,916,948</b>	<b>88,406,802</b>
Cash and cash equivalents	110,713,850	51,381,324
Financial investments		
<i>Financial assets measured at amortized cost</i>	14,704,722	26,660,235
Trade receivables		
<i>Receivables from related parties</i>	1,709	29,951
<i>Receivables from third parties</i>	3,585,203	5,220,093
Prepaid expenses	5,162,164	3,535,652
Prepaid taxes and funds	462,646	494,164
Other current assets	1,286,654	1,085,383
<b>Non-current assets</b>	<b>170,266,771</b>	<b>172,438,763</b>
Investment property	168,072,550	169,807,663
Tangible assets	49,739	53,200
Intangible assets	207,972	214,672
Prepaid expenses	858,838	1,234,061
Other non-current assets	1,077,672	1,129,167
<b>Total assets</b>	<b>306,183,719</b>	<b>260,845,565</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>	<b>122,466,449</b>	<b>4,758,807</b>
Trade payables		
<i>Due to related parties</i>	4,093,401	523,560
<i>Due to third parties</i>	3,603,600	193,001
Other payables		
<i>Due to related parties</i>	109,183,520	-
<i>Due to third parties</i>	2,102,552	2,096,694
Deferred income ( <i>Excluding liabilities from customer contracts</i> )	2,449,615	709,784
Short-term provisions		
<i>Other short-term provisions</i>	178,691	181,691
<i>Provisions for employment termination benefits</i>	722,888	373,158
Other current liabilities	132,182	680,919
<b>Non-current liabilities</b>	<b>3,742,994</b>	<b>3,039,007</b>
Other payables		
<i>Other payables to third parties</i>	1,592,331	1,461,530
Long-term provisions		
<i>Provisions for employment termination benefits</i>	2,150,663	1,577,477
<b>Equity</b>	<b>179,974,276</b>	<b>253,047,751</b>
Share capital	37,264,000	37,264,000
Adjustment to share capital	27,745,263	27,745,263
Other comprehensive income/expense not to be		
- reclassified to profit or loss		
- <i>Actuarial gains/(losses) arising from employee benefits</i>	(704,996)	(428,527)
Restricted reserves	53,293,371	69,205,098
Retained earnings	25,990,124	24,443,594
Net income for the period	36,386,514	94,818,323
<b>Total liabilities and equity</b>	<b>306,183,719</b>	<b>260,845,565</b>

## 5.2. PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	<i>Reviewed</i> 1 January - 31 March 2022	<i>Reviewed</i> 1 January - March 2021
<b>2021</b>		
<b>PROFIT AND LOSSES</b>		
Revenue	43,003,555	23,378,715
Cost of sales (-)	(11,387,224)	(7,781,404)
<b>Gross profit</b>	<b>31,616,331</b>	<b>15,597,311</b>
General administrative expenses (-)	(2,578,227)	(1,693,596)
Other operating income	304,167	241,074
Other operating expenses (-)	(1,011,532)	(888,777)
<b>Operating profit</b>	<b>28,330,739</b>	<b>13,256,012</b>
Financial income	8,700,080	6,069,782
Financial expenses (-)	(644,305)	(272,174)
<b>Profit before tax from continuing operations</b>	<b>36,386,514</b>	<b>19,053,620</b>
Tax income/(expenses) from continuing operations	-	-
<b>Profit for the period from continuing operations</b>	<b>36,386,514</b>	<b>19,053,620</b>
<b>Earnings per share</b>		
Earnings per share from continuing operations	0.98	0.51
Earnings per share from discontinuing operations	-	-
<b>Diluted earnings per share</b>		
Diluted earnings per share from continuing operations	0.98	0.51
Diluted earnings per share from discontinuing operations	-	-
<b>OTHER COMPREHENSIVE INCOME</b>		
<b>Items not to be classified to profit or loss</b>		
Actuarial gains/(losses) arising from employee benefits	(276,469)	155,431
<b>Total comprehensive income</b>	<b>36,110,045</b>	<b>19,209,051</b>

### 5.3. RATIOS

Fundamental ratios for the period between 01.01.2022 and 31.03.2022:

	31.03.2022	31.12.2021
Current Ratio	1.11	18.58
Total Debt / Equity	70.13%	3.08%
Total Debt / Total Assets	41.22%	2.99%

	01.01.2022-31.03.2022	01.01.2021-31.03.2021
Net Sales	43,003,555	23,378,715
Gross Profit	31,616,331	15,597,311
Net Period Profit	36,386,514	19,053,620
Gross Profit Margin	73.52%	66.72%
Net Profit Margin	84.61%	81.50%

The Company has not lost its capital or any situation of debt-choked is not in question.

### 5.4. FINANCE RESOURCES OF THE COMPANY

Finance resources of the Company generally consists of rental revenues.

### 6. RISKS AND ASSESSMENT OF BOARD OF DIRECTORS

Early Risk Identification Committee held one meeting for early risk detection purposes and issued one report during the relevant period.

Increases in producer and consumer prices because of the increase in exchange rates may cause a decrease in consumption while increasing producer costs. This situation may cause negative impacts on the payment power of tenants along with consistency in payments. This, in turn, might constitute a financial risk for the Company.

In addition to the change in consumer behavior due to Covid-19, the increase in consumption habits through digital transformation and e-commerce channels poses a financial risk for the retail industry.

At the above mentioned issues, no risk is expected regarding the debt-equity ratio of the Company.

The Company has conducted a risk inventory activity for the anticipated risks and it is updated periodically.

## **7. MISCELLANEOUS**

### **7.1. DEVELOPMENTS REGARDING CORPORATE POLICIES**

#### **7.1.1. DIVIDEND DISTRIBUTION POLICY**

Our Company's updated Profit Distribution Policy was adopted by the majority of votes at the Ordinary General Assembly for the year 2018 held on 29.03.2019.

Dividend distribution policy of the company is as follows:

The Dividend Distribution Policy of AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ seeks that the shareholders earn regular income from the shares. For the purpose to attain the goals set out in the mission and vision of the Company, our DIVIDEND DISTRIBUTION POLICY has been established by the provisions of Turkish Commercial Code, Capital Markets Board (CMB) Communiqué on Corporate Governance, Profit Share Communiqué numbered II-19.1 and other related capital markets legislations, tax legislations and other relevant legislations within the framework of article 30, titled 'DIVIDEND DISTRIBUTION', of the Articles of Association of the Company which is paraphrased below.

Article 30 "DIVIDEND DISTRIBUTION" of the Articles of Association of the Company reads as follows:

"The company shall observe the principles in Turkish Commercial Code and capital market regulations with respect to distribution of profits.

1. Net profit is that amount remaining after the deduction of any and all amounts such as the general expenses of the Company and miscellaneous depreciation values, provisions and all taxes and other financial obligations which should be paid out or set aside by the company from the total revenues determined at the end of the accounting period. After the losses of the previous year are deducted from the net profit to be determined pursuant to the foregoing article:

#### **General Legal Reserve Fund**

- a. 5% of the remaining amount will be set aside as legal reserve fund until it amounts to 20% of the paid-in capital pursuant to article 519 of the Turkish Commercial Code.

#### **First Dividend**

- b. The first dividend shall be set aside from the assessment to be calculated by adding the donations made within the relevant accounting year to the remaining sum to be determined by the general assembly in line with the dividend policy of the company provided that it shall not remain below the ratio and amount specified by the Capital Market Board.

- c. General assembly may resolve to set aside up to 5% of the remaining sum to be distributed to directors.

#### **Second Dividend**

- d. After deducting the amounts mentioned in subparagraphs a, b, and c from net profit, at least 80% of the remainder shall be distributed as second dividend,

- e. In case there is still a remainder after deducting the amounts mentioned in subparagraphs a, b, c, and d from net profit, the general assembly shall be authorized to distribute this portion in part or in whole by adding in second dividend, to leave in the balance sheet as end-of-period profit, to add in legal or optional reserves or to set aside as extraordinary reserves.

f. The amounts obtained pursuant to article 519, paragraph 2 of the Turkish Commercial Code will be added to the general legal reserve fund.

g. Unless the statutory reserves and dividends determined for shareholders under the articles of association are set aside, it shall not be possible to make a resolution to set aside any further statutory reserves, transfer profits to the upcoming year and to distribute profit shares to directors and employees and profit shares may not be distributed to such person without paying the duly determined profit share.

The Company may distribute advance for profit share to the shareholders pursuant to the provisions of the capital market legislations.”

2. There is no privilege applicable for dividends pursuant to the Articles of Association.
3. The dividend set aside for distribution to the shareholders shall be distributed equally to all of the existing shares as of the distribution date in pro rata basis without having regard to the issue and acquisition dates of the relevant shares.
4. Dividend distribution may be fulfilled in cash or bonus shares or else partially in cash and partially in bonus shares.
5. Dividend distribution date shall be determined by the General Assembly based on the proposal of the Board of Directors provided that it shall not contradict with the capital market regulations and the dividend distribution processes shall be initiated as of the end of the accounting period when the general assembly meeting is held at the latest.
6. In the event that the general assembly makes a resolution for dividend distribution, it shall be possible to require distribution of dividends within a certain date range or until as late as the end of the year in that the general assembly shall authorize the board of directors to ascertain the dividend distribution date. In that respect, the date of cash distribution of dividends shall be ascertained through a board resolution to be adopted minimum fifteen days in advance and the investors shall be duly informed of the dividend distribution date by means of a special condition disclosure to be published on the Public Disclosure Platform.
7. Dividends might be distributed in instalments of equal or varying sums so long as such distribution is resolved in the relevant general assembly meeting. The number of instalments shall be determined by the general assembly or the board of directors if explicitly authorized by the general assembly.
8. According to the Articles of Association, the board of directors may distribute advance for dividends to the shareholder in line with the capital market regulations provided that the board of directors should be authorized to make such distribution by the general assembly and comply with the relevant capital market regulations.
  - a. It shall be possible to distribute dividend advance in cash based on the profit indicated in the interim financial statements. Dividend advance for a certain interim period shall not be distributed in instalments.
  - b. If the board of directors is empowered to distribute dividend advance by the general assembly, the board of directors shall adopt a resolution as to whether or not to distribute dividend advance and disclose this resolution to the public based on the Board regulations regarding disclosure of special conditions to the public as of the date of public disclosure of interim financial statements at the latest.
  - c. Dividend advance shall be distributed equally to all of the existing shares as of the distribution date in pro rata basis without having regard to the issue and acquisition dates

of the relevant shares. Dividend advance may not be distributed to anyone other than the shareholders. Dividend advance shall be paid without regard to the privileges of the privileged shares.

9. If the dividend distribution policy is intended to be amended, the board resolution adopted for the amendment and the justification thereof shall be disclosed to the public pursuant to the Board regulations regarding disclosure of special conditions to the public.

### 7.1.2.DIVIDEND PAYMENT

The General Assembly made a resolution to carry our dividend payment processes in the following manner through the majority of votes during the meeting held on March 28<sup>th</sup> 2022 and disclosed on the Public Disclosure Platform. The first instalment paid on April 4<sup>th</sup> 2022.

	Cash Dividend Payable per Share with a Nominal Value of 1 TRY - Gross=Net (TRY)	Dividend Distribution Dates at General Assembly of 28 March 2022	Cash Dividend Distribution Date
1st Instalment	2.28	4.04.2022	4.04.2022
2nd Instalment	0.65	Until 26.08.2022	-
<b>Total Cash Dividend</b>	<b>2.93</b>		

### 7.2. NUMBER, STRUCTURE AND INDEPENDENCE OF COMMITTEES FORMED UNDER THE BOARD OF DIRECTORS

The Board of Directors revised the structure and activities of existing committees pursuant to the provisions of the Corporate Governance Communiqué issued by the Capital Market Board according to which it formed Audit Committee, Corporate Governance Committee and Early Risk Identification Committee. The duties and responsibilities of the Nomination Committee and Remuneration Committee provided in the Corporate Governance Communiqué are fulfilled by the Corporate Governance Committee.

#### **Audit Committee**

Name Surname	Title	Position
Özge BULUT MARAŞLI	President	Independent Director
Ömer EGESEL	Member	Independent Director
Aycan AVCI	Member	Independent Director

#### **Early Risk Identification Committee**

Name Surname	Title	Position
Ömer EGESEL	President	Independent Director
Aycan AVCI	Member	Independent Director
Özge BULUT MARAŞLI	Member	Independent Director
Alize DİNÇKÖK	Member	Director
Sinan Kemal UZAN	Member	Director

#### **Corporate Governance Committee**

Name Surname	Title	Position
Aycan AVCI	President	Independent Director
Özge BULUT MARAŞLI	Member	Independent Director
Ömer EGESEL	Member	Independent Director
Nilüfer AYDIN	Member	Finance Manager
Hatice KARA	Member	Corporate Governance and Investor Relations Consultant

*Özge BULUT MARAŞLI has been elected as the Head of the Audit Committee, as a member of the Early Detection of Risk Committee and Corporate Governance Committee Member as of 21.04.2022. Ömer EGESSEL has been elected as the Early Detection of Risk Committee Chairman, Audit Committee Member and Corporate Governance Committee Member as of 21.04.2022. Atilla ALTINORDU served as the Head of the Audit Committee and the Corporate Governance Committee Member until 28.03.2022. Fatma Dilek BİL served as the Early Detection of Risk Committee Chairman, Audit Committee Member and Corporate Governance Committee Member until 28.03.2022.*

The duties, working principles and members of the committees were determined by the Board of Directors and disclosed to the public via Public Disclosure Platform and corporate website of the Company.

### **7.3. APPOINTMENT OF INDEPENDENT AUDITOR**

Pursuant to Turkish Commercial Code and Capital Market Law numbered 6362 and as per the resolution of the Board of Directors on the subject matter in consultation with the Audit Committee, it was resolved by majority of votes at the Ordinary General Assembly Meeting held on 28.03.2022 that PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi, be elected as the independent audit firm to audit the financial reports of the Company for the year 2022 and to carry out other activities within the scope of the relevant regulations in these laws.

### **7.4. REAL ESTATE VALUATION REPORT SUMMARY**

Ter Ra Gayrimenkul Değerleme ve Danışmanlık A.Ş. conducted a real estate valuation study, the summary of which is provided below:

Estimated market value as of 24.12.2021 (18% VAT excluded) : TRY-2,061,753,000.

### **7.5. CURRENT STATUS, COMPLETION RATE AND DURATION OF THE PROJECTS, REALIZATION POTENTIAL OF THE PREDICTIONS, PROBLEMS, ETC.**

The Company did not undertake any project in the period of 01.01.2022-31.03.2022.

### **7.6. DETAILED INFORMATION ABOUT LEASES OF PORTFOLIO ASSETS**

The portfolio of the Company is comprised of Akmerkez shopping mall, trade center and residence complex. The complex has a total of 600 independent units, 473 of which are owned by Akmerkez GYO comprised of 445 units in the shopping mall and 27 units in the residential section in addition to 1 office.

### **7.7. RISK MANAGEMENT AND INTERNAL CONTROL MECHANISM**

The Board of Directors reviews the efficiency of the risk management and internal control systems at least once a year.

The Board of Directors establishes the internal control systems to include the risk management and information systems and processes which can minimize the impacts of the risks which may affect the stakeholders of the Company, primarily the shareholders, by taking into account the views of the relevant committees of the Board of Directors.

The existing internal control system intended for various purposes including increasing efficiency and productivity in corporate activities, ensuring reliability of financial reporting and compliance with the laws and regulations was audited by Ginini Danışmanlık Hizmetleri Anonim Şirketi based on the annual internal audit plan created and the consultancy agreement and the results of the audit were reported to the Audit Committee.

## **7.8. DEVELOPMENTS IN THE INVESTMENTS, INCENTIVES AND THEIR BENEFICIAL OUTCOMES, IF APPLICABLE**

The Company does not have any investment other than the existing real estate.

## **7.9. FINANCIAL SOURCES OF THE COMPANY, AND NATURE AND AMOUNT OF ANY CAPITAL MARKET INSTRUMENTS ISSUED BY THE COMPANY, IF ANY**

Financial sources of the Company consist of rental income. The Company has not issued any securities.

## **7.10. AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

The Articles of Association was not amended during the period.

## **7.11. REAL ESTATE APPRAISAL COMPANY**

The Board of Directors made a resolution according to which Lotus Gayrimenkul Değerleme ve Danışmanlık A.Ş. was assigned as the appraisal company to provide appraisal services for each asset included in the portfolio of the Company requiring appraisal as well as the assets which might be acquired by the Company in 2022 in a manner that would require appraisal pursuant to paragraph 2 of the Article 35 of the Communiqué Regarding Principles for Real Estate Investment Trusts (III-48.1) issued by the Capital Market Board.

## **7.12. CORPORATE GOVERNANCE PRINCIPLES HARMONIZATION RATING**

Our Company executed a Corporate Governance Principles Harmonization Rating Agreement dated 11.03.2019 to be valid for three rating periods with Saha Kurumsal Yönetim ve Kredi Derecelendirme Hizmetleri A.Ş which is licensed to perform rating services in line with the Corporate Governance Principles issued by the Capital Market Board in Turkey. The agreement was renewed on 11.03.2022 to be valid for three more rating periods.

Our first rating for Compliance with Corporate Governance Principles was announced in 2016 (9,22) while the periodical revision rating for 2017 was (9,37). In 2018, this rating (9,37) was confirmed again. In 2019 our rating was announced as (9,43) while the periodical revision rating for 2020 was (9,44). In 2021 our rating was confirmed as (9,44). The rating reports and periodical revision reports were disclosed to the investors by means of the Special Condition Disclosure on 06.12.2016, 06.12.2017, 06.12.2018, 06.12.2019, 07.12.2020 and 07.12.2021 respectively.



### **7.13. THE BUSINESS SEGMENT AND THE POSITION OF THE ENTERPRISE WITHIN THE INDUSTRY:**

Shopping Mall Index conducted by Association of Shopping Centers & Investors and Akademetre Research & Strategic Planning reveals that the turnover index increased by 96.1 percent in March 2022, when compared to March of the previous year, progressing to 677 points.

Turnovers per leasable space (m2) in shopping malls were recorded as TRY 2,272 in March 2022. Productivity was TRY 3,511 in İstanbul and TRY 1,960 in Anatolia.

An increase of 158 percent in the food & beverage category turnovers, an increase of 139.3 percent in the shoes category turnovers, an increase of 107.8 percent in the clothing category turnovers, an increase of 82.2 percent in the other category<sup>1</sup> turnovers, an increase of 80.5 percent in the hypermarket category turnovers, an increase of 71.2 percent in the technology category were observed in the Shopping Centers in March 2022 when compared with the month of the previous year.

The footfall index has an increase of 49 percent in March 2022 when compared to the same period of the progressing year.

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<sup>1</sup> The other category consists of stores such as construction market, furniture, home textile, souvenir, toy, cinema, personal care and cosmetics, jewelry, hobby, pet shop, tailor and shoe repair services, exchange office, dry cleaning, pharmacy, etc.

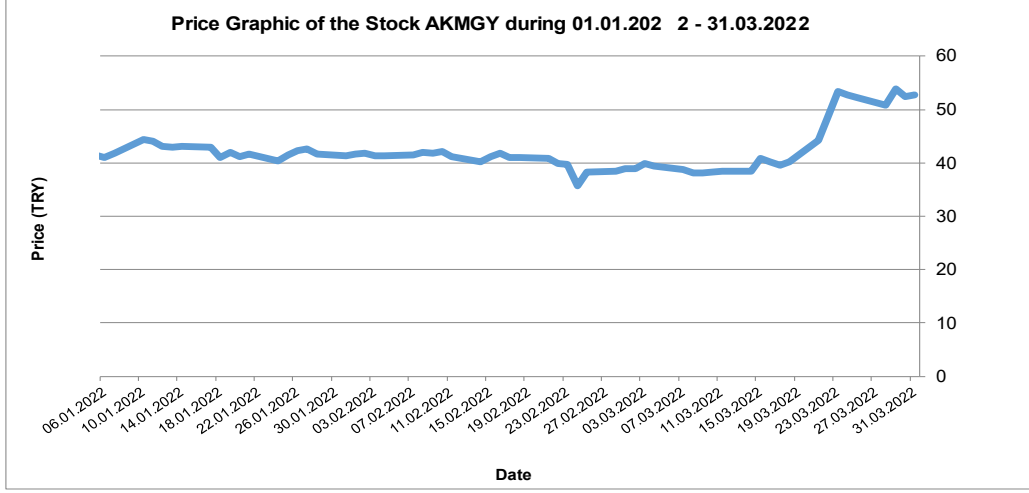
## 7.14. PENDING LITIGATIONS

### LITIGATIONS FILED AGAINST AKMERKEZ GYO A.Ş.

No.	Court	Court File Index No.	Plaintiff	Defendant	Subject of the Lawsuit	Current Status
1	İSTANBUL CIVIL COURT OF PEACE NO. 2	2009/742 New Case No: 2011/124	BERKAY INCE / İNTERVO DIŞ TİCARET VE MÜMESSİLLİK LTD. ŞTİ. (B3 Tower Office Floor 1)	1- AKMERKEZ GYO A.Ş. 2- ÜÇGEN BAKIM	ACTION FOR DAMAGES Claim: TRY-100,000	The lawsuit was denied on procedural grounds in favor of the company. The lawsuit was appealed by the Plaintiff and the file is pending before the Supreme Court of Appeals.
2	İSTANBUL CONSUMER COURT NO. 1	2007/753 New Case No: 2021/504	MEHMET BOZKURT	AKMERKEZ GYO A.Ş.	ACTION FOR DAMAGES Claim: TRY-41,000 (Theft in Parking Lot)	The lawsuit was denied in favor of the company. The lawsuit was appealed by the Plaintiff upon which the Supreme Court reversed the judgment of the local court. The order for partial acceptance of the case against the company was reversed by the Supreme Court of Appeals, this time for the benefit of the Company. The file was sent to the expert after the decision of the Supreme Court of Appeals; A statement was submitted to the expert report. The court made a judgment for partial acceptance and partial denial of the case; an appeal has been filed in terms of the part judged against. A decision for stay of execution has been obtained from the superior court. and the verdict has been reversed by the superior court in our favor. The case was partially accepted on 18.01.2022 in the file numbered 2021/504 E. of the 1st Consumer Court of Istanbul. A reasoned decision is awaited.
3	İSTANBUL COMMERCIAL COURT OF FIRST INSTANCE NO. 7	2016/720	ÖMER DİNÇKÖK	AKMERKEZ GYO A.Ş.	ACTION FOR CANCELLATION OF THE RESOLUTIONS PASSED IN THE AGENDA ITEMS NO 5 AND 11 AT THE ORDINARY GENERAL ASSEMBLY MEETING HELD FOR THE YEAR 2015	The court of first instance was concluded in favor of the Company. The plaintiff appealed against the order before the higher court. The appeal review, which is open to appeal, was rejected in favor of the Company.  The appellate process is currently ongoing under the case file no 2021/2289 E. of the 11th Civil Chamber of the Supreme Court of Appeals of Istanbul.
4	İSTANBUL COMMERCIAL COURT OF FIRST INSTANCE NO. 18	2015/665	ÖMER DİNÇKÖK	AKMERKEZ GYO A.Ş.	ACTION FOR CANCELLATION OF THE RESOLUTIONS PASSED IN THE AGENDA ITEMS NO 2,3,4,9 AT THE ORDINARY GENERAL ASSEMBLY MEETING HELD FOR THE YEAR 2014	The case has been rejected in the first instance court. The plaintiff appealed to the court and the file is currently under appellate review. Upon the examination by the 43rd circuit chamber of the Appellate Court of Istanbul under the case file no 2020/498 E. - 2021/1153 K. , it has been ruled on 07.10.2021 for the plaintiff's request of appeal to be dismissed with prejudice on the condition that this judgement can be subjected to an appeal process before the supreme court of appeal. This decision in favor of the Company has been finalized without appeal by the parties.
5	İSTANBUL CIVIL COURT OF PEACE NO. 17	2019/831	AXA SİGORTA A.Ş	AKMERKEZ GYO A.Ş.	CANCELLATION OF THE OBJECTION CASE Total Claim: TRY-37,690.85	Axa Insurance set the execution proceedings with recourse against Akmerkez GYO; An objection was made by Akmerkez GYO. Viewing has been carried out in the site; the expert report came to our advantage. The court decided to submit a report by a new panel of experts as the report contradicted the decision submitted to the previous domestic court. On 12.03.2021, new experts made a discovery. A petition containing our objection and statements against the experts report which was delivered on 08.04.2021 and the consequitive supplementary report was submitted. The Case has been dismissed. The reasoned judgement has been delivered to the parties and subsequently the plaintiff has requested an appeal against the judgement.

## 7.15. OTHER MATTERS

### 7.15.1. Price Graphic of the Stock AKMGY



**7.15.2.** Information about the control of portfolio limitations which is set out in second paragraph of article 38 of the Communiqué on the Principles Applicable to Real Estate Investment Partnerships is provided in the 23<sup>rd</sup> note to the financial statement.

**7.15.3.** Information regarding related party transactions and their account balances which is required to be disclosed to the shareholders pursuant to the legislation is provided in the 19<sup>th</sup> note to the financial statement.

Sincerely yours,

**BOARD OF DIRECTORS**