

Corporate Credit Rating

New Update

Sector: REIT

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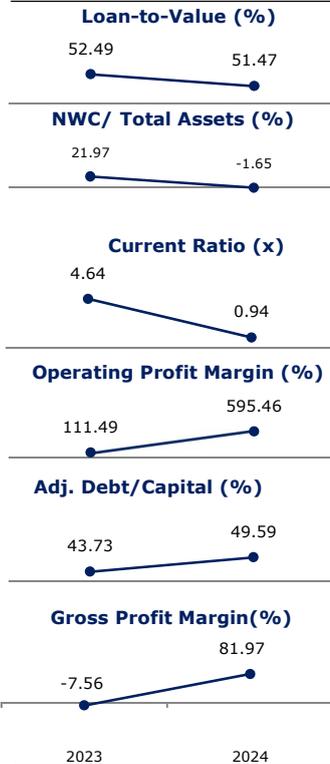
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RATINGS		Long Term	Short Term
ICRs (Issuer Credit Profile)	National ICR	BBB- (tr)	J3 (tr)
	National ICR Outlooks	Stable	Stable
	International FC ICR	BB-	-
	International FC ICR Outlooks	Stable	-
	International LC ICR	BB-	-
ISRs (Issue Specific Profile)	International FC ICR Outlooks	Stable	-
	National ISR	-	-
	International FC ISR	-	-
Sovereign*	International LC ISR	-	-
	Foreign Currency	BB (Stable)	-
	Local Currency	BB (Stable)	-

* Assigned by JCR on May 10, 2024.



PEKER GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

JCR Eurasia Rating, has evaluated the "Peker Gayrimenkul Yatırım Ortaklığı A.Ş." in the investment grade category and affirmed the Long-Term National Issuer Credit Rating at 'BBB- (tr)' and the Short-Term National Issuer Credit Rating as 'J3 (tr)' with 'Stable' outlooks. On the other hand, the Long Term International Foreign and Local Currency Issuer Credit Ratings and outlooks were assigned as 'BB-/Stable'.

Peker Gayrimenkul Yatırım Ortaklığı A.Ş. (hereinafter referred to as "the Company", "the Group" or "Peker GYO") was established in April 2017 following the segregation of certain assets from Peker Holding. The Company was granted Real Estate Investment Trust (REIT) status by the Capital Markets Board in September 2017 and has been listed on Borsa İstanbul under the ticker "PEKGY" since February 2018. As of the report date, 68.74% of its shares are publicly traded.

The Group's core business model centers on the acquisition, development and leasing of real estate assets across various regions. Since its establishment, it has finalized 9 investment projects and maintains a pipeline of 5 ongoing development. As of March 31, 2025, the portfolio totalled TRY 7.13bn, geographically distributed as 69% in Germany, 29% in Türkiye and 2% in Spain. The head office of the Company located in Şişli/İstanbul. The Group has 27 employees as of 1Q2025. (FYE2024: 29)

Key rating drivers, as strengths and constraints, are provided below.

Strengths

- Foreign currency income generation capacity supported by rental and sales revenue from properties located abroad
- Diversified funding opportunities through debt instruments despite high financing costs
- Compliance with the corporate governance practices as a publicly listed company
- Being a member of Peker Group, with over 30 years of multisectoral experience

Constraints

- Limited revenue generation and negative EBITDA in FY2024 caused insufficient coverage and leverage profiles, despite the strong operating profit mainly supported by revaluation gains on real estate assets
- Increase in short-term liabilities together with net working capital deficit at FYE2024 and 1Q2025 suppressed liquidity structure
- Low level of equity to total asset ratio at FYE2024 compared to sector metrics
- Ongoing high loan-to-value (LTV) Ratio, evaluated as a sector specific leverage metric as of 1Q2025
- High concentration risk in the investment portfolio, despite the improvement at FYE2024 driven by the inclusion of the Peker Tower building
- As actions for a global soft landing gain prominence, decisions with the potential to adversely affect global trade are engendering considerable uncertainty

Considering the aforementioned points, the Company's the Long-Term National Issuer Credit Rating has been affirmed at 'BBB- (tr)'. The real estate portfolio, sales and profitability performance, level of indebtedness and high level of compliance with the corporate governance practices have been evaluated as important indicators for the stability of the ratings and the outlooks for Long and Short-Term National Issuer Credit Ratings are determined as 'Stable'. The Company's growth strategy, profitability indicators, level of indebtedness, expected contribution of ongoing projects to revenue in the upcoming period and developments regarding the macro conditions will be closely monitored by JCR Eurasia Rating in upcoming periods. The macroeconomic indicators at national and international markets, as well as market conditions and legal framework about the sector will be monitored as well.