

ÜLKER BİSKÜVİ SANAYİ A.Ş. AND ITS SUBSIDIARIES
CONVENIENCE TRANSLATION INTO ENGLISH OF
CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD 1 JANUARY – 31 MARCH 2022
(ORIGINALLY ISSUED IN TURKISH)

**CONVENIENCE TRANSLATION INTO ENGLISH OF CONDENSED FINANCIAL STATEMENTS
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CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE INTERIM PERIOD
1 JANUARY – 31 MARCH 2022**

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 31 MARCH 2022 AND
31 DECEMBER 2021

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated)

ASSETS	Notes	Unaudited Current Period 31 March 2022	Audited Previous Period 31 December 2021
Current Assets		20.954.562	18.764.940
Cash and Cash Equivalents	5	2.985.113	3.004.834
Financial Investments	6	6.345.108	6.414.869
Trade Receivables			
- Due From Related Parties	8-23	3.187.991	2.522.152
- Other Trade Receivables	8	2.668.082	2.165.759
Other Receivables			
- Due From Related Parties	9-23	868.905	545.670
- Other Receivables	9	80.004	68.732
Derivative Instruments	10	6.305	1.499
Inventories	11	3.744.893	3.218.231
Prepaid Expenses			
- Other Prepaid Expenses		498.571	368.875
Current Income Tax Assets		166.629	166.661
Other Current Assets		402.961	287.658
Non-Current Assets		7.806.122	7.478.685
Financial Investments	6	1.878.478	1.878.478
Tangible Assets	13	3.680.546	3.640.893
Intangible Assets			
- Goodwill	14	957.117	896.538
- Other Intangible Assets	15	710.073	651.304
Prepaid Expenses		79.254	83.633
Deferred Tax Asset	21	500.654	327.839
TOTAL ASSETS		28.760.684	26.243.625

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31 DECEMBER 2021

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated)

	Notes	Unaudited Current Period 31 March 2022	Audited Previous Period 31 December 2021
LIABILITIES			
Current Liabilities		7.257.234	6.134.222
Short Term Financial Liabilities	7	707.289	759.909
Short Term Portion of Long-Term Financial Liabilities	7	2.297.356	2.103.140
Trade Payables			
- Due to related parties	8-23	753.850	475.461
- Other trade payables	8	2.195.744	1.794.960
Employee Benefit Related Liabilities		101.646	76.957
Other Payables			
- Other Payables	9	30.907	12.672
Derivative Instruments	10	48.188	-
Deferred Revenue		61.087	83.754
Current Income Tax Liabilities	21	267.712	301.535
Short Term Provisions			
- Short Term Provisions for Employee Benefits		170.635	135.109
- Other Short-Term Provisions		527.434	287.449
Other Current Liabilities		95.386	103.276
Non-Current Liabilities		17.408.642	15.795.501
Long Term Financial Liabilities	7	16.865.507	15.313.776
Long Term Provisions			
- Long Term Provisions for Employee Benefits		407.234	346.828
Deferred Tax Liabilities	21	135.901	134.897
SHAREHOLDERS' EQUITY		4.094.808	4.313.902
Equity Attributable To Equity Holders' of the Parent		2.588.162	2.986.714
Share Capital		342.000	342.000
Inflation Adjustments to Share Capital		108.056	108.056
Effect of Business Combinations Under Common Control		(4.196.733)	(4.196.733)
Other Comprehensive Income/Expense not to be Reclassified to Profit and Loss			
-Increases on Revaluation of Plant, Property and Equipment		815.379	815.379
-Actuarial Losses on Post-Employment Termination Benefit Obligation		(48.609)	(44.479)
-Gains from Financial Assets Measured at Fair Value through Other Comprehensive Income		1.276.228	1.276.228
Other Comprehensive Income/Expense to be Reclassified to Profit and Loss			
-Currency Translation Adjustments		652.853	607.882
-Cash Flow Hedges		31.852	540
Restricted Reserves		157.537	157.537
Retained Earnings		3.920.304	4.384.636
Net Profit for the Period		(470.705)	(464.332)
Non-Controlling Interest		1.506.646	1.327.188
TOTAL LIABILITIES AND EQUITY		28.760.684	26.243.625

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 CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE INTERIM PERIODS ENDED
 31 MARCH 2022 AND 2021

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated)

	Notes	Unaudited Current Period 1 January - 31 March 2022	Restated(*) Unaudited Previous Period 1 January - 31 March 2021
Revenue	17	5.886.018	2.783.757
Cost of Sales	17	(4.036.928)	(1.921.419)
GROSS PROFIT		1.849.090	862.338
General Administrative Expenses	18	(132.796)	(78.118)
Marketing, Sales and Distribution Expenses	18	(537.250)	(281.943)
Research and Development Expenses	18	(12.484)	(8.865)
Other Operating Income		422.510	126.614
Other Operating Expenses		(254.476)	(122.723)
OPERATING PROFIT		1.334.594	497.303
Income from Investment Activities		1.082.949	1.480.763
Expenses from Investment Activities		(739.621)	(1.360)
OPERATING PROFIT BEFORE FINANCIAL INCOME AND EXPENSES		1.677.922	1.976.706
Financial Income	19	28.219	18.892
Financial Expenses	20	(2.025.085)	(1.387.968)
PROFIT BEFORE TAX		(318.944)	607.630
Tax Expense		(12.112)	(114.654)
Corporate Tax Expense	21	(190.297)	(133.122)
Deferred Tax Income	21	178.185	18.468
PROFIT FOR THE PERIOD		(331.056)	492.976
Distribution of the Profit for the Period			
Non-Controlling Interest		139.649	61.828
Equity Holders of the Parent		(470.705)	431.148
Earnings Per Share	22	(1,38)	1,26

(*) Restatement effects have been explained in Note 2.

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ÜLKER BİSKÜVİ SANAYİ A.Ş. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE INTERIM PERIODS 31 MARCH 2022 AND 2021

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated)

	Unaudited Current Period 1 January - 31 March 2022	Restated(*) Unaudited Previous Period 1 January - 31 March 2021
PROFIT FOR THE PERIOD	(331.056)	492.976
Other Comprehensive Income		
Not to be Reclassified To Profit and Loss	(4.451)	(2.963)
Actuarial Loss on Post-Employment Termination Benefit Obligation	(5.564)	(3.704)
Deferred Tax for the Items That Will not be Reclassified in Profit and Loss		
Actuarial Loss on Post-Employment Termination Loss Obligation, Deferred Tax Effect	1.113	741
Items to be Reclassified to Profit and Loss	116.413	153.240
Currency Translation Adjustments	85.101	152.928
Cash Flow Hedges	39.140	390
Deferred Tax For The Items That Will be Reclassified to Profit and Loss		
Cash Flow Hedges, Deferred Tax Effect	(7.828)	(78)
OTHER COMPREHENSIVE INCOME	111.962	150.277
TOTAL COMPREHENSIVE INCOME	(219.094)	643.253
Distribution of Total Comprehensive Income		
Non-Controlling Interest	179.458	118.848
Equity Holders of the Parent	(398.552)	524.405

(*) Restatement effects have been explained in Note 2.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY FOR THE INTERIM PERIODS 31 MARCH 2022 AND 2021

(*) Food Manufacturers Company, one of the subsidiaries of the Group, decided to pay a dividend of TL 146.722.501 at the Board of Directors Meeting dated January 5, 2021. TL 66.025.125 of the related amount has been accounted for under non-controlling interests.

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE INTERIM PERIODS
ENDED 31 MARCH 2022 AND 2021**

(Amounts expressed in thousand Turkish Lira (TL) unless otherwise stated.)

		Unaudited Current Period 1 January - 31 March 2022	Restated(*) Unaudited Previous Period 1 January - 31 March 2021
	Notes		
CASH FLOWS FROM OPERATING ACTIVITIES			
Net (loss)/profit for the period		(331.056)	492.976
Adjustments to Reconcile Net Profit			
Adjustment for Depreciation and Amortization Expenses			
Depreciation expenses of tangible assets	13	76.783	52.202
Amortization expenses of intangible assets	15	1.282	770
Adjustment for Impairment Loss (Reversal)			
Provision for doubtful receivables	8	509	(930)
Adjustment for impairment loss of other financial investments Loss/(Reversal)			
(Decrease)/Increase in financial investments		707.541	(103.336)
Adjustment for impairment loss of inventories	11	6.125	475
Adjustment for Provisions			
Adjustments for Provisions Related with Employee Benefits			
Provision for employment benefits		62.079	23.999
Provision for unused vacation		15.300	9.743
Provision for premium		22.870	29.554
Adjustments for provisions (cancelled) lawsuits		(262)	2.984
Adjustments for Other Provisions (cancelled)			
Change in Other Provisions (net)		240.247	63.227
Adjustments for Dividend Income		-	(45)
Adjustments for Interest Income and Expense			
Adjustments Interest Income			
Interest Income		(83.769)	(102.161)
Adjustments for Interest Expense			
Rediscounted Interest Expense		-	(46)
Interest Expense	20	389.738	208.734
Adjustment for Tax Expenses	21	12.112	114.654
Adjustments for Losses (Gains) on Disposals of Non-Current Assets			
Adjustments for Gains Arised from Sale of Tangible Assets		(1.544)	(1.319)
Adjustments for Investing and Financing Cash Flow			
Change in foreign currency of financial liabilities (net)		1.589.093	1.151.247
Change in foreign currency from investing activities (net)		(962.790)	(1.269.488)
Commission expenses and financial service income (net)		18.173	9.095
Derivative instruments income (net)		(138)	(5.485)
Other Adjustments to Reconcile Profit/(Loss)			
Rent income		(2.766)	(3.054)
Net operating cash flows provided before changes in working capital		1.759.527	673.796

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31 MARCH 2022
(Amounts expressed in thousand Turkish Lira (TL) unless otherwise stated.)

		Unaudited Current Period 1 January - 31 March 2022	Restated(*) Unaudited Previous Period 1 January - 31 March 2021
	Notes		
Changes in Working Capital			
Increase in trade receivables		(438.138)	(83.101)
Increase in trade receivables from related parties		(665.839)	(137.600)
Increase in inventories		(424.134)	(471.891)
Increase in other receivables and other current assets		(256.004)	(76.158)
Increase/(decrease) in trade payables		353.235	(51.404)
Increase in trade payables to related parties		278.389	43.721
Increase/(decrease) in other payables and liabilities		3.204	(18.845)
Net cash generated/(used) from operations		610.240	(121.482)
Payments related with provisions for employee benefits			
Employment termination benefit paid		(16.994)	(10.449)
Unused vacation paid		(2.278)	(3.716)
Performance premium paid		(6.475)	(37.047)
Lawsuits provision paid		-	(49)
Taxes paid		(224.088)	(24.953)
Net cash (used)/generated from operating activities		360.405	(197.696)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sales of tangible and intangible assets		6.117	2.929
Proceeds from sales of investment properties		-	26.145
Purchase of property, plant and equipment		(80.625)	(31.031)
Purchase of intangible assets	15	(382)	(120)
Changes in non-trade receivables from related parties		(323.235)	6.710
Cash generated from dividends		-	45
Interest received		83.769	102.161
Other advances given and payables		4.379	-
Repayments from other advances given and payables		-	(17.245)
Cash outflows from purchase of other businesses or share of funds or debt instruments		(10.026)	(1.192.808)
Rent income		2.766	3.054
Net cash used from investing activities		(317.237)	(1.100.160)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash inflow from borrowings		62.847	736.887
Repayments of borrowings		(291.963)	(112.134)
Dividend paid		-	(66.025)
Commission paid		(18.173)	(9.095)
Interest paid		(56.107)	(38.099)
Change in non-trade payables to related parties		-	(120)
Net cash (used)/generated from financing activities		(303.396)	511.414
NET CHANGE IN CASH AND CASH EQUIVALENTS		(260.228)	(786.442)
THE EFFECT OF FOREIGN EXCHANGE RATE CHANGE ON CASH AND CASH EQUIVALENTS		240.507	345.477
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	5	3.004.834	3.835.520
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	5	2.985.113	3.394.555

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ÜLKER BİSKÜVİ SANAYİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED
31 MARCH 2022

(Amounts expressed in thousand Turkish Lira (TL) unless otherwise stated.)

1. ORGANIZATION AND OPERATIONS OF THE GROUP

Ülker Bisküvi Sanayi A.Ş. (“the Company”) and its subsidiaries (all together “the Group”), comprises of the parent Ülker Bisküvi Sanayi A.Ş. and fifteen subsidiaries in which the Company owns the majority share of the capital or which are controlled by the Company (2021: Fifteen).

Ülker Bisküvi Sanayi A.Ş. was established in 1944. The Company’s core business activities are manufacturing of biscuits, chocolate, chocolate coated biscuits, wafers and cakes.

Ülker Bisküvi Sanayi A.Ş. which is registered at the Capital Market Board, merged under its own title with Anadolu Gıda Sanayi A.Ş., whose shares have been quoted on Borsa Istanbul since 30 October 1996, as of 31 December 2003.

The headquarter of Ülker Bisküvi Sanayi A.Ş. is located Kısıklı Mah. Ferah Cad. No:1 Büyük Çamlıca Üsküdar/Istanbul.

As of 31 March 2022, the total number of people employed by the Group is 9.373, which contains 1.575 employees who worked as subcontractors (31 December 2021: 9.447, subcontractor: 1.700).

The main shareholder and controlling party of the Group is pladis Foods Limited. The ultimate parent of the Group is Yıldız Holding A.Ş.. Yıldız Holding A.Ş. is the ultimate parent of pladis Foods Limited. Yıldız Holding A.Ş. is managed by the Ülker Family.

As of 31 March 2022 and 31 December 2021, the names and percentages of the shareholders holding more than 5% of the Company’s share capital are as follows:

Name of the Shareholders	31 March 2022		31 December 2021	
	Share	Percentage	Share	Percentage
pladis Foods Limited	174.420	%51,00	174.420	%51,00
Ülker Family Members and Yıldız Holding A.Ş.	25.580	%7,48	25.580	%7,48
Other	142.000	%41,52	142.000	%41,52
	342.000	%100,00	342.000	%100,00

As of 31 March 2022 and 31 December 2021, Ülker Bisküvi Sanayi A.Ş.’s subsidiaries within the scope of full consolidation (“Subsidiaries”), their main fields of activity and the Company’s direct and effective ownership rates are as follows:

Subsidiaries	31 March 2022		31 December 2021		Nature of Operations
	Ratio of Direct Ownership	Ratio of Direct Effective	Ratio of Direct Ownership	Ratio of Direct Effective	
Biskot Bisküvi Gıda Sanayi ve Ticaret A.Ş.	73,9%	73,9%	73,9%	73,9%	Manufacturing
Ülker Çikolata Sanayi A.Ş.	91,7%	91,7%	91,7%	91,7%	Manufacturing
Atlas Gıda Pazarlama Sanayi ve Ticaret A.Ş.	100,0%	100,0%	100,0%	100,0%	Trading
Reform Gıda Paz. San. ve Tic. A.Ş.	100,0%	100,0%	100,0%	100,0%	Trading
UI Egypt B.V.	51,0%	51,0%	51,0%	51,0%	Investing
Hi-Food for Advanced Food Industries	-	51,4%	-	51,4%	Manufacturing/Sales
Sabourne Investments Ltd	100,0%	100,0%	100,0%	100,0%	Investing
Food Manufacturers’ Company	-	55,0%	-	55,0%	Manufacturing/Sales
Hamle Company Ltd LLP	100,0%	100,0%	100,0%	100,0%	Manufacturing/Sales
Ulker Star LLC	-	99,0%	-	99,0%	Sales
UI Mena BV	100,0%	100,0%	100,0%	100,0%	Investing
Amir Global Trading FZE	-	100,0%	-	100,0%	Sales
Ulker for Trading and Marketing	-	99,8%	-	99,8%	Sales
International Biscuits Company	100,0%	100,0%	100,0%	100,0%	Manufacturing/Sales
Önem Gıda Sanayi ve Ticaret A.Ş.	100,0%	100,0%	100,0%	100,0%	Manufacturing/Sales

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED
31 MARCH 2022

(Amounts expressed in thousand Turkish Lira (TL) unless otherwise stated.)

1. ORGANIZATION AND OPERATIONS OF THE GROUP (continued)

Approval of consolidated financial statements:

The Board of Directors has approved the financial statements and given authorization for the issuance on 10 May 2022. The General Assembly has the authority to amend/modify the financial statements.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of the Presentation:

Principles for Preparation of Financial Statements and Significant Accounting Policies

The accompanying consolidated financial statements are prepared in accordance with Communiqué Serial II, No:14.1, “Principles of Financial Reporting in Capital Markets” (“the Communiqué”) published in the Official Gazette numbered 28676 on 13 June 2013. According to Article 5 of the Communiqué, consolidated financial statements are prepared in accordance with the Turkish Accounting Standards (“TAS”) issued by Public Oversight Accounting and Auditing Standards Authority (“POA”). TAS contains Turkish Accounting Standards, Turkish Financial Reporting Standards (“TFRS”) and its addendum and interpretations. In addition, it has been presented in accordance with the TAS taxonomy published by the POA with the decision number 30 on June 2, 2016 and subsequently announced to the public on 15 April 2019, together with the changes in TFRS-15 Revenue from Contracts with Customers and TFRS-16 Leases standards.

The consolidated financial statements and explanatory notes of the Group are presented in accordance with the formats announced by the CMB with the announcement dated 7 June 2013 and including the mandatory information.

With a decision taken by the CMB on March 17, 2005, for companies operating in Turkey and preparing their financial statements in accordance with the Financial Reporting Standards accepted by the CMB (“CMB Financial Reporting Standards”), it has declared that the application of inflation accounting is not required, effective from 1 January 2005. The Group's consolidated financial statements have been prepared within the framework of this decision.

The Company and Subsidiaries in Turkey maintain their books of accounts and prepare their statutory financial statements in accordance with the Turkish Commercial Code (“TCC”), tax legislation, the Uniform Chart of Accounts issued by the Ministry of Finance and principles issued by CMB. The foreign subsidiaries maintain their books of account in accordance with the laws and regulations in force in the countries in which they are registered. These consolidated financial statements have been prepared under historical cost conventions except for land, buildings, financial assets and financial liabilities which are carried at fair value. The consolidated financial statements are based on the statutory records, which are maintained under historical cost conventions.

Functional and Presentation Currency

Financial statements of each subsidiary of the Group are presented in the currency of the primary economic environment in which the entities operate (its functional currency). The results and financial position of the each subsidiary are expressed in Turkish Lira, which is the presentation currency of the Group.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (continued)

2.2 New and Revised International Financial Reporting Standards

a) Amendments that are mandatorily effective from 2022

Amendments to TFRS 3	<i>Reference to the Conceptual Framework</i>
Amendments to TAS 16	<i>Property, Plant and Equipment – Proceeds before Intended Use</i>
Amendments to TAS 37	<i>Onerous Contracts – Cost of Fulfilling a Contract</i>
Annual Improvements to TFRS Standards 2018-2020	<i>Amendments to TFRS 1, TFRS 9 and TAS 41</i>
Amendments to TFRS 16	<i>COVID-19 Related Rent Concessions beyond 30 June 2021</i>

Amendments to TFRS 3 *Reference to the Conceptual Framework*

The amendments update an outdated reference to the Conceptual Framework in TFRS 3 without significantly changing the requirements in the standard.

The amendments are effective for annual periods beginning on or after 1 January 2022. Early application is permitted if an entity also applies all other updated references (published together with the updated *Conceptual Framework*) at the same time or earlier.

Amendments to TAS 16 *Tangible Assets Proceeds before Intended Use*

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the cost of producing those items, in profit or loss.

The amendments are effective for annual periods beginning on or after 1 January 2022. Early application is permitted.

Amendments to TAS 37 *Disadvantageous Contracts – Cost of Fulfilling a Contract*

The amendments specify that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract or an allocation of other costs that relate directly to fulfilling contracts.

The amendments published today are effective for annual periods beginning on or after 1 January 2022. Early application is permitted.

Annual Improvements to TFRS Standards 2018-2020 Cycle

Amendments to TFRS 1 *First time adoption of International Financial Reporting Standards*

The amendment permits a subsidiary that applies paragraph D16(a) of TFRS 1 to measure cumulative translation differences using the amounts reported by its parent, based on the parent’s date of transition to TFRSs.

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31 MARCH 2022

(Amounts expressed in thousand Turkish Lira (TL) unless otherwise stated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (continued)

2.2 New and Revised International Financial Reporting Standards (continued)

a) Amendments that are mandatorily effective from 2022 (continued)

Amendments to TFRS 9 Financial Instruments

Annual Improvements to TFRS Standards 2018-2020 Cycle (continued)

The amendment clarifies which fees an entity includes in assessing whether to derecognize a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

Amendments to TAS 41 Agriculture

The amendment removes the requirement in paragraph 22 of TAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique. This will ensure consistency with the requirements in TFRS 13.

The amendments to TFRS 1, TFRS 9, and TAS 41 are all effective for annual periods beginning on or after 1 January 2022. Early application is permitted.

Amendments to TFRS 16 COVID-19 Related Rent Concessions beyond 30 June 2021

Public Oversight Accounting and Auditing Standards Authority ("POA") has published Amendments to TFRS 16 COVID-19 Related Rent Concessions beyond 30 June 2021 that extends, by one year, the June 2020 amendment that provides lessees with an exemption from assessing whether a COVID-19 related rent concession is a lease modification.

On issuance, the practical expedient was limited to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2021. Since lessors continue to grant COVID-19 related rent concessions to lessees and since the effects of the COVID-19 pandemic are ongoing and significant, the POA decided to extend the time period over which the practical expedient is available for use.

The new amendment is effective for lessees for annual reporting periods beginning on or after 1 April 2021. Earlier application is permitted.

The Group assessed that the adoption of these amendments that are effective from 2022 do not have any effect on the Group's consolidated financial statements.

b) New and revised TFRSs in issue but not yet effective

The Group has not yet adopted the following standards and amendments and interpretations to the existing standards:

TFRS 17	<i>Insurance Contracts</i>
Amendments to TAS 1	<i>Classification of Liabilities as Current or Non-Current</i>
Amendments to TFRS 4	<i>Extension of the Temporary Exemption from Applying TFRS 9</i>
Amendments to TAS 1	<i>Disclosure of Accounting Policies</i>
Amendments to TAS 8	<i>Definition of Accounting Estimates</i>
Amendments to TAS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>
Amendments to TFRS 17	<i>Initial Application of TFRS 17 and TFRS 9 — Comparative Information (Amendment to TFRS 17)</i>

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (continued)

2.2 New and Revised International Financial Reporting Standards (continued)

b) New and revised TFRSs in issue but not yet effective (continued)

TFRS 17 Insurance Contracts

TFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. TFRS 17 supersedes TFRS 4 *Insurance Contracts* as of 1 January 2023.

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

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

Amendments to TAS 1 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

Amendments to TFRS 4 Extension of the Temporary Exemption from Applying TFRS 9

The amendment changes the fixed expiry date for the temporary exemption in TFRS 4 *Insurance Contracts* from applying TFRS 9, so that entities would be required to apply TFRS 9 for annual periods beginning on or after 1 January 2023 with the deferral of the effective date of TFRS 17.

Amendments to TAS 1 Disclosure of Accounting Policies

The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies.

Amendments to TAS 1 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

Amendments to TAS 8 Definition of Accounting Estimates

With this amendment, the definition of “a change in accounting estimates” has been replaced with the definition of “an accounting estimate”, sample and explanatory paragraphs regarding estimates have been added, and the differences between application of an estimate prospectively and correction of errors retrospectively have been clarified.

Amendments to TAS 8 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

Amendments to TAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments clarify that the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition.

Amendments to TAS 12 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (continued)

2.2 New and Revised International Financial Reporting Standards (continued)

b) New and revised TFRSs in issue but not yet effective (continued)

Amendments to TFRS 17 Insurance Contracts and Initial Application of TFRS 17 and TFRS 9 — Comparative Information

Amendments have been made in TFRS 17 in order to reduce the implementation costs, to explain the results and to facilitate the initial application.

The amendment permits entities that first apply TFRS 17 and TFRS 9 at the same time to present comparative information about a financial asset as if the classification and measurement requirements of TFRS 9 had been applied to that financial asset before.

Amendments are effective with the first application of TFRS 17.

The Group evaluates the effects of these standards, amendments and improvements on the consolidated financial statements.

2.3 Changes in Accounting Policies

Comparative Information and Restatement of Prior Period Consolidated Financial Statements

Significant changes in accounting policies are applied retrospectively and prior period financial statements are restated.

The consolidated financial statements of the Group are prepared comparatively with the previous period in order to enable the determination of financial position and performance trends. In order to comply with the presentation of the current period consolidated financial statements, comparative information is rearranged when deemed necessary and important differences are disclosed. The Group has restated its prior period financial statements in order to comply with the presentation of the current period consolidated financial statements.

In accordance with the principle published by the Public Oversight Authority (POA) on the "Accounting of Business Combinations Subject to Joint Control" in the Official Gazette dated July 21, 2013, mergers subject to joint control must be accounted for by restating the previous financial statements using the "Combination of Rights" method. Transactions realized under common control are reflected in the financial statements according to the "Consolidation of Rights" method. In this context; with the acquisition of Önem Gıda Sanayi ve Ticaret A.Ş., the consolidated profit or loss statement, the other comprehensive income statement, the statement of changes in shareholders' equity and the statement of cash flows for the interim period ended 31 March 2021 have been restated.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (continued)

2.3 Changes in Accounting Policies (continued)

Comparative Information and Restatement of Prior Period Consolidated Financial Statements (continued)

	Reported(*) Previous Period 1 January- 31 March 2021	Effects of Restatement with Eliminations	Restated(*) Previous Period 1 January- 31 March 2021
Revenue	2.689.678	94.079	2.783.757
Cost of Sales (-)	(1.916.097)	(5.322)	(1.921.419)
GROSS PROFIT	773.581	88.757	862.338
General Administrative Expenses (-)	(76.769)	(1.349)	(78.118)
Marketing Expenses (-)	(279.916)	(2.027)	(281.943)
Research and Development Expenses (-)	(8.865)	-	(8.865)
Other Operating Income	102.224	24.390	126.614
Other Operating Expense (-)	(44.882)	(77.841)	(122.723)
OPERATING PROFIT	465.373	31.930	497.303
Income from Investment Activities	1.448.855	31.908	1.480.763
Expenses from Investment Activities (-)	(209)	(1.151)	(1.360)
OPERATING PROFIT BEFORE FINANCIAL INCOME AND EXPENSES	1.914.019	62.687	1.976.706
Financial Income	1.711	17.181	18.892
Financial Expenses (-)	(1.250.912)	(137.056)	(1.387.968)
PROFIT BEFORE TAX	664.818	(57.188)	607.630
Tax Expense	(123.694)	9.040	(114.654)
Corporate Tax Expense	(133.122)	-	(133.122)
Deferred Tax Income	9.428	9.040	18.468
PROFIT FOR THE PERIOD	541.124	(48.148)	492.976

(*) The reported column shows the consolidated financial statement before the acquisition of Önem Gıda, and the restated column shows the consolidated financial statement after the acquisition of Önem Gıda, and the effects of the relevant acquisition are explained in Note 3.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (continued)

2.3 Changes in Accounting Policies (continued)

Comparative Information and Restatement of Prior Period Consolidated Financial Statements (continued)

	Reported(*) Previous Period 1 January- 31 March 2021	Effects of Restatement with Eliminations	Restated(*) Previous Period 1 January- 31 March 2021
PROFIT FOR THE PERIOD	541.124	(48.148)	492.976
Other Comprehensive Income Not to be Reclassified To Profit or Loss	(2.544)	(421)	(2.265)
Actuarial Loss on Post-Employment Termination Benefit Obligation	(3.180)	(526)	(3.706)
Deferred Tax for the Items That Will not be Reclassified in Profit or Loss			
Actuarial Gain on Post-Employment Termination Benefit Obligation, Tax Effect	636	105	741
Items to be Reclassified to Profit or Loss	153.240	-	153.240
Currency Translation Differences	152.928	-	152.928
Cash Flow Hedges	390	-	390
Deferred Tax For The Items That Will be Reclassified to Profit or Loss			
Cash Flow Hedges, Tax Effect	(78)	-	(78)
OTHER COMPREHENSIVE INCOME	150.696	(421)	150.275
TOTAL COMPREHENSIVE INCOME	691.820	(48.567)	643.251
Distribution of total comprehensive income	691.820	(48.567)	643.251
Non-Controlling Interests	118.848	-	118.848
Equity Holders of the Parent	572.972	(48.567)	524.405

(*) The reported column shows the consolidated financial statement before the acquisition of Önem Gıda, and the restated column shows the consolidated financial statement after the acquisition of Önem Gıda, and the effects of the relevant acquisition are explained in Note 3

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3. BUSINESS COMBINATIONS

The Company purchased 100% shares of Önem Gıda Sanayi ve Ticaret A.Ş.(Önem Gıda), 100% owned by Yıldız Holding A.Ş., on 27 August 2021 for a consideration of TL 3.736.314 thousand. The transaction was considered as “Transactions under Common Control” and the difference between the amount paid and the capital amount of Önem Gıda was accounted in the shareholder’s equity. The net asset received as a result of the transaction and the equity effect of the transaction are as follows:

	31 July 2021
Net Assets within the Scope of Consolidation	Asset/(Liability)
Current Assets	
Cash and cash equivalents	191.971
Trade receivables	403.636
Other receivables	484.002
Inventories	1.053.242
Other current assets	117.208
Non-Current Assets	
Other Receivables	516
Tangible and intangible assets (net)	173.553
Other non-current assets	1.813
Current Liabilities	
Financial liabilities	(1.393.178)
Trade payable	(145.312)
Other current liabilities	(105.853)
Non-Current Liabilities	
Financial liabilities	(401.056)
Other non-current liabilities	(21.142)
Net Assets added into the scope of consolidation	359.400
Total share of the Group ownership	100%
The portion of the net assets to the Group	359.400
Non-capital equity items	334.400
Authorized capital stock of Önem Gıda	25.000
Cash paid for the acquisition	(3.736.314)
Merger Effect of Businesses Under Common Control	(3.711.314)

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4. SEGMENTAL INFORMATION

The main field of activity of the Group is the marketing and sales of biscuits, chocolate coated biscuits, wafers, cakes and chocolate. The reports, which are regularly reviewed by the authorized decision maker regarding the Group's activities, are prepared using the Group's condensed consolidated interim financial statements. The Board of Directors, which takes strategic decisions, has been determined as the authorized authority to take decisions regarding the activities of the Group. The Group management has determined the operating segments based on the reports reviewed by the Board of Directors, which are effective in taking strategic decisions. The Board of Directors monitors the performance of the operating segments as gross profit and operating profit.

Group; In its management reporting, it monitors its operations and investment expenditures as domestic (performed by companies in Turkey) and international operations within the scope of TFRS 8. Accordingly, the information for the periods 1 January - 31 March 2022 and 1 January - 31 March 2021 is presented below.

	Domestic	Foreign	1 January – 31 March 2022
Revenue	3.506.874	2.379.144	5.886.018
Gross Profit	932.952	916.138	1.849.090
Operating Profit (*)	660.082	506.478	1.166.560
EBITDA (**)	691.594	553.031	1.244.625
EBITDA/Revenue	19,7%	23,2%	21,1%
Capital Expenditures	56.119	19.435	75.553

	Domestic	Foreign	1 January – 31 March 2021
Revenue	1.681.246	1.102.511	2.783.757
Gross Profit	439.319	423.019	862.338
Operating Profit (*)	275.280	218.132	493.412
EBITDA (**)	300.844	245.540	546.384
EBITDA/Revenue	17,9%	22,3%	19,6%
Capital Expenditures	23.138	3.879	27.018

(*) Profit before other income/expense.

(**) EBITDA (Earnings before interest, tax, depreciation and amortization) is calculated by adding back the non-cash expenses of depreciation and amortization to a firm's operating income. EBITDA isn't a measure of performance identified in TFRS, thus it may not be a tool for comparison for firms.

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5. CASH AND CASH EQUIVALENTS

	31 March 2022	31 December 2021
Cash on hand	252	1.758
Demand deposits	1.838.474	1.584.142
Time deposits	1.158.753	1.434.427
Impairment provision	(12.366)	(15.493)
	2.985.113	3.004.834

The details of time deposits are as follows:

Currency Type	Annual Weighted Average Effective Interest Rate	Maturity	31 March 2022
TL	15,60%	April 2022	598.374
EUR	0,05%	April 2022	114.026
USD	0,94%	April 2022	388.536
EGP	8,25%	April 2022	57.817
			1.158.753

Currency Type	Annual Weighted Average Effective Interest Rate	Maturity	31 December 2021
TL	20,81%	January 2022	478.786
EUR	0,38%	January 2022	34.250
USD	1,05%	January 2022	828.998
GBP	0,05%	January 2022	29.845
EGP	7,23%	January 2022	62.548
			1.434.427

6. FINANCIAL INVESTMENTS

Short Term Financial Investments:	31 March 2022	31 December 2021
Financial assets measured at fair value through profit or loss (*)	6.345.108	6.414.869
	6.345.108	6.414.869

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6. FINANCIAL INVESTMENTS (continued)

<u>Long Term Financial Investments:</u>	<u>31 March 2022</u>	<u>31 December 2021</u>
Financial assets measured at fair value through other comprehensive income (**)	1.878.478	1.878.478
	<u>1.878.478</u>	<u>1.878.478</u>

<u>Long Term Financial Assets Measured at Fair Value through Other Comprehensive Income</u>	<u>31 March 2022</u>	<u>31 December 2021</u>
G New, Inc	527.744	527.744
Godiva Belgium BVBA	1.350.534	1.350.534
Other	200	200
	<u>1.878.478</u>	<u>1.878.478</u>

(*) TL 6.317.631 thousand of short-term financial investments consists of mutual funds with maturities of less than 3 months.

(**) Equity investments, over which the Group has no significant influence, are classified as financial investments at fair value through other comprehensive income. As of 31 March 2022, the after-tax difference to the parent amounting to TL 1.276.228 thousand has been accounted for in equity.

7. FINANCIAL LIABILITIES

	<u>31 March 2022</u>	<u>31 December 2021</u>
Short term liabilities	707.289	759.909
Short term portion of long-term liabilities	2.297.356	2.103.140
Long term liabilities	16.865.507	15.313.776
	<u>19.870.152</u>	<u>18.176.825</u>

<u>Other Short-Term Liabilities</u>	<u>31 March 2022</u>	<u>31 December 2021</u>
Letters of credit	707.289	759.909
	<u>707.289</u>	<u>759.909</u>

<u>Short Term Portion of Long-Term Liabilities</u>	<u>31 March 2022</u>	<u>31 December 2021</u>
Bank loans	1.624.323	1.499.536
Issued debt instruments (*)	647.136	579.253
Financial lease liabilities	25.897	24.351
	<u>2.297.356</u>	<u>2.103.140</u>

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7. FINANCIAL LIABILITIES (continued)

<u>Long Term Liabilities</u>	<u>31 March 2022</u>	<u>31 December 2021</u>
Bank loans	7.751.662	7.148.942
Issued debt instruments (*)	9.113.845	8.157.834
Financial lease liabilities	-	7.000
	<u>16.865.507</u>	<u>15.313.776</u>

The Group has used a syndication loan dated April 20, 2020, and this syndication loan consists of two tranches. One of the tranches is 110.000.000 USD and the other is 243.938.528 Euros. 7 international banks participated in the syndication. The applicable interest rate for the Euro tranche is Euribor+ 2.95%, for the US Dollar it is Libor+ 3.10% and the maturity date is 20 April 2023. In addition to the syndication loan, the Group used a EUR 75.000.000 EBRD loan dated 20 April 2020. The interest rate of the related EBRD loan is Euribor+ 2.95% and the maturity date is 20 April 2023. The principal repayments of the loan tranches must be paid semiannually, at the end of their maturity.

(*) The Group has USD 650.000.000 of bond issued on the Irish Stock Exchange (Euronext Dublin) on October 30, 2020, with a 5-year maturity, coupon payment every 6 months, principal and coupon payments at the end of the maturity, with an annual fixed interest rate of 6,95%.

The covenants of the related loans are as follows:

a) Leverage: The ratio of the consolidated net debt on the last day of the current period to the last 12 months consolidated EBITDA (Earnings before interest, depreciation, tax) for the current period should not exceed 3,50:1.

b) Interest Coverage: The Group's consolidated interest coverage ratio for the current period should not be lower than 2:1.

(In the current period, the consolidated financial statements of the Group are in line with the provisions of the bank loan agreements.)

Borrowings:

31 March 2022

<u>Currency Type</u>	<u>Maturity</u>	<u>Annual Weighted Average Effective Interest Rate (%)</u>	<u>Short Term</u>	<u>Long Term</u>
TL	April 2022-April 2023	27,30%	25.897	-
USD	April 2022-October 2025	6,45%	701.230	10.686.289
EUR	April 2022-May 2023	3,17%	2.121.592	5.872.987
EGP	April 2022-September 2023	8,00%	5.811	5.728
KZT	April 2022-January 2026	11,98%	150.115	300.503
			<u>3.004.645</u>	<u>16.865.507</u>

31 December 2021

<u>Currency Type</u>	<u>Maturity</u>	<u>Annual Weighted Average Effective Interest Rate (%)</u>	<u>Short Term</u>	<u>Long Term</u>
TL	January 2022-April 2023	27,30%	24.351	7.000
USD	April 2022-October 2025	6,45%	628.028	9.575.662
EUR	April 2022-May 2023	3,17%	2.052.008	5.403.144
EGP	January 2022-September 2023	8,00%	8.186	6.063
KZT	January 2022-January 2026	11,98%	150.476	321.907
			<u>2.863.049</u>	<u>15.313.776</u>

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7. FINANCIAL LIABILITIES (continued)

Borrowings(continued)

The repayment terms of bank loans and issued debt instruments are as follows:

	31 March 2022	31 December 2021
to be paid within 1 year	2.271.459	2.078.789
to be paid within 1-2 years	7.476.623	7.472.785
to be paid within 2-3 years	1.289.981	590.206
to be paid within 3-4 years	8.098.903	7.223.496
to be paid within 4-5 years	-	20.289
	19.136.966	17.385.565

Short Term Portion of Long Term Financial Lease Liabilities

	31 March 2022	31 December 2021
Financial lease liabilities	29.803	29.913
Future finance charges on financial leasing (-)	(3.906)	(5.562)
	25.897	24.351

Long Term Financial Lease Liabilities

	31 March 2022	31 December 2021
Financial lease liabilities	10	7.331
Future finance charges on financial leasing (-)	(10)	(331)
	-	7.000

The repayment terms of financial leasing debts are as follows:

	31 March 2022	31 December 2021
to be paid within 1 year	25.897	24.351
to be paid within 1-2 years	-	7.000
	25.897	31.351

8. TRADE RECEIVABLES AND PAYABLES

	31 March 2022	31 December 2021
Short Term Due from Related Parties		
Due from related parties (Note 23)	3.187.991	2.522.152
	3.187.991	2.522.152
Other Trade Receivables		
Trade receivables	2.688.579	2.185.614
Provision for doubtful receivables	(20.497)	(19.855)
	2.668.082	2.165.759
Total Short-Term Trade Receivables	5.856.073	4.687.911

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8. TRADE RECEIVABLES AND PAYABLES (continued)

The movement table of provisions for doubtful receivables for the periods 31 March 2022 and 2021 as follows:

	1 January - 31 March 2022	1 January - 31 March 2021
Opening balance	(19.855)	(12.341)
Current period expense	(555)	(209)
Cancelled provision	46	1.139
Currency translation differences	(133)	(772)
Ending Balance	(20.497)	(12.183)

	31 March 2022	31 December 2021
Short Term Trade Payables		
Due to related parties (Note 23)	753.850	475.461
Trade payables	2.195.744	1.794.960
	2.949.594	2.270.421

9. OTHER RECEIVABLES AND PAYABLES

	31 March 2022	31 December 2021
Other Receivables		
Due from related parties (Note 23)	868.905	545.670
Short term other receivables	80.004	68.732
	948.909	614.402

	31 March 2022	31 December 2021
Other Short-Term Receivables		
VAT receivables	40.611	22.374
Deposits and guarantees given	31.048	34.231
Receivables from personnel	4.212	3.302
Other	4.133	8.825
	80.004	68.732

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9. OTHER RECEIVABLES AND PAYABLES (continued)

	31 March 2022	31 December 2021
Other Payables		
Other short-term payables	30.907	12.672
	30.907	12.672

	31 March 2022	31 December 2021
Other Short-Term Payables		
Deposits and guarantees received	172	172
Other short-term payables	30.735	12.500
	30.907	12.672

10. DERIVATIVE INSTRUMENTS

The Group has realized Fixed Interest Rate Swap transactions, consisting of a total of USD 33.000.000, in order to hedge the interest rate risk, in line with the payment plan of the USD 110.000.000 tranche of the 3-year term and variable rate syndication loan used on 20 April 2020. Additionally, the Group entered into a cross currency fixed interest swap contracts amounting to EUR 150.000.000 in parallel with repayment schedule of EUR 243.938.528 syndication loan, respectively to manage its exposure to interest rate and foreign currency fluctuations.

As of 31 March 2022 and 31 December 2021, derivative instruments are as follows:

	31 March 2022		31 December 2021	
	Contract Amount	Fair Value	Contract Amount	Fair Value
Derivative instruments held for hedge				
Cross currency fixed interest rate swap	2.442.825	(48.188)	-	-
Forward transactions	293.830	382	221.382	1.153
Fixed interest rate swap	439.857	5.923	439.857	346
Total Asset / (Liabilities)	3.176.512	(41.883)	661.239	1.499

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11. INVENTORIES

Details of inventory are as follows;

	31 March 2022	31 December 2021
Raw materials	2.571.832	2.298.257
Work in progress	111.412	72.115
Finished goods	923.831	719.737
Trade goods	47.379	47.562
Other inventories	130.853	114.513
Allowance for impairment on inventory (-)	(40.414)	(33.953)
	3.744.893	3.218.231

Inventories are presented on the cost values and provision has been made for the impaired inventories.

Inventory impairment movements for the three months ended period of 31 March 2022 and 2021 are as follows;

	1 January - 31 March 2022	1 January - 31 March 2021
Opening balance	(33.953)	(29.809)
Charge for the period	(6.125)	(475)
Reversal of provision	1.345	576
Currency translation differences	(1.681)	(2.332)
Closing balance	(40.414)	(32.040)

12. INVESTMENT PROPERTIES

	1 January - 31 March 2022	1 January - 31 March 2021
Opening balance	-	26.145
Disposal	-	(26.145)
Closing balance	-	-

There is no rental income for the period ended March 31, 2022 from investment properties, all of which are buildings (March 31, 2021: TL 246 thousand). There are no direct operating expenses arising from investment properties during the period (31 March 2021: TL 20 thousand).

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13. TANGIBLE ASSETS

Movement of tangible assets between 1 January - 31 March 2022 is as follows:

Cost	1 January 2022	Addition	Disposal	Transfer	Currency Translation Differences	31 March 2022
Land	836.106	-	-	-	(2.640)	833.466
Buildings	1.450.365	382	-	2.562	20.913	1.474.222
Machinery, plant and equipment	3.813.432	10.189	(7.344)	17.231	103.487	3.936.995
Vehicles	18.166	19	(2.104)	-	533	16.614
Furniture and fixture	210.935	2.625	(8.512)	6.096	5.398	216.542
Leasehold improvements	54.222	55	-	-	50	54.327
Other tangible assets	32	23	-	-	-	55
Construction in progress	179.153	61.878	(246)	(25.889)	150	215.046
	6.562.411	75.171	(18.206)	-	127.891	6.747.267
Accumulated Depreciation	1 January 2022	Charge for the period	Disposal	Transfer	Currency Translation Differences	31 March 2022
				-		
Buildings	(748.130)	(10.348)	-	(1.333)	(12.725)	(772.536)
Machinery, plant and equipment	(1.980.546)	(59.739)	3.140	1.333	(65.346)	(2.101.158)
Vehicles	(16.450)	(301)	2.104	-	(464)	(15.111)
Furniture and fixture	(138.206)	(5.384)	8.389	-	(3.481)	(138.682)
Leasehold improvements	(38.154)	(1.010)	-	-	(37)	(39.201)
Other tangible assets	(32)	(1)	-	-	-	(33)
	(2.921.518)	(76.783)	13.633	-	(82.053)	(3.066.721)
Net Book Value	3.640.893					3.680.546

Depreciation and amortization expenses of tangible fixed assets and intangible assets amounted to TL 73.761 thousand (31 March 2021: TL 49.811 thousand) to cost of goods sold, TL 196 thousand (March 31, 2021: TL 112 thousand) to research and development expenses, TL 1.711 thousand (31 March 2021: TL 1.346 thousand) is included in marketing and sales expenses, TL 2.397 thousand (31 March 2021: TL 1.703 thousand) is included in general administrative expenses. The Group has not made any lease purchases during the three-month period ending as of 31 March 2022. As of 31 March 2022, there are no tangible assets subject to mortgage or pledge.

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13. TANGIBLE ASSETS (continued)

Movement of tangible assets between 1 January - 31 March 2021 is as follows:

Cost

	1 January 2021	Addition	Disposal	Transfer	Currency Translation Differences	31 March 2021
Land	857.540	-	-	-	4.655	862.195
Buildings	1.227.958	91	(2.224)	4.733	34.018	1.264.576
Machinery, plant and equipment	2.668.920	8.335	(3.794)	8.938	131.082	2.813.481
Vehicles	13.622	14	-	-	1.061	14.697
Furniture and fixture	145.823	1.168	(635)	1.476	7.903	155.735
Leasehold improvements	54.170	83	(490)	-	29	53.792
Other tangible assets	32	-	-	-	-	32
Construction in progress	67.043	17.207	(35)	(15.147)	5.415	74.483
	5.035.108	26.898	(7.178)	-	184.163	5.238.991

Accumulated Depreciation

	1 January 2021	Charge for the period	Disposal	Transfer	Currency Translation Differences	31 March 2021
Buildings	(635.450)	(6.971)	1.920	-	(16.548)	(657.049)
Machinery, plant and equipment	(1.405.321)	(40.917)	3.244	-	(70.952)	(1.513.946)
Vehicles	(10.593)	(325)	-	-	(890)	(11.808)
Furniture and fixture	(101.209)	(2.991)	130	-	(5.467)	(109.537)
Leasehold improvements	(35.681)	(997)	274	-	(22)	(36.426)
Other tangible assets	(28)	(1)	-	-	-	(29)
	(2.188.282)	(52.202)	5.568	-	(93.879)	(2.328.795)

Net Book Value

2.846.826

2.910.196

As of 31 March 2021, the Group has not made any lease purchases in the three-month period.

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13. TANGIBLE ASSETS (continued)

The estimated useful lives of tangible assets are as follows:

	Useful Life
Buildings	25 – 50 years
Machinery, plant and equipment	4 – 20 years
Vehicles	4 – 10 years
Other tangible assets	4 – 10 years
Furniture and fixtures	3 – 10 years
Leasehold improvements	During rent period

The Group has chosen the revaluation model, one of the application methods in TMS 16, in order to present the lands and buildings at their fair values. The related assets were revalued using the "peer comparison method" on January 29, 2021, and the studies were carried out by the valuation company, Nova Taşınmaz Değerleme ve Danışmanlık A.Ş., authorized by the CMB carried out by land and buildings are reflected in the consolidated financial statements as of 31 December 2020, based on their fair values stated in the valuations. The frequency of revaluations depends on changes in the fair value of the subject asset. If the fair value of the revalued asset differs significantly from its carrying value, the asset is revalued. In the absence of such a situation, the relevant asset is revalued at certain periods. The Group has evaluated that there is no significant change in the fair value of the assets in the current period.

14. GOODWILL

	31 March 2022	31 March 2021
Opening balance	896.538	496.196
Currency translation difference	60.579	74.715
Closing balance	957.117	570.911

Breakdown of goodwill is as follows:

Company	31 March 2022	31 December 2021
UI Mena B.V.	920.674	862.402
IBC	36.443	34.136
	957.117	896.538

UI Mena B.V.

Yıldız Holding A.Ş. As of November 3, 2014, it acquired the United Biscuits group. The goodwill amount carried by Yıldız Holding regarding UI MENA in its financial statements has been transferred to Ülker Bisküvi consolidated financial statements by restating the previous periods' consolidated financial statements.

International Biscuits Company

Yıldız Holding A.Ş. As of November 3, 2014, it acquired the United Biscuits group. The goodwill amount carried by Yıldız Holding regarding International Biscuits Company in its financial statements has been transferred to Ülker Biscuits consolidated financial statements by restating the previous periods' consolidated financial statements.

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15. INTANGIBLE ASSETS

Movements of intangible assets between 1 January – 31 March 2022 are as follows:

Cost	1 January 2022	Addition	Disposal	Currency Translation Differences	31 March 2022
Rights (*)	675.632	278	(4)	58.514	734.420
Other intangible assets	14.825	104	(4)	950	15.875
	690.457	382	(8)	59.464	750.295

Accumulated Amortization	1 January 2022	Charge for the period	Disposal	Currency Translation Differences	31 March 2022
Rights	(28.760)	(260)	4	932	(28.084)
Other intangible assets	(10.393)	(1.022)	4	(727)	(12.138)
	(39.153)	(1.282)	8	205	(40.222)
Net Book Value	651.304				710.073

Movements of intangible assets between 1 January – 31 March 2021 are as follows:

Cost	1 January 2021	Addition	Disposal	Currency Translation Differences	31 March 2021
Rights (*)	373.597	10	-	49.058	422.665
Other intangible assets	9.569	110	-	710	10.389
	383.166	120	-	49.768	433.054

Accumulated Amortization	1 January 2021	Charge for the period	Disposal	Currency Translation Differences	31 March 2021
Rights	(14.418)	(188)	-	(1.535)	(16.141)
Other intangible assets	(4.966)	(582)	-	(334)	(5.882)
	(19.384)	(770)	-	(1.869)	(22.023)
Net Book Value	363.782				411.031

(*) As of 31 March 2022, TL 582.381 thousand (31 March 2021: TL 331.267 thousand) of Rights consists of distributorship agreements for the products within the Group in Saudi Arabia, and Rana brand rights amounting to TL 115.084 thousand (31 March 2021: TL 68.647 thousand). Reclaimed rights are not amortized and have an indefinite life, but are tested for impairment at more frequent intervals each year or when changes in circumstances indicate that their value may have decreased. As of 31 March 2022, there is no impairment.

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15. INTANGIBLE ASSETS (continued)

Items of intangible assets are amortized on a straight-line basis over their useful lives.

	Useful Life
Rights	2 years - Indefinite life
Other intangible assets	2 - 12 years

16. OTHER PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Guarantees Given

(Balances denominated in foreign currencies have been presented in their original currencies)

	31 March 2022			31 December 2021		
	TL	USD	EUR	TL	USD	EUR
A) CPM's given in the name of own legal personality (*)	265.303	25.354	-	264.447	25.737	-
B) CPM's given on behalf of the fully consolidated companies	-	-	179.100	-	-	179.100
C) CPM's given on behalf of third parties for ordinary course of business	-	-	-	-	-	-
D) Total amount of other CPM's given						
i. Total amount of CPM's given on behalf of the majority shareholder (**)	-	-	-	-	-	-
ii. Total amount of CPM's given on behalf of the group companies which are not in scope of B and C	-	-	-	-	-	-
iii. Total amount of CPM's given on behalf of third parties which are not in scope of C	-	-	-	-	-	-
Total	265.303	25.354	179.100	264.447	25.737	179.100

(*) 119 million Turkish Liras and 5,8 million USD of the balance are related to non-cash risks.

(**) The ratio of other CPMs given by the Group to the equity of the parent company is zero as of 31 March 2022 (31 December 2021: zero).

The ultimate parent of the company, Yıldız Holding A.Ş. and some Yıldız Holding Group companies, including Ülker Bisküvi's subsidiaries, Yıldız Holding A.Ş. and Yıldız Holding Group companies have signed syndicated loan agreements with some of the "Lenders" of their creditors.

As of 8 June 2018, Ülker Bisküvi subsidiaries' cash amounting to TL 592,7 million, EUR 10,1 million and USD 19,5 million, non-cash bank loans amounting to TL 140,1 million, USD 57 million and EUR 383 thousand, syndication together with Yıldız Holding A.Ş. level has been raised. There was no increase in the total debt burden of Ülker Bisküvi's subsidiaries due to the syndication loan. Ülker Bisküvi's subsidiaries became the guarantors of Yıldız Holding A.Ş. as of the date of loan utilization, limited to the total amount of bank credit risk to their respective banks.

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17. REVENUE AND COST OF SALES

The detail of operating income is as follows:

	1 January - 31 March 2022	1 January - 31 March 2021
Domestic sales (*)	6.608.501	3.099.251
Export sales	1.192.202	530.233
Sales returns and discounts (-)	(1.914.685)	(845.727)
Revenue (net)	5.886.018	2.783.757
Cost of goods sold	(3.979.413)	(1.890.682)
Cost of trade goods sold	(57.580)	(30.737)
Cost of sales	(4.036.928)	(1.921.419)
Gross Profit	1.849.090	862.338

(*) Denotes domestic sales in Turkey and in countries where abroad subsidiaries are located.

18. EXPENSES BY NATURE

The detail of operating expenses is as follows:

	1 January - 31 March 2022	1 January - 31 March 2021
General Administrative Expenses		
Personnel Expenses	(61.089)	(35.463)
Operating expenses	(47.212)	(28.947)
Consultancy expenses	(10.616)	(6.349)
Depreciation and amortization expenses	(2.397)	(1.703)
Other	(11.482)	(5.656)
	(132.796)	(78.118)
Marketing Expenses		
Marketing operating expenses	(421.698)	(222.988)
Personnel expenses	(86.398)	(42.871)
Rent expenses	(10.509)	(5.970)
Depreciation and amortization expenses	(1.711)	(1.346)
Other	(16.934)	(8.768)
	(537.250)	(281.943)
Research Expenses		
Personnel expenses	(7.740)	(5.308)
Materials used	(1.632)	(1.086)
Depreciation and amortization expenses	(196)	(112)
Other	(2.916)	(2.359)
	(12.484)	(8.865)

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19. FINANCIAL INCOME

	1 January - 31 March 2022	1 January - 31 March 2021
Foreign exchange gains	27.494	17.018
Gains from derivative instruments	138	-
Other	587	1.874
	28.219	18.892

20. FINANCIAL EXPENSES

	1 January - 31 March 2022	1 January - 31 March 2021
Foreign exchange losses	(1.616.587)	(1.168.265)
Interest expenses	(389.738)	(208.734)
Other	(18.760)	(10.969)
	(2.025.085)	(1.387.968)

21. TAX ASSET AND LIABILITIES

The Group recognizes deferred tax assets and liabilities for temporary timing differences arising from the differences between the tax base legal financial statements and the financial statements prepared in accordance with IFRS. These differences are generally due to the fact that some income and expense items are included in different periods in tax base financial statements and financial statements prepared in accordance with IFRS, and these differences are stated below.

The Law No. 7316 on the Collection of Public Claims and Amending Some Laws in Turkey was published in the Official Gazette dated April 22, 2021 and numbered 31462. With this law amendment, 25% tax rate will be taken into account for the period of 1 January-31 December 2021. Although the temporary tax periods are quarterly, since three, six, nine and twelve-month financial statements are taken as basis in the calculation of the income to be declared, taxation made by considering the 25% rate over the cumulative corporate tax base of the entire year for 2021. For the year 2022; taxation will be made by considering the rate of 23% over the corporate tax base.

The tax rates used in the calculation of the Group's deferred tax assets and liabilities are 23% in Turkey (2021: 25%), 20% for its subsidiaries in Saudi Arabia and Kazakhstan (2021: 20%), subsidiaries in Egypt. 22.5% for its subsidiaries (2021: 22.5%), 10% for its subsidiary located in Kyrgyzstan (2021: 10%), zero for its subsidiary located in the United Arab Emirates (2021: zero)

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21. TAX ASSET AND LIABILITIES (continued)

Deferred tax bases:

	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Indexation and useful life differences of tangible and intangible assets	-	-	233.835	216.369
Marketable securities valuation differences	-	-	1.381.188	1.381.188
Previous year losses	(2.049.194)	(1.073.388)	-	-
Allowance of employee termination benefits	(271.136)	(220.998)	-	-
Derivative instruments	(41.882)	-	-	1.499
Provision for unused vacation	(40.443)	(26.527)	-	-
Provision of doubtful receivables	(36.932)	(35.655)	-	-
Profit margin elimination on inventories	(24.226)	(24.713)	-	-
Impairment on inventories	(10.785)	(21.605)	-	-
Provision for lawsuits	(9.080)	(8.594)	-	-
Other	(159.751)	(287.802)	89.532	83.709
	(2.643.429)	(1.699.282)	1.704.555	1.682.765

Deferred tax calculated over the tax bases:

	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Indexation and useful life differences of tangible and intangible assets	-	-	85.752	82.259
Marketable securities valuation differences	-	-	83.510	83.504
Previous year losses	(410.411)	(215.284)	-	-
Allowance of employee termination benefits	(54.227)	(44.200)	-	-
Investment incentive	(16.912)	(19.258)	-	-
Provision for unused vacation	(9.302)	(6.632)	-	-
Provision of doubtful receivables	(8.494)	(8.914)	-	-
Derivative instruments	(8.376)	-	-	334
Profit margin elimination on inventories	(5.572)	(6.178)	-	-
Impairment on inventories	(2.481)	(5.401)	-	-
Provision for lawsuits	(2.088)	(2.149)	-	-
Other	(36.744)	(71.950)	20.592	20.927
	(554.607)	(379.966)	189.854	187.024

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21. TAX ASSET AND LIABILITIES (continued)

Movement of Deferred Tax Liabilities:

	1 January - 31 March 2022	1 January - 31 March 2021
Opening balance	(192.942)	127.378
Taxes netted from funds recognised under equity	6.715	(663)
Currency translation differences	(341)	1.819
Deferred tax income	(178.185)	(18.468)
	(364.753)	110.065

In the consolidated financial statements for the period ended 31 March 2022, the Group accounted deferred tax assets of TL 2.049.194 thousand for deductible financial losses. (31 December 2021: TL 1.073.388 thousand)

The maturities of the financial losses are as follows:

	31 March 2022	31 December 2021
2025	160.948	160.379
2026	837.636	913.009
2027	1.050.610	-
Total	2.049.194	1.073.388

Corporate tax

The Company and its subsidiaries located in Turkey are subject to corporate tax valid in Turkey. Necessary provisions have been made in the accompanying consolidated financial statements for the estimated tax liabilities of the Group regarding the current period operating results.

The corporate tax rate to be accrued on taxable corporate income is calculated over the remaining tax base after adding the non-deductible expenses from the tax base in the determination of the commercial profit and deducting the tax-exempt earnings, non-taxable incomes and other deductions (previous year losses, if any, and investment discounts used if preferred). The tax rate applied on 31 March 2022 is 23% (2021: 25%).

In Turkey, provisional tax is calculated and accrued on a quarterly basis. During the taxation of the corporate earnings for the year of 2022, as of the temporary tax periods, the provisional tax rate to be calculated over the corporate earnings is 23% (2021: 25%).

Losses can be carried forward for a maximum of 5 years, to be deducted from taxable profits in future years. However, the losses incurred cannot be deducted retrospectively from the profits of previous years.

There is no definitive and definitive agreement procedure regarding tax assessment in Turkey. Companies prepare their tax returns between 1-25 April of the year following the closing period of the relevant year (between 1-25 of the fourth month following the closing of the period for those with a special accounting period). These declarations and the accounting records based on them can be reviewed and changed by the Tax Authority within 5 years.

The tax legislation in Turkey does not allow to file a consolidated tax return. Therefore, the tax provision in the consolidated financial statements has been calculated separately for each company.

The corporate tax in Egypt, where Hi Food for Advanced Food Industries and Ulker for Trading and Marketing, subsidiaries of the Group is 22.5% (2021: 22.5%). The corporate tax rate in Saudi Arabia, where Food Manufacturers' Company and International Biscuits Company, subsidiaries of the Group, is 20% (2021: 20%). The corporate tax rate in Kazakhstan, where Hamle Company Ltd LLP, a subsidiary of the Group, is 20% (2021: 20%)

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21. TAX ASSET AND LIABILITIES (continued)

The corporate tax rate in Kyrgyzstan, where Ülker Star LLC, a subsidiary of the Group, is 10% (2021: 10%). In United Arab Emirates, where Amir Global Trading FZE, a subsidiary of the Group, is exempt from corporate tax earnings(2021: Exempt).

Income withholding tax

In addition to corporate tax, income tax withholding should be calculated separately on dividends, excluding those distributed to full-fledged corporations and foreign companies' branches in Turkey, which receive dividends in case of distribution and declare these dividends by including them in corporate income. Income tax withholding was applied as 10% in all companies between April 24, 2003 and July 22, 2006. This rate has been applied as 15% as of 22 July 2006, with the Council of Ministers Decision No. 2006/10731. Dividends that are not distributed and added to the capital are not subject to income tax withholding.

As of 31 March 2022 and 31 December 2021, the tax provisions are as follows:

	31 March 2022	31 December 2021
Total corporate tax provision	(190.297)	(450.711)
Prepaid taxes and funds	(77.415)	149.176
Tax provision on the balance sheet	(267.712)	(301.535)
	1 January - 31 March 2022	1 January - 31 March 2021
Current period corporate tax expense	190.297	133.122
Deferred tax income	(178.185)	(18.468)
Tax expense in the income statement	12.112	114.654

22. EARNINGS PER SHARE

The weighted average of the Company Shares and profit per unit share calculations for the periods of 31 March 2022 and 2021 are as follows:

	1 January - 31 March 2022	1 January - 31 March 2021
Weighted average number of common stock outstanding	34.200.000	34.200.000
Net profit	(470.705)	431.148
Basic Earnings per Share	(1,38)	1,26

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23. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

The detail of receivables from related parties is as follows:

	31 March 2022	31 December 2021
Trade receivables	3.187.991	2.522.152
Non-trade receivables	868.905	545.670
	4.056.896	3.067.822

The detail of trade and non-trade receivables is as follows:

	31 March 2022		31 December 2021	
	Trade	Non-Trade	Trade	Non-Trade
Principle Shareholder				
Yıldız Holding A.Ş.	-	868.905	-	545.670
Other Companies Controlled by the Principle Shareholder				
Horizon Hızlı Tük. Ür. Paz. Sat. ve Tic. A.Ş.	1.555.829	-	1.186.689	-
Pasifik Tük. Ürün. Satış ve Ticaret A.Ş.	984.909	-	894.081	-
Yeni Teközel Markalı Ürünler Dağıtım Hizmetleri A.Ş.	300.824	-	199.933	-
G2M Eksper Satış ve Dağıtım Hizmetleri A.Ş.	147.522	-	132.837	-
United Biscuits (UK) Ltd.	2.290	-	1.971	-
Diğer	196.616	-	106.641	-
	3.187.991	868.905	2.522.152	545.670

The Group’s trade receivables from related parties mainly arise from Horizon Hızlı Tüketim Ürünleri Pazarlama Satış ve Tic. A.Ş. and Pasifik Tük. Ürün. Satış ve Tic A.Ş which make the sale and distribution of products throughout Turkey.

The detail of payables to related parties is as follows:

	31 March 2022	31 December 2021
Trade payables	753.850	475.461
	753.580	475.461

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23. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (continued)

The detail of trade and non-trade payables is as follows:

	31 March 2022		31 December 2021	
	Trade	Non-Trade	Trade	Non-Trade
Principle Shareholder				
Yıldız Holding A.Ş.	234.032	-	202.863	-
Other Companies Controlled by the Principle Shareholder				
Besler Gıda ve Kimya San. ve Tic. A.Ş.	284.584	-	59.609	-
United Biscuits (UK) Ltd.	78.190	-	85.303	-
Marsa Yağ San. ve Tic. A.Ş.	68.807	-	5.995	-
Adapazarı Şeker Fabrikası A.Ş.	299	-	19.655	-
Diğer	87.938	-	71.307	-
	753.850	-	475.461	-

The detail of purchases from and sales to related parties is as follows:

	1 January - 31 March 2022		1 January - 31 March 2021	
	Purchases	Sales	Purchases	Sales
Other Companies Controlled by the Principle Shareholder				
Besler Gıda ve Kimya San. ve Tic. A.Ş.	454.249	-	122.787	-
Marsa Yağ San. ve Tic. A.Ş.	106.836	-	22.083	-
Adapazarı Şeker Fabrikası A.Ş.	75.554	-	42.481	-
United Biscuits (UK) Ltd.	50.533	4.483	31.194	1.307
G2MEKSPER Satış ve Dağıtım Hizmetleri A.Ş.	1.368	124.575	178	68.121
Yeni Teközel Markalı Ürünler Dağıtım Hizmetleri A.Ş.	-	236.457	-	79.268
Pasifik Tüketim Ürünleri Satış ve Tic. A.Ş.	-	1.314.549	-	584.936
Pendik Nişasta San. A.Ş.	-	-	7.309	-
Horizon Hızlı Tük. Ür. Paz. Sat. ve Tic. A.Ş.	-	1.718.624	-	884.961
Diğer	23.871	108.787	27.919	39.041
	712.411	3.507.475	253.951	1.657.634

The Group mainly acquires raw materials from Besler Gıda ve Kimya Sanayi ve Ticaret A.Ş. and Marsa Yağ San. ve Tic. A.Ş., which produces vegetable oil and margarine. The major part of the Group's sales are made to Horizon Hızlı Tüketim Ürünleri Pazarlama Satış ve Tic. A.Ş. and Pasifik Tüketim Ürünleri Satış ve Tic. A.Ş. companies that carry out sales and distribution throughout Turkey.

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23. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (continued)

The details of interest, rent and similar other services balances paid to and received from related parties are as follows:

For three months period ended 31 March 2022:

	Rent Income/(Expense) Net	Service Income/(Expense) Net	Interest and Foreign Exchange Income/(Expense) Net
Principle Shareholder			
Yıldız Holding A.Ş.	(264)	(138.609)	85.838
Other Companies Controlled by the Principle Shareholder			
pladis Foods Limited	-	(53.131)	(211)
Horizon Hızlı Tük. Ür. Paz. Sat. ve Tic. A.Ş.	-	(15.925)	29.056
Pasifik Tüketim Ürünleri Satış ve Tic. A.Ş.	21	(13.131)	6.950
United Biscuits (UK) Ltd.	-	(6.935)	(1.398)
İzsal Gayrimenkul Geliştirme A.Ş.	(660)	(2.556)	-
Other	75	(14.634)	(1.057)
	(829)	(244.921)	119.179

For three months period ended 31 March 2021:

	Rent Income/(Expense) Net	Service Income/(Expense) Net	Interest and Foreign Exchange Income/(Expense) Net
Principle Shareholder			
Yıldız Holding A.Ş.	(101)	(68.893)	221.053
Other Companies Controlled by the Principle Shareholder			
pladis Foods Limited	-	(30.623)	(344)
Horizon Hızlı Tük. Ür. Paz. Sat. ve Tic. A.Ş.	-	(6.168)	27.667
Pasifik Tüketim Ürünleri Satış ve Tic. A.Ş.	17	(4.440)	12.278
United Biscuits (UK) Ltd.	-	(2.660)	(343)
İzsal Gayrimenkul Geliştirme A.Ş.	(605)	(1.539)	-
Diğer	2.318	(4.629)	(2.752)
	1.630	(118.952)	257.559

Benefits provided to members of BOD and key management personnel:

	31 March 2022	31 March 2021
Fees and other short-term benefits	28.330	19.649
	28.330	19.649

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24. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS

Foreign currency risk management

Transactions in foreign currencies expose the Group to foreign currency risk.

The Group is exposed to exchange rate risk due to changes in the exchange rates used in the conversion of foreign currency assets and liabilities into Turkish Lira. Currency risk arises due to future commercial transactions and the difference between recorded assets and liabilities. In this framework, the Group controls this risk with a natural method that occurs by netting foreign currency assets and liabilities. The Management analyzes and monitors the Group's foreign currency position and ensures that measures are taken when necessary. The Group is exposed to currency risk mainly in USD, EUR, GBP and CHF.

The distribution of the Group's monetary and non-monetary assets in foreign currency and monetary and non-monetary liabilities as of the balance sheet date is as follows:

	31 March 2022				
	TL	USD	EUR	GBP	CHF
1. Trade Receivables	1.891.354	112.058	14.218	1.022	-
2a. Monetary Financial Assets	9.177.071	617.056	8.161	601	46
2b. Non-Monetary Financial Assets	-	-	-	-	-
3. Other	282.552	981	16.247	19	205
4. CURRENT ASSETS	11.350.977	730.095	38.626	1.642	251
5. Trade Receivables	-	-	-	-	-
6a. Monetary Financial Assets,	-	-	-	-	-
6b. Non-Monetary Financial Assets	-	-	-	-	-
7. Other	-	-	-	-	-
8. NON-CURRENT ASSETS	-	-	-	-	-
9. TOTAL ASSETS	11.350.977	730.095	38.626	1.642	251
10. Trade Payables	410.281	11.100	11.478	2.746	520
11. Financial Liabilities	2.822.822	47.908	130.275	-	-
12a. Other Monetary Financial Liabilities	1.066	15	52	-	-
12b. Other Non-monetary Financial Liabilities	4.317	78	195	-	-
13. CURRENT LIABILITIES	3.238.486	59.101	142.000	2.746	520
14. Trade Payables	-	-	-	-	-
15. Financial Liabilities	16.559.276	730.082	360.627	-	-
16a. Other Monetary Financial Liabilities	-	-	-	-	-
16b. Other Non-monetary Financial Liabilities	-	-	-	-	-
17. NON-CURRENT LIABILITIES	16.559.276	730.082	360.627	-	-
18. TOTAL LIABILITIES	19.797.762	789.183	502.627	2.746	520
19. Net Assets of Off Statement of Financial Position (19a-19b)	2.442.825	-	150.000	-	-
19a. Net Assets of Off Statement of Financial Position	-	-	-	-	-
19b. Net Liabilities of Off Statement of Financial Position	(2.442.825)	-	(150.000)	-	-
20. Net Foreign Currency Asset / (Liability) Position (9-18+19)	(6.003.960)	(59.088)	(314.001)	(1.104)	(269)
21. Monetary Items Net Foreign Currency Asset / (Liability) Position (1+2a+5+6a-10-11-12a-14-15-16a)	(8.725.020)	(59.991)	(480.053)	(1.123)	(474)
22. Total Fair Value of Financial Instruments Used to Hedge the Foreign Currency Position	293.830	-	18.042	-	-

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24. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (continued)

Foreign currency risk management (continued)

	31 December 2021				
	TL	USD	EUR	GBP	CHF
1. Trade Receivables	1.457.685	95.147	11.512	879	-
2a. Monetary Financial Assets	9.502.941	707.152	2.916	1.801	66
2b. Non-Monetary Financial Assets	-	-	-	-	-
3. Other	221.518	732	13.923	6	110
4. CURRENT ASSETS	11.182.144	803.031	28.351	2.686	176
5. Trade Receivables	-	-	-	-	-
6a. Monetary Financial Assets,	-	-	-	-	-
6b. Non-Monetary Financial Assets	-	-	-	-	-
7. Other	-	-	-	-	-
8. NON-CURRENT ASSETS	-	-	-	-	-
9. TOTAL ASSETS	11.182.144	803.031	28.351	2.686	176
10. Trade Payables	561.364	11.701	21.082	3.970	1.100
11. Financial Liabilities	2.680.036	47.117	136.014	-	-
12a. Other Monetary Financial Liabilities	1.436	50	51	-	-
12b. Other Non-monetary Financial Liabilities	23.007	1.691	31	-	-
13. CURRENT LIABILITIES	3.265.843	60.559	157.178	3.970	1.100
14. Trade Payables	-	-	-	-	-
15. Financial Liabilities	14.978.806	718.408	358.140	-	-
16a. Other Monetary Financial Liabilities	-	-	-	-	-
16b. Other Non-monetary Financial Liabilities	-	-	-	-	-
17. NON-CURRENT LIABILITIES	14.978.806	718.408	358.140	-	-
18. TOTAL LIABILITIES	18.244.649	778.967	515.318	3.970	1.100
19. Net Assets of Off Statement of Financial Position (19a-19b)	-	-	-	-	-
19a. Net Assets of Off Statement of Financial Position	-	-	-	-	-
19b. Net Liabilities of Off Statement of Financial Position	-	-	-	-	-
20. Net Foreign Currency Asset / (Liability) Position (9-18+19)	(7.062.505)	24.064	(486.967)	(1.284)	(924)
21. Monetary Items Net Foreign Currency Asset / (Liability) Position (1+2a+5+6a-10-11-12a-14-15-16a)	(7.261.016)	25.023	(500.859)	(1.290)	(1.034)
22. Total Fair Value of Financial Instruments Used to Hedge the Foreign Currency Position	79.205	-	5.250	-	-

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24. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (continued)

The export and import amounts realized by the Group as of 31 March 2022 and 2021 are as follows:

	1 January- 31 March 2022	1 January- 31 March 2021
Total exports	1.192.202	530.233
Total imports	891.945	756.244

Sensitivity to currency risk

The Group is exposed to currency risk mainly in USD and EURO. The table below shows the Group's sensitivity to 10% change in USD and EURO. The 10% rate used constitutes a logical bar for the company as it is limited to the 10% capital commitment limit. Sensitivity analyzes regarding the exchange rate risk that the Company is exposed to at the reporting date are determined according to the change at the beginning of the financial year and are kept constant throughout the reporting period. Negative amount represents the decrease effect of 10% increase in value of USD and EUR against TL on profit before tax.

	31 March 2022		31 March 2021	
	Income / Expense		Income / Expense	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
In case of %10 appreciation of USD against TL				
1 - US Dollar net asset / liability	(87.809)	87.809	357.015	(357.015)
2- Part of hedged from US Dollar risk (-)				
3- US Dollar net effect (1 +2)	(87.809)	87.809	357.015	(357.015)
In case of %10 appreciation of EUR against TL				
4 - Euro net asset / liability	(537.508)	537.508	(453.688)	453.688
5 - Euro net asset / liability risk (-)				
6- Euro net effect (4+5)	(537.508)	537.508	(453.688)	453.688
Total (3 + 6)	(625.317)	625.317	(96.673)	96.673

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25. FINANCIAL INSTRUMENTS

Classes and fair values of financial instruments

The fair value of financial assets and liabilities is determined as follows:

- First level: Financial assets and liabilities are valued at stock prices traded in active markets for identical assets and liabilities.
- Second level: Financial assets and liabilities are valued from the inputs used to find the directly or indirectly observable market price of the related asset or liability other than the market price specified at the first level.
- Third level: Financial assets and liabilities are valued from inputs that are not based on market observable data used to determine the fair value of the asset or liability.

The level classifications of financial assets and liabilities shown at their fair values are as follows:

	31 March 2022	Fair value hierarchy		
		Level 1 TL	Level 2 TL	Level 3 TL
Financial assets				
Financial assets at fair value through profit and loss				
- Available for sale	6.345.308	1.969	6.317.631	25.708
Financial assets at fair value through comprehensive income statement				
- Derivative instruments	6.305	-	6.305	-
- Shares	1.878.278	-	-	1.878.278
Total	8.229.891	1.969	6.323.936	1.903.986
Financial liabilities				
Financial liabilities at fair value through comprehensive income statement				
- Derivative instruments	(48.188)	-	(48.188)	-
Total	(48.188)	-	(48.188)	-
	31 December 2021	Fair value hierarchy		
		Level 1 TL	Level 2 TL	Level 3 TL
Financial assets				
Financial assets at fair value through profit and loss				
- Available for sale	6.415.069	1.843	6.392.264	20.962
Financial assets at fair value through comprehensive income statement				
- Derivatives instruments	1.499	-	1.499	-
- Shares	1.878.278	-	-	1.878.278
Total	8.294.846	1.843	6.393.763	1.899.240

25. FINANCIAL INSTRUMENTS(continued)

It is anticipated that the book values of trade payables, other payables and loan payables reflect their fair values.

The carrying value of the fixed-rate Eurobonds (Note 6) issued by the Company to be traded on Dublin Euronext, with a nominal value of USD 650.000.000, is TL 1.416.793 thousand below their fair value based on the quoted prices in active markets (Level 1).

26. EVENTS AFTER THE BALANCE SHEET DATE

None.