

**Çalık Holding Anonim Şirketi  
and its Subsidiaries**

Condensed Consolidated Interim  
Financial Statements  
As at and For the Six-Month Period Ended  
30 June 2021  
With Independent Auditor's Report on Review of  
Condensed Consolidated Interim Financial Information

10 September 2021

This report includes 1 pages of independent auditor's report on review of condensed consolidated interim financial information and 65 pages of condensed consolidated interim financial statements together with their explanatory notes.

## **Çalık Holding Anonim Şirketi and its Subsidiaries**

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## **Report on Review of Interim Condensed Consolidated Financial Statements**

### **To the Board of Directors of Çalık Holding Anonim Şirketi**

#### ***Introduction***

We have reviewed the accompanying interim condensed consolidated statement of financial position of Çalık Holding Anonim Şirketi ("the Company") and its subsidiaries ("the Group") as of June 30, 2021 and the interim condensed consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and the consolidated statement of cash flows for the six-month period then ended, and explanatory notes. Group management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34, Interim Financial Reporting (IAS 34). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

#### ***Scope of Review***

We conducted our review in accordance with the International Standard on Review Engagements (ISRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review of interim financial information is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and the objective of which is to express an opinion on the financial statements. Consequently, a review of the interim financial information does not provide assurance that the audit firm will be aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### ***Conclusion***

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi  
A member firm of Ernst & Young Global Limited

Kaan Birdal, SMMM  
Partner

10 September 2021  
İstanbul, Turkey

# Çalık Holding Anonim Şirketi and its Subsidiaries

## Interim Condensed Consolidated Statement of Financial Position

### As at 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

Assets	Notes	Reviewed 30 June 2021	Audited 31 December 2020
<b>Current assets</b>			
Cash and cash equivalents	7	615.281	897.487
Financial investments	8	1.430.929	1.427.561
Financial assets related to concession agreements	9	47.657	60.150
Trade receivables	10	434.972	394.769
<i>Due from related parties</i>	6	101.199	76.624
<i>Due from third parties</i>		333.773	318.145
Receivables related to finance sector operations	11	951.580	648.345
<i>Due from related parties</i>	6	2.782	3.484
<i>Due from third parties</i>		948.798	644.861
Other receivables		243.544	228.612
<i>Due from related parties</i>	6	55.675	49.873
<i>Due from third parties</i>		187.869	178.739
Contract assets		57.282	71.291
<i>Contract assets arising from ongoing construction and contracting works</i>		57.282	71.291
Inventories	12	248.064	228.773
Derivatives	19	14.804	13.332
Prepayments		123.677	117.951
Current tax assets	22	1.736	2.413
Other current assets		695.089	710.822
<b>Subtotal</b>		<b>4.864.615</b>	<b>4.801.506</b>
Assets held for sale	4	61.530	60.678
<b>Total current assets</b>		<b>4.926.145</b>	<b>4.862.184</b>
<b>Non- current assets</b>			
Trade receivables	10	38.683	35.407
<i>Due from related parties</i>	6	812	1.846
<i>Due from third parties</i>		37.871	33.561
Receivables related to finance sector operations	11	1.805.002	1.964.341
<i>Due from related parties</i>		--	4
<i>Due from third parties</i>		1.805.002	1.964.337
Other receivables		326.291	326.000
<i>Due from related parties</i>	6	320.003	320.005
<i>Due from third parties</i>		6.288	5.995
Financial investments	8	1.899.133	1.874.350
Financial assets related to concession agreements	9	169.207	194.309
Investments in equity-accounted investees	13	222.874	222.015
Investment properties	17	126.800	130.338
Property, plant and equipment	14	525.148	562.406
Intangible assets	15	111.716	128.008
<i>Goodwill</i>		2.987	3.532
<i>Other intangible assets</i>		108.729	124.476
Right of use assets	16	46.973	45.805
Prepayments		64.340	78.448
Deferred tax assets		42.377	51.349
Other non-current assets		1.871	532
<b>Total non-current assets</b>		<b>5.380.415</b>	<b>5.613.308</b>
<b>Total assets</b>		<b>10.306.560</b>	<b>10.475.492</b>

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

**Çalık Holding Anonim Şirketi and its Subsidiaries**  
**Interim Condensed Consolidated Statement of Financial Position**  
**As at 30 June 2021 (continued)**

(Amounts expressed in thousands of USD unless otherwise stated.)

<b>Liabilities</b>	<b>Notes</b>	<b>Reviewed 30 June 2021</b>	<b>Audited 31 December 2020</b>
<b>Short term liabilities</b>			
Short term loans and borrowings	18	1.754.839	1.663.719
Short term portion of long term loans and borrowings	18	147.307	177.312
Derivatives	19	14.640	19.557
Trade payables	10	267.407	270.160
<i>Due to related parties</i>	6	11.728	12.695
<i>Due to third parties</i>		255.679	257.465
Payables related to finance sector operations	11	4.598.105	4.778.821
<i>Due to related parties</i>	6	9.666	30.286
<i>Due to third parties</i>		4.588.439	4.748.535
Payables related to employee benefits		10.864	7.763
Other payables		81.002	53.794
<i>Due to related parties</i>	6	3.578	23.798
<i>Due to third parties</i>		77.424	29.996
Contract liabilities		44.033	42.534
<i>Contract liabilities arising from ongoing construction and contracting works</i>		44.033	42.534
Deferred revenue		101.506	124.678
Current tax liabilities	22	13.639	7.767
Short term provisions	20	36.480	42.204
<i>Short term employee benefits</i>	20	15.315	18.208
<i>Other short term provisions</i>	20	21.165	23.996
Other short term liabilities		66.665	81.479
<b>Subtotal</b>		<b>7.136.487</b>	<b>7.269.788</b>
Liabilities held for sale	4	11.966	11.896
<b>Total short term liabilities</b>		<b>7.148.453</b>	<b>7.281.684</b>
<b>Long term liabilities</b>			
Long term loans and borrowings	18	503.469	536.264
Trade payables	10	4.220	4.886
<i>Due to third parties</i>		4.220	4.886
Payables related to finance sector operations	11	531.470	500.758
<i>Due to third parties</i>		531.470	500.758
Other payables		11.165	52.554
<i>Due to third parties</i>		11.165	52.554
Contract liabilities		36.152	46.595
<i>Contract liabilities arising from ongoing construction and contracting works</i>		36.152	46.595
Deferred revenue		96.411	93.083
Long term provisions	20	11.977	13.103
<i>Long term employee benefits</i>	20	10.822	11.849
<i>Other long-term provisions</i>	20	1.155	1.254
Deferred tax liabilities		37.248	52.753
Other long-term liabilities		93	385
<b>Total long term liabilities</b>		<b>1.232.205</b>	<b>1.300.381</b>
<b>Total liabilities</b>		<b>8.380.658</b>	<b>8.582.065</b>

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

**Çalık Holding Anonim Şirketi and its Subsidiaries**  
**Interim Condensed Consolidated Statement of Financial Position**  
**As at 30 June 2021 (*continued*)**

(Amounts expressed in thousands of USD unless otherwise stated.)

	Notes	Reviewed 30 June 2021	Audited 31 December 2020
<b>Equity</b>			
<b>Equity attributable to the owners of the Company</b>			
Share capital		210.761	210.761
Adjustment to share capital		3.388	3.388
Other comprehensive income that is or will not be reclassified to profit or loss		(2.352)	(2.604)
<i>Accumulated re-measurements loss of defined benefit plans</i>		(2.352)	(2.415)
<i>Revaluation fund</i>		--	(189)
Other comprehensive income that is or may be reclassified to profit or loss		(505.746)	(337.031)
<i>Currency translation differences</i>		(562.241)	(405.280)
<i>Fair value of debt financial assets at fair value</i>		56.765	68.249
Restricted reserves		700.880	699.203
Retained earnings		1.199.366	842.023
Profit for the year		196.177	359.209
<b>Total equity attributable to the owners of the Company</b>		<b>1.802.744</b>	<b>1.774.949</b>
<b>Total non-controlling interests</b>		<b>123.158</b>	<b>118.478</b>
<b>Total equity</b>		<b>1.925.902</b>	<b>1.893.427</b>
<b>Total equity and liabilities</b>		<b>10.306.560</b>	<b>10.475.492</b>

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

**Çalık Holding Anonim Şirketi and its Subsidiaries**  
**Interim Condensed Consolidated Statement of Profit or Loss and**  
**Other Comprehensive Income**  
**For the Six-Month Period Ended 30 June 2021**  
*(Amounts expressed in thousands of USD unless otherwise stated.)*

		<i>Reviewed</i>	<i>Reviewed</i>
		<b>1 January- 30 June 2021</b>	<b>1 January- 30 June 2020</b>
<b>PROFIT OR LOSS</b>	<b>Notes</b>		
Revenue	23	763.651	664.781
Cost of sales	23	(549.928)	(451.689)
<b>Gross profit from non-finance sector operations</b>	<b>23</b>	<b>213.723</b>	<b>213.092</b>
Revenue from finance sector operations	23	263.519	226.179
Cost of revenue from finance sector operations	23	(114.100)	(80.499)
<b>Gross profit from finance sector operations</b>	<b>23</b>	<b>149.419</b>	<b>145.680</b>
<b>Gross profit</b>	<b>23</b>	<b>363.142</b>	<b>358.772</b>
General and administrative expenses		(120.217)	(108.863)
Selling, marketing and distribution expenses		(16.658)	(14.913)
Research and development expenses		(4.824)	(3.703)
Other income from operating activities		45.687	30.981
Other expenses from operating activities		(47.171)	(59.332)
<b>Operating profit</b>		<b>219.959</b>	<b>202.942</b>
Gain from investing activities		45.441	50.700
Loss from investing activities		(33.357)	(97)
Share of profit of equity accounted investees	13	18.873	24.651
<b>Operating profit before finance costs</b>		<b>250.916</b>	<b>278.196</b>
Finance income		81.718	76.931
Finance costs		(105.711)	(81.972)
<b>Net finance costs</b>		<b>(23.993)</b>	<b>(5.041)</b>
<b>Profit before tax from continuing operations</b>		<b>226.923</b>	<b>273.155</b>
Current tax expense	22	(33.749)	(36.582)
Deferred tax income / (expense)	22	7.690	(1.917)
<b>Total tax expense</b>	<b>22</b>	<b>(26.059)</b>	<b>(38.499)</b>
<b>Profit from continuing operations</b>		<b>200.864</b>	<b>234.656</b>
<b>Profit for the period</b>		<b>200.864</b>	<b>234.656</b>

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

**Çalık Holding Anonim Şirketi and its Subsidiaries**  
**Interim Condensed Consolidated Statement of Profit or Loss and**  
**Other Comprehensive Income**  
**For the Six-Month Period Ended 30 June 2021 (*continued*)**  
*(Amounts expressed in thousands of USD unless otherwise stated.)*

		<i>Reviewed</i>	<i>Reviewed</i>
		<b>1 January- 30 June 2021</b>	<b>1 January- 30 June 2020</b>
<b>OTHER COMPREHENSIVE INCOME</b>	<b>Notes</b>		
<b>Profit for the period</b>		<b>200.864</b>	<b>234.656</b>
<b>Items that are or may be reclassified to profit or loss</b>			
Foreign currency translation differences for foreign operations and reporting currency translation differences		(152.357)	(113.820)
Change in fair value of debt financial assets at fair value through other comprehensive income		(15.312)	(11.161)
Deferred tax expense		3.828	2.455
<b>Total</b>		<b>(163.841)</b>	<b>(122.526)</b>
<b>Items that are or will not be reclassified to profit or loss</b>			
Actuarial gains (losses)		84	(594)
Deferred tax income / (expense)		(21)	131
<b>Total</b>		<b>63</b>	<b>(463)</b>
<b>Total other comprehensive expense</b>		<b>(163.778)</b>	<b>(122.989)</b>
<b>Total comprehensive income</b>		<b>37.086</b>	<b>111.667</b>
<b>Total profit for the period attributable to:</b>			
Owners of the Company		196.177	229.485
Non-controlling interests		4.687	5.171
<b>Net profit for the period</b>		<b>200.864</b>	<b>234.656</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the Company		27.795	102.969
Non-controlling interests		9.291	8.698
<b>Total other comprehensive income</b>		<b>37.086</b>	<b>111.667</b>

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



**Çalık Holding Anonim Şirketi and its Subsidiaries**  
**Condensed Consolidated Statement of Changes in Equity**  
**For the Six-Month Period Ended 30 June 2021**

(Amounts expressed in thousands of USD unless otherwise stated.)

	Attributable to owners of the Company												
			Restricted reserves	Accumulative other comprehensive income / (expense) that are or will not be reclassified to profit or loss		Accumulative other comprehensive income / (expense) that are or may be reclassified to profit or loss		Retained earnings		Total			
	Paid-in capital	Adjustment to share capital		Revaluation fund	Accumulated re-measurements loss of defined benefit plans	Fair value of debt financial assets at fair value	Translation reserve	Retained earnings	Profit / for the period				
			Legal reserves									Non-controlling interests	Total equity
Balances at 1 January 2020	210.761	3.388	611.516	--	(1.551)	58.819	(286.634)	638.147	293.470	1.527.916	107.409	1.635.325	
Profit for the period	--	--	--	--	--	--	--	--	229.485	229.485	5.171	234.656	
Change in fair value of debt financial assets at fair value through other comprehensive income	--	--	--	--	--	(8.706)	--	--	--	(8.706)	--	(8.706)	
Actuarial losses	--	--	--	--	(463)	--	--	--	--	(463)	--	(463)	
Foreign currency translation differences for foreign operations and reporting currency translation differences	--	--	--	--	--	--	(117.347)	--	--	(117.347)	3.527	(113.820)	
Other comprehensive income	--	--	--	--	(463)	(8.706)	(117.347)	--	--	(126.516)	3.527	(122.989)	
Total comprehensive income for the period	--	--	--	--	(463)	(8.706)	(117.347)	--	229.485	102.969	8.698	111.667	
Transactions with owners, recorded directly in equity													
Change in non-controlling interest in consolidated subsidiaries without change in control	--	--	(1.625)	--	--	--	--	686	--	(939)	755	(184)	
Dividends paid	--	--	--	--	--	--	--	--	--	--	(7.508)	(7.508)	
Transfers	--	--	83.454	--	--	--	--	210.016	(293.470)	--	--	--	
Total transactions with owners	--	--	81.829	--	--	--	--	210.702	(293.470)	(939)	(6.753)	(7.692)	
Balances at 30 June 2020	210.761	3.388	693.345	--	(2.014)	50.113	-403.981	848.849	229.485	1.629.946	109.354	1.739.300	
Balance at 1 January 2021	210.761	3.388	699.203	(189)	(2.415)	68.249	(405.280)	842.023	359.209	1.774.949	118.478	1.893.427	
Profit for the period	--	--	--	--	--	--	--	--	196.177	196.177	4.687	200.864	
Change in fair value of debt financial assets at fair value through other comprehensive income	--	--	--	--	--	(11.484)	--	--	--	(11.484)	--	(11.484)	
Actuarial gains	--	--	--	--	63	--	--	--	--	63	--	63	
Foreign currency translation differences for foreign operations and reporting currency translation differences	--	--	--	--	--	--	(156.961)	--	--	(156.961)	4.604	(152.357)	
Other comprehensive income	--	--	--	--	63	(11.484)	(156.961)	--	--	(168.382)	4.604	(163.778)	
Total comprehensive income for the period	--	--	--	--	63	(11.484)	(156.961)	--	196.177	27.795	9.291	37.086	
Transactions with owners, recorded directly in equity													
Dividends paid	--	--	--	--	--	--	--	--	--	--	(4.611)	(4.611)	
Transfers	--	--	1.677	189	--	--	--	357.343	(359.209)	--	--	--	
Total transactions with owners	--	--	1.677	189	--	--	--	357.343	(359.209)	--	(4.611)	(4.611)	
Balances at 30 June 2021	210.761	3.388	700.880	--	(2.352)	56.765	(562.241)	1.199.366	196.177	1.802.744	123.158	1.925.902	

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

**Çalık Holding Anonim Şirketi and its Subsidiaries**  
**Interim Condensed Consolidated Statement of Cash Flows**  
**For the Six-Month Period Ended 30 June 2021**  
*(Amounts expressed in thousands of USD unless otherwise stated.)*

	Notes	Reviewed 1 January-30 June 2021	Reviewed 1 January- 30 June 2020
<b>A.CASH FLOWS FROM OPERATING / (USED IN)</b>		<b>(17.390)</b>	<b>333.307</b>
<b>Profit for the period</b>		<b>200.864</b>	<b>234.656</b>
<b>Adjustments to reconcile cash flow generated from operating</b>		<b>114.843</b>	<b>65.448</b>
Adjustments for depreciation and amortisation	14-15-16	37.114	37.313
Loss/(gain) on sale of derivative financial instruments		(3.374)	(7.039)
Adjustments for fair value gains/(losses) of financial investments		17.463	(32.303)
Adjustments for dividends		(39.765)	(27.937)
Adjustments for provision for doubtful receivables	10	478	3.041
Adjustments for inventory impairment, net		(1.080)	821
Adjustments for provision for long term employee benefits	20	373	662
Adjustments for provisions for loan impairment	11	13.438	25.691
Adjustments for gains/(losses) on acquisitions or sale of associates, joint ventures and other financial investments		--	988
Adjustments for provisions for litigation	20	(416)	(1.261)
Adjustments for other provisions		576	1.328
Adjustments for share of profit of equity accounted investees	13	(18.873)	(24.651)
Adjustments for interest income, expenses and interest rediscount,		(49.545)	(16.935)
Adjustments for fair value related privileged service contracts	9	--	(17.719)
Deferred financial expenses on forward purchases		208	482
Unrealized foreign currency loss/(income)		131.773	84.980
Adjustments for tax expense	22	26.059	38.499
Adjustments for the gains and losses on sales of property, plant and equipment, net		414	(512)
<b>Changes in working capital</b>		<b>(423.789)</b>	<b>(16.143)</b>
Adjustments for change in inventories		(17.882)	(9.623)
Adjustments for change in trade receivables		(46.482)	16.482
Adjustments for change in payables related to employee benefits		3.101	628
Adjustments for change in other receivables, other current assets		(832)	112.218
Adjustments for change in contract assets and contract liabilities		5.066	13.405
Adjustments for change in financial assets related to concession		(1.851)	10.483
Adjustments for change in assets held for sale		(851)	1.562
Adjustments for change in liabilities held for sale		70	1.260
Adjustments for change in receivables from finance sector		(170.031)	(170.399)
Adjustments for change in payables from finance sector operations		(150.005)	33.649
Change in restricted cash and cash equivalents		(20.149)	36.435
Adjustments for change in trade payables		(3.419)	(11.415)
Adjustments for change in prepayments		8.383	(99.765)
Adjustments for change in deferred income (except liabilities arising from consumer contracts)		(19.844)	68.421
Adjustments for change in other payables and other liabilities related with operating activities		(9.063)	(19.484)

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

**Çalık Holding Anonim Şirketi and its Subsidiaries**  
**Condensed Consolidated Statement of Cash Flows**  
**For the Six-Month Period Ended 30 June 2021 (*continued*)**  
*(Amounts expressed in thousands of USD unless otherwise stated.)*

	Notes	Reviewed 1 January-30 June 2021	Reviewed 1 January- 30 June 2020
<b>Cash flows from operating activities</b>		<b>90.692</b>	<b>49.346</b>
Employee termination indemnity paid	20	(779)	(337)
Other cash inflows (outflows)		2.735	1.560
Interest received		218.384	156.895
Interest paid		(109.069)	(87.954)
Collection from doubtful receivables		51	1.009
Taxes paid	22	(20.630)	(21.827)
<b>B. CASH FLOWS USED IN INVESTING ACTIVITIES</b>		<b>(221.792)</b>	<b>(608.214)</b>
Proceeds from sales of property, plant and equipment and intangible assets		3.463	23.886
Acquisition of property, plant and equipment	14	(34.391)	(20.223)
Acquisition of intangible assets	15	(5.491)	(16.902)
Acquisition of investment property	17	(2.002)	(2.705)
Formation and capital contribution of share capital of equity accounted investees	13	(2.227)	(1.283)
Cash inflows from dividends and other financial instruments		54.410	28.837
Proceeds from formation and capital increase of subsidiaries without change in control		--	(184)
Proceeds from / (repayment of) derivative financial instruments		(3.016)	3.247
Proceeds from redemption of financial assets at amortized cost		22.328	32.233
Proceeds from sales of financial assets at FVTOCI		194.801	367.926
Acquisition of financial assets at amortised costs		(43.821)	(136.974)
Acquisition of financial assets at FVTOCI		(358.555)	(777.294)
Acquisition of financial assets at FVTPL		(55.721)	(113.769)
Proceeds from the sale of investments in financial assets at FVTPL		8.430	4.991
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		<b>(63.173)</b>	<b>(571.870)</b>
Proceeds from the funding of related parties		(20.220)	(1.217)
Dividend payment		(4.611)	(7.508)
Proceeds from / (repayment of) loans and borrowings, net		21.428	(511.140)
Interest paid		(59.770)	(52.005)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>		<b>(302.355)</b>	<b>(846.777)</b>
<b>D. CASH AND CASH EQUIVALENTS AT THE BEGINING OF THE PERIOD</b>	<b>7</b>	<b>844.978</b>	<b>1.645.679</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D)</b>	<b>7</b>	<b>542.623</b>	<b>798.902</b>

The accompanying notes form an integral part of these interim condensed consolidated financial statements

## **Çalık Holding Anonim Şirketi and its Subsidiaries**

### **Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021**

*(Amounts expressed in thousands of USD unless otherwise stated.)*

#### **Notes to the interim condensed consolidated interim financial statements**

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# Çalık Holding Anonim Şirketi and its Subsidiaries

## Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

### 1 Reporting entity

Çalık Holding Anonim Şirketi (“Çalık Holding” or “the Company”) was established in 1997 and the Company’s main operations are to manage and coordinate the activities of its subsidiaries operating in different industries, including textile, energy, telecommunication, construction, real estate, investment, banking and finance and marketing to make investments in these industries.

Çalık Holding was established at its registered office address is Büyükdere Caddesi No: 163 Zincirlikuyu İstanbul/Turkey, on 20 March 1997.

As at 30 June 2021, Çalık Holding has 112 (31 December 2020: 110) subsidiaries (“the Subsidiaries”), 10 (31 December 2020: 9) joint ventures (“the Joint Ventures”), and 20 (31 December 2020: 19) associates (“the Associates”) (referred to as “the Group” or “Çalık Group” herein and after). The condensed consolidated interim financial statements of the Group as at and for the six-month period ended 30 June 2021 comprises Çalık Holding and its subsidiaries and the Group’s interest in associates and joint ventures.

As at 30 June 2021, the number of employees of the Group is 10.704 (31 December 2020: 9.270).

As explained in more detail in Note 5, as at 30 June 2021 the Group operates mainly under six segments:

- Energy
- Construction
- Textile
- Marketing
- Telecommunication
- Banking and finance

As 30 June 2021, the new addition to the group as follows:

Company Name	Type of partnership	Country	Sector
CYK Enerji Adi Ortaklığı	Joint venture	Turkey	Energy
Çalık Enerji Japan G.K.	Subsidiary	Japan	Energy
OOO Gap İnşaat	Subsidiary	Russia	Construction
Aktif Fortis Enerji A.Ş.	Associate	Turkey	Banking and Finance

As 30 June 2021, the direct and effective ownership interests of the Group’s Subsidiaries, Joint Ventures and Subsidiaries are as follows:

# Çalık Holding Anonim Şirketi and its Subsidiaries

## Notes to the Interim Condensed Consolidated Interim Financial Statements

### As at and for the Six-Month Period Ended 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

#### 1 Reporting entity (continued)

##### Entities in energy segment

Company Names	Types of Partnership	Country
Adacami Enerji Elektrik Üretim Sanayi ve Ticaret Anonim Şirketi	Subsidiary	Turkey
Akılcı Bilişim Hizmetleri ve Danışmanlık Anonim Şirketi (*)	Subsidiary	Turkey
Ant Enerji Sanayi ve Ticaret Limited Şirketi	Subsidiary	Turkey
Atayurt İnşaat Anonim Şirketi	Subsidiary	Turkey
Çalık Elektrik Dağıtım Anonim Şirketi	Subsidiary	Turkey
Çalık Enerji Dubai FZE	Subsidiary	UAE
Çalık Enerji Sanayi ve Ticaret Anonim Şirketi	Subsidiary	Turkey
Çalık Enerji Swiss AG	Subsidiary	Switzerland
Çalık Georgia LLC (*)	Subsidiary	Georgia
Çalık Limak Adi Ortaklığı	Joint venture	Turkey
Çalık Rüzgar Enerjisi Elektrik Üretim Limited Şirketi	Subsidiary	Turkey
ÇL Enerji Üretim ve İnşaat A.Ş. (*)	Subsidiary	Turkey
Demircili Rüzgar Enerjisi Elektrik Üretim Anonim Şirketi	Subsidiary	Turkey
Doğu Aras Enerji Yatırımları Anonim Şirketi	Joint venture	Turkey
JSC Calik Georgia Wind	Subsidiary	Georgia
Kızılırmak Enerji Elektrik Anonim Şirketi	Subsidiary	Turkey
Kosova Çalık Limak Energy Sh.A.	Joint venture	Kosovo
LC Electricity Supply and Trading d.o.o.	Joint venture	Serbia
Momentum Enerji Elektrik Üretim Sanayi ve Ticaret Anonim Şirketi	Subsidiary	Turkey
Onyx Trading Innovation FZE	Subsidiary	UAE
Saudi Jalik Energy Company(*)	Subsidiary	Saudi Arabia
Taşkent Merkez Park Gayrimenkul Yatırım A.Ş.	Subsidiary	Turkey
TCB İnşaat Yatırım Anonim Şirketi	Subsidiary	Turkey
Technological Energy N.V.	Subsidiary	Netherlands
Technovision Mühendislik Danışmanlık ve Dış Ticaret Limited Şirketi	Subsidiary	Turkey
Türkmen'in Altın Asrı Elektrik Enerjisi Toptan Satış Anonim Şirketi	Subsidiary	Turkey
UZTUR Investment and Development	Subsidiary	Uzbekistan
Workindo Teknoloji ve İnsan Kaynakları Danışmanlık A.Ş. (*)	Subsidiary	Turkey
Yeşilçay Enerji Elektrik Üretim Sanayi ve Ticaret Anonim Şirketi	Subsidiary	Turkey
Yeşilırmak Elektrik Dağıtım Anonim Şirketi	Subsidiary	Turkey
Yeşilırmak Elektrik Perakende Satış Anonim Şirketi	Subsidiary	Turkey
CE SOLAIRE 1 SAS	Subsidiary	Kongo
CE SOLAIRE 2 SAS	Subsidiary	Kongo
Dtm Enerji Yatırımları Adi Ortaklığı (*)	Joint Venture	Turkey
Pkn Enerji Hizmetleri Adi Ortaklığı (*)	Joint Venture	Turkey
CYK Enerji Adi Ortaklığı (**)	Joint Venture	Turkey
Çalık Enerji Japan G.K. (*) (**)	Subsidiary	Japan

(\*) The subsidiaries of the Group, Akılcı Bilişim Hizmetleri ve Danışmanlık A.Ş., Çalık Georgia LLC, ÇL Enerji Üretim ve İnşaat A.Ş., Saudi Jalik Energy Company, Dtm Enerji Yatırımları Adi Ortaklığı, Pkn Enerji Hizmetleri Adi Ortaklığı, Çalık Enerji Japan G.K. ve Workindo Teknoloji ve İnsan Kaynakları ve Çalık Enerji Japan G.K., are inactive or newly established companies, and are not included in the consolidation as of 30 June 2021 since their effects on the consolidated financial statements for the period ended on the same date are immaterial.

(\*\*) Established in 2021.

# **Çalık Holding Anonim Şirketi and its Subsidiaries**

## **Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021**

*(Amounts expressed in thousands of USD unless otherwise stated.)*

### **1 Reporting entity (continued)**

#### **1.1 Entities in energy segment (continued)**

##### **Adacami Enerji**

Adacami Enerji was established in December 2009, for the purpose of renting and operating electricity facility and selling electricity.

##### **Akılcı Bilişim**

Akılcı Bilişim, was established on 2 May 2017 in Istanbul. As of the reporting date, the Company is non-operating.

##### **Ant Enerji**

Ant Enerji was established in 2006, in Istanbul for the purpose of marketing, selling and distribution of energy.

##### **Atayurt İnşaat**

Atayurt İnşaat was established in 2009 for the purpose of building and operating energy power plants and providing operational and maintenance services to power plants. Atayurt İnşaat has opened a branch in Tripoli, Libya in 2014.

##### **CE Solaire 1 SAS (“CE Solaire 1”)**

CE Solaire 1 was established in the Democratic Republic of Congo in 2020 for electrical power plant construction and operation, electricity generation, electricity sales and marketing.

##### **CE Solaire 2 SAS (“CE Solaire 1”)**

CE Solaire 2 was established in the Democratic Republic of Congo in 2020 for electrical power plant construction and operation, electricity generation, electricity sales and marketing.

##### **Dtm Enerji Yatırımları Adi Ortaklığı(\*)**

Çalık-Biskon Adi Ortaklığı was established 23 January 2020 for the purpose of providing goods and supplies. Çalık-Biskon belongs to Çalık Enerji ve Biskon Yapı A.Ş. companies. The title of Çalık Biskon was changed to DTM Enerji Yatırımları Adi Ortaklığı

##### **Çalık Elektrik Dağıtım A.Ş. (“ÇEDAŞ”)**

ÇEDAŞ was established in 2010 according to legislations of Energy Market Regulatory Authority (“EMRA”) to distribute and sale of electricity and to invest in companies operating in these businesses.

##### **Çalık Enerji Dubai FZE (“Çalık Enerji Dubai”)**

Çalık Enerji Dubai was incorporated in Jebel Ali Free Zone, Dubai and has a branch in Turkmenistan.

##### **Çalık Enerji Sanayi ve Ticaret Anonim Şirketi (“Çalık Enerji”)**

Çalık Enerji was established in 1998 to conduct the Group’s activities in the energy sector and to engage in the operation, exploration and production of natural gas and petroleum resources, shipment and selling of these resources to the international areas. Çalık Enerji has five branches namely Çalık Enerji Turkmenistan, Çalık Enerji Georgia, Çalık Enerji Libya, Çalık Enerji Uzbekistan and Çalık Enerji Iraq.

##### **Calik Enerji Swiss AG (“Çalık Swiss”)**

Calik Swiss was established on in 2017 in Switzerland for the purpose of the acquisition management and use of concessions of other rights as well as construction and maintenance of power plants and to provide services in the development of other group companies operating in the energy sector, especially in the electricity sector and in funding sources.

## **Çalık Holding Anonim Şirketi and its Subsidiaries**

### **Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021**

*(Amounts expressed in thousands of USD unless otherwise stated.)*

#### **1 Reporting entity (continued)**

##### **1.1 Entities in energy segment (continued)**

###### **Çalık Georgia LLC (“Çalık Georgia”)**

Çalık Georgia was established in 2015 in Tbilisi for the purpose of engineering, procurement, constructing (“EPC”) of the hydroelectric power plant and trading the electricity produced in Georgia. As of reporting date, Çalık Georgia is non-operating.

###### **Çalık Limak Adi Ortaklığı**

Çalık Limak Adi Ortaklığı was established in 2013 as a joint venture of ÇEDAŞ and Limak Yatırım Enerji Üretim İşletme Hizmetleri ve İnşaat Anonim Şirketi (“Limak Yatırım”), in Istanbul for the purpose of supplying all kind of technical equipments to Kosovo Electricity Distribution and Supply Company ISC fully owned by Kosovo Çalık Limak Energy which is also a joint venture of Çalık Enerji and Limak Yatırım.

###### **Çalık Rüzgar Enerjisi Elektrik Üretim Limited Şirketi (“Çalık Rüzgar”)**

Çalık Rüzgar was established in 1994 for the purpose of building and operating of electricity power plants, production, selling and marketing of electricity.

###### **ÇL Enerji Üretim ve İnşaat A.Ş. (“ÇL Enerji”)**

ÇL Enerji was established by Çalık Enerji and Limak İnşaat on 03.10.2019 for the purpose of engaging in energy and contracting activities. As of the reporting date, the Company is non-operating.

###### **Demircili Rüzgar**

Demircili Rüzgar was established in 2017 in Istanbul, for the purpose of establishing electric production facility, operating, renting it and producing electric energy and or selling it to customers.

###### **Doğu Aras Enerji Yatırımları Anonim Şirketi (“Doğu Aras”)**

Doğu Aras was founded in accordance with the energy market regulations as a joint venture with a joint agreement between ÇED and Kiler Alışveriş Hizmetleri Gıda Sanayi Ticaret Anonim Şirketi (“Kiler Alışveriş”) on 5 May 2013 with the participation of these two companies by 50 percent and 50 percent, respectively, for the purpose of establishing and participating to the companies that are engaged in distribution, retail and wholesale of electricity energy and/or capacity, assigning management of these established and participated companies, providing consultancy services on technical, financial, information processing and human resources management issues and making industrial and commercial investments through this companies.

On 28 June 2013, Doğu Aras purchased all shares of Aras Elektrik Dağıtım Anonim Şirketi (“EDAŞ”) and Aras Elektrik Perakende Satış Anonim Şirketi (“EPAŞ”), which were previously state owned companies operating in electricity distribution and procurement in cities Kars, Ardahan, Iğdır, Erzurum, Ağrı, Bayburt and Erzurum, within the privatisation.



## **Çalık Holding Anonim Şirketi and its Subsidiaries**

### **Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021**

*(Amounts expressed in thousands of USD unless otherwise stated.)*

#### **1 Reporting entity (continued)**

##### **1.1 Entities in energy segment (continued)**

###### **JSC Calik Georgia Wind (“JSC Georgia”)**

JSC Georgia was established in 2015 in Tbilisi for the purpose of developing energy infrastructure and sponsoring of development of solar and wind power plant projects through finance, construction and long term operating of power plants.

###### **Kızılırmak Enerji Elektrik Anonim Şirketi (“Kızılırmak”)**

Kızılırmak was established in 2005 in Istanbul for the purpose of importing, exporting, distributing and operating all kinds of natural gas, crude oil and derivatives of these products.

###### **Kosova Çalık Limak Energy Sh.A. (“KÇLE”)**

KÇLE was established as a joint venture with a joint agreement between Çalık Enerji, ÇEDAŞ and Limak Yatırım on 17 September 2012 with the participation these three companies by 25 percent, 25 percent and 50 percent, respectively, in the share capital of KÇLE.

In 2015, shares of KÇLE representing 25 percent of all shares, held by ÇEDAŞ have been transferred to Çalık Enerji. On May 8, 2013, KÇLE purchased all shares of state-owned enterprise namely Kompania Per Distribuim Dhe Fumizim Me Energji Elektrike SH.A (“KEDS”) which is operating in electricity distribution and procurement of electricity in Kosovo.

###### **LC Electricity Supply and Trading d.o.o (“LC Electricity”)**

LC Electricity was founded in Serbia in 2014 as a joint venture with a joint agreement between Türkmen Elektrik and Limak Yatırım with the participation of these two companies equally by 50 percent. The purpose of LC Electricity is trading electricity and sales/purchases of goods and services as part of this operation.

###### **Momentum Enerji Elektrik Üretim Sanayi ve Ticaret Anonim Şirketi (“Momentum Enerji”)**

Momentum Enerji was established in 2008 for the purpose of building and operating of electricity power plant, producing, selling and marketing of electricity.

###### **Onyx Trading Innovation FZE (“Onyx”)**

Onyx Trading was established in Dubai in 2016.

###### **Saudi Jalik Energy Company (“Saudi Jalik”)**

Saudi Jalik Energy Company was established in 2019 to operate building and construction projects. As of the reporting date, the Company is non-operating.

###### **Taşkent Merkez Park**

Taşkent Merkez Park was established in 2018 and its main activity is the construction of residential buildings.

###### **TCB İnşaat Yatırım Anonim Şirketi (“TCB İnşaat”)**

TCB İnşaat Yatırım Anonim Şirketi was established in 2014 and its main activity is to do construction, contracting and decoration works in domestic and abroad.

###### **Technological Energy N.V. (“Technological Energy”)**

Technological Energy was established in The Netherlands in 2016.

###### **Technovision Mühendislik Danışmanlık ve Dış Ticaret Limited Şirketi**

Technovision was established in 1994, in Ankara to provide machinery and civil engineering and consulting services. 90 percent of the Technovision’s shares were acquired by Çalık Enerji in 2015 for the purpose of providing engineering and consultancy services to entities.

## **Çalık Holding Anonim Şirketi and its Subsidiaries**

### **Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021**

*(Amounts expressed in thousands of USD unless otherwise stated.)*

#### **1 Reporting entity (continued)**

##### **1.1 Entities in energy segment (continued)**

###### **Türkmen'in Altın Asrı Elektrik Enerjisi Toptan Satış Anonim Şirketi ("Türkmen Elektrik")**

Türkmen Elektrik was established in 2000, in Istanbul for the purpose of distributing and selling electricity.

###### **UZTUR Investment and Development ("Uztur")**

Uztur was established in Uzbekistan on 11 October 2019 for the purpose of carrying out real estate activities.

###### **Workindo Teknoloji ve İnsan Kaynakları Danışmanlık A.Ş. ("Workindo Teknoloji")**

Workindo was established in 2019 in turkey for the purpose of the showing business activity in human resources, domestically and internationally to give workers supply employment services and carry out these services. As of the reporting date, the company is non-operating.

###### **Yeşilçay Enerji Elektrik Üretim Sanayi ve Ticaret Anonim Şirketi ("Yeşilçay Enerji")**

Yeşilçay Enerji was established in 2008 for the purpose of building and operating of electricity power plant, producing, selling and marketing of electricity. Yeşilçay Enerji also engages in exploration and production of mineral ore.

###### **YEDAŞ**

YEDAŞ was taken over by the Group in 2010 for 30 years with the scope of privatisation in order to distribute electricity energy in Samsun, Ordu, Amasya, Çorum and Sinop.

In accordance with the 3<sup>rd</sup> clause of 4628 numbered Energy Markets Code, electricity distribution companies must separate its distribution and retail operations from each other until 1 January 2013. In this regard, YEDAŞ that carried out the electricity distribution and retail sales operations in Samsun, Ordu, Amasya, Çorum and Sinop regions, unbundled its distribution and retail sales operations on 31 December 2012 and YEPAŞ started its operations on 1 January 2013.

###### **YEPAŞ**

In accordance with the 3<sup>rd</sup> clause of 4628 numbered Energy Markets Code, electricity distribution companies must separate its distribution and retail operations from each other until 1 January 2013. In this regard, YEDAŞ which was engaged in distribution and retail sale of electricity in Samsun, Ordu, Çorum, Amasya and Sinop regions, unbundled its distribution and retail operations on 31 December 2012. YEPAŞ was founded for retail sales of electricity and electricity related products by partial demerger of YEDAŞ as of 1 January 2013.

###### **CYK Enerji Adi Ortaklığı**

It was established in Samsun on 29 April 2021 to complete the supply of goods and services related to electrical work.

###### **Çalık Enerji Japan G.K.**

Çalık Enerji Japan G.K was established on February 25, 2021 in Japan. The Company is inactive as of the reporting date.

###### **PKN Enerji Hizmetleri Adi Ortaklığı**

Denge Çalık NTF Adi Ortaklığı was established 23 January, 2020 for the purpose of providing goods and supplies. Denge Çalık NTF belongs to Çalık Enerji ve Denge Reklam San. Ve Tic. Ltd companies.

The title of Denge-Çalık NTF was changed to PKN Enerji Hizmetleri Adi Ortaklığı.

# Çalık Holding Anonim Şirketi and its Subsidiaries

## Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

### 1 Reporting entity (continued)

#### 1.2 Entities in construction segment (continued)

Company Names	Types of Partnership	Country
Çalık İnşaat Anonim Şirketi ("Çalık İnşaat")	Subsidiary	Turkey
Gap Construction Co.	Subsidiary	Libya
Gap Construction Investment and Foreign Trade LLC-Qatar ("Gap İnşaat Katar")	Subsidiary	Qatar
Gap İnşaat Construction and Investment Co. Ltd. ("Gap İnşaat Sudan")	Subsidiary	Sudan
Gap İnşaat Dubai FZE	Subsidiary	UAE
Gap İnşaat Ukraine Ltd. ("Gap İnşaat Ukrayna")	Subsidiary	Ukraine
Gap İnşaat Yatırım ve Dış Ticaret Anonim Şirketi ("Gap İnşaat")	Subsidiary	Turkey
Innovative Construction Technologies Trading FZE ("Innovative Construction")	Subsidiary	UAE
Kentsel Dönüşüm İnşaat Anonim Şirketi	Subsidiary	Turkey
White Construction N.V.	Subsidiary	Netherlands
OOO Gap İnşaat (Gap İnşaat Rusya) (*)	Subsidiary	Russia

(\*\*) Established in 2021.

#### Gap İnşaat

Gap İnşaat was established in 1996 in Istanbul, Turkey in order to provide construction, contracting and decoration businesses both within Turkey and abroad. Gap İnşaat also operates in mining of all kinds of minerals, marble, lime, clay, coal and stone quarries and trading of stone cutter, spare parts and glazed ceramic tiles both within the country and abroad provided that the necessary permits are granted. Gap İnşaat has two branches in Turkmenistan and Qatar which are established to conduct several construction projects.

#### Gap İnşaat Sudan, Gap Libya, Kentsel Dönüşüm, Çalık İnşaat, Gap İnşaat Katar, Gap İnşaat Dubai FZE, Gap İnşaat Ukrayna, White Construction and Innovative Construction and Gap İnşaat Rusya.

Subsidiaries of Gap İnşaat namely, Kentsel Dönüşüm, Gap Libya, Çalık İnşaat, Gap İnşaat Cons, Gap Qatar, Gap İnşaat Dubai FZE, Gap İnşaat Ukraine, White Construction and Innovative Construction and Gap İnşaat Rusya were established for the purpose of engaging in construction projects in the countries where they operate.

#### 1.3 Entities in textile segment

Company Names	Types of Partnership	Country
Balkan Dokuma TGPI	Associate	Turkmenistan
Calik Denim B.V.	Subsidiary	Netherlands
Çalık Alexandria For Readymade Garments	Subsidiary	Egypt
Çalık Denim Tekstil Sanayi ve Ticaret Anonim Şirketi ("Çalık Denim")	Subsidiary	Turkey
Gap Türkmen-Türkmenbaşı Jeans Kompleksi	Associate	Turkmenistan
Malatya Boya ve Emprime Anonim Şirketi ("Malatya Boya")	Subsidiary	Turkey
Serdar Pamuk Egrigi Fabriği ÇJB	Associate	Turkmenistan
Türkmenbaşı Tekstil Kompleksi	Associate	Turkmenistan

#### Balkan Dokuma

Balkan Dokuma was established in 2000 in Turkmenistan for the purpose of manufacturing and marketing yarn.

#### Calik Denim B.V.

Calik Denim was established in 2017 in the Netherlands for the purpose of trading and marketing textile products and provide services in the development of other group companies operating in the textile sector.

#### Çalık Alexandria

Çalık Alexandria was established in 2006 in Egypt for the purpose of engaging in the business of manufacturing and marketing ready wear, yarn and textures.

# Çalık Holding Anonim Şirketi and its Subsidiaries

## Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

### 1 Reporting entity (continued)

#### 1.3 Entities in textile segment (continued)

##### Çalık Denim

Çalık Denim, formerly known as Gap Güneydoğu Tekstil Sanayi ve Ticaret Anonim Şirketi, was established in 1987, in Turkey and conducts its production operation in Malatya Industrial Area. Çalık Denim has a branch, namely Gap Güneydoğu Mersin Free Zone that is engaged in the importing and exporting of textile products.

##### TJK

TJK was established as a joint venture of Çalık Denim and the Ministry of Textiles Industry of Turkmenistan in 1995 within the frame of Turkmenistan regulations for the purpose of yarn and denim fabric production and marketing. TJK has a denim fabric and jean factory and makes domestic and foreign sales to USA and European countries.

##### Malatya Boya

Malatya Boya Emprime Factory was established in 1997 in Malatya, Turkey. The Company maintains fabric dyeing process since 2007. The company is acquired by Çalık Denim on 31 August 2017 which is a subsidiary of Çalık Group.

##### Serdar Pamuk and TTK

Serdar Pamuk and TTK were established in Turkmenistan for the purpose of producing denim fabric in textile industry.

#### 1.4 Entities in marketing segment

Company Names	Types of Partnership	Country
Gap Pazarlama Anonim Şirketi	Subsidiary	Turkey
Gap Pazarlama FZE Jebel Ali Free Zone	Subsidiary	UAE – Dubai
Gappa Textile Inc.(*)	Subsidiary	USA
Synchron Global Trading FZE	Subsidiary	UAE – Dubai
Tura Moda Mağazacılık ve Elektronik Tic. Anonim Şirketi	Subsidiary	Turkey

(\*) As of the reporting date, the company is non-operating.

##### Gap Pazarlama

Gap Pazarlama was established in 1994 in order to supply goods used in the production and the domestic or foreign projects carried out mainly by the Group and other non-group companies. Gap Pazarlama has a branch in Mersin Free Zone, which is engaged in the importation and exportation of textile products.

##### Gap Pazarlama FZE

Gap Pazarlama FZE was established in 2004 in United Arab Emirates (“UAE”) for the purpose of importing and exporting of trading goods.

##### Gappa

Gappa Textile Inc. was established to operate in the international markets for selling of the home textiles and ready-to-wear garments. As of the reporting date, the Company is non-operating.

##### Synchron

Synchron Global was established in 2017 in UAE for the purpose of importing and exporting of trading goods.

##### Tura Moda

On 2 January 2018, all shares of Tura Moda (named “Tura Madencilik Anonim Şirketi” before) belonging Çalık Holding were transferred to Gap Pazarlama at nominal values. The name of the company has been changed to “Tura Moda” on 4 May 2018.

# Çalık Holding Anonim Şirketi and its Subsidiaries

## Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

### 1 Reporting entity (continued)

#### 1.5 Entities in telecommunication segment

Company Names	Types of Partnership	Country
Albtelecom Sh. A.	Subsidiary	Albania
Cetel Telekom İletişim Sanayi ve Ticaret Anonim Şirketi	Subsidiary	Turkey

#### **Albtelecom**

Albtelecom was established in 1992 with a company name Albtelecom Telekom Shqiptar and transformed into a joint-stock company on 23 February 1999. Until 28 September 2007, Government of Albania as represented by the Ministry of Economy, Trade and Energy was the sole shareholder of the company. As of 28 September 2007, CT Telecom Sh.a, a former subsidiary of Cetel Telekom acquired 76 percent of the Albtelecom's share capital. Albtelecom is the unique national operator providing wired telephone service in Albania. In 2013, CT Telecom Sh.a merged with Albtelecom under Albtelecom.

Albtelecom merged with its subsidiary Eagle Mobile Sh.a, which provides local, mobile and terrestrial communication services in Albania, on 1 February 2013.

#### **Cetel Telekom**

Cetel Telekom was established in 2007 in Istanbul. The principal activities are telecommunication, multimedia, internet and data transportation.

# Çalık Holding Anonim Şirketi and its Subsidiaries

## Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

### 1 Reporting entity (continued)

#### 1.6 Entities in banking and finance segment

Company name	Type of partnership	Country
Aktif Yatırım Bankası Anonim Şirketi ("Aktifbank")	Subsidiary	Turkey
Aktif Yatırım Bankası Sukuk Varlık Kiralama Anonim Şirketi	Associate	Turkey
Aktif Fortis Enerji A.Ş. ("Aktif Fortis") <sup>(*)</sup>	Associate	Turkey
Akuamarin Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkey
Albania Leasing Company ("Albania Leasing") <sup>(**)</sup>	Associate	Albania
Ametist Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkey
Attivo Bilişim Anonim Şirketi	Subsidiary	Turkey
Aytaşı Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkey
Banka Kombëtare Tregtare Kosovë JSC	Subsidiary	Kosovo
Banka Kombetare Tregtare Sh.a	Subsidiary	Albania
Cydev Investment Ltd.	Associate	TRNC
Çalık Finansal Hizmetler Anonim Şirketi ("Çalık Finansal Hizmetler")	Subsidiary	Turkey
Çiğdem Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkey
Defne Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkey
Deniz Güneş Enerjisi Üretimi Anonim Şirketi	Subsidiary	Turkey
Dome Zero Inc	Associate	USA
Duru Güneş Enerjisi Üretimi Anonim Şirketi	Subsidiary	Turkey
E-Kent Geçiş Sistemleri ve Biletleme Teknolojileri Anonim Şirketi	Subsidiary	Turkey
Eko Biokütle Enerji Üretim Anonim Şirketi	Subsidiary	Turkey
Emlak Girişim Danışmanlığı Anonim Şirketi	Subsidiary	Turkey
Emyap Development Limited	Associate	TRNC
E-post Elektronik Perakende Otomasyon Satış Ticaret Anonim Şirketi	Subsidiary	Turkey
Esen Güneş Enerjisi Üretim Anonim Şirketi	Subsidiary	Turkey
Euroasian Leasing Company ("ELC")	Associate	Tatarstan-Russia
Euro-Mediterranean Investment Company Limited ("Euro-Mediterranean")	Associate	TRNC
Gelincik Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkey
Güneştaş Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkey
Halk Yenilenebilir Enerji Anonim Şirketi	Associate	Turkey
HMC Digital	Joint venture	Turkey
Idea Farm Ventures Limited	Associate	UAE
İnovaban İnovasyon ve Finansal Danışmanlık Anonim Şirketi	Subsidiary	Turkey
İpek Güneş Enerjisi Üretim Anonim Şirketi	Subsidiary	Turkey
Kaplan Gözü Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkey
Kasımpatı Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkey
Kazakhstan İjara Company KIC Leasing ("Kazakhstan İjara")	Associate	Kazakhstan
Kıbrıs Besicilik ve Çiftçilik Teşebbüsleri Limited	Associate	TRNC
Kuvars Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkey
Lapis Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkey
Leylak Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkey
Lilyum Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkey
Martı Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkey
Mehtap Güneş Enerjisi Üretim Anonim Şirketi	Subsidiary	Turkey
Mercan Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkey
Mükafat Portföy Yönetimi Anonim Şirketi ("Mükafat Portföy")	Subsidiary	Turkey
Nilüfer Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkey
N-Kolay Ödeme Kuruluşu Anonim Şirketi	Subsidiary	Turkey
Oniki Teknoloji A.Ş. <sup>(**)</sup>	Subsidiary	Turkey
Oniks Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkey
Opal Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkey
Passo Spor Oyunları Kulübü Yazılım ve Pazarlama A.Ş.	Subsidiary	Turkey
Pavo Teknik Servis Elektrik ve Elektronik Sanayi ve Ticaret Anonim Şirketi	Subsidiary	Turkey
Secom Aktif Elektronik Güvenlik Çözümleri A.Ş.	Associate	Turkey
Secom Aktif Güvenlik Yatırım Anonim Şirketi	Associate	Turkey
Seher Güneş Enerjisi Üretim Anonim Şirketi	Subsidiary	Turkey
Sigortayeri Sigorta ve Reasürans Brokerliği Anonim Şirketi ("Sigortayeri")	Subsidiary	Turkey
Silent Valley Partnership	Associate	TRNC
Tanyeri Güneş Enerjisi Üretim Anonim Şirketi	Subsidiary	Turkey
Tasfiye Halinde Haliç Finansal Kiralama A.Ş.	Associate	Turkey
Turkuvaz Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkey
Ufuk Güneş Enerjisi Üretim Anonim Şirketi	Subsidiary	Turkey
UPT Lithuania UAB <sup>(**)</sup>	Subsidiary	Lithuania
UPT Ödeme Hizmetleri Anonim Şirketi	Subsidiary	Turkey
Yakamoz Güneş Enerjisi Üretim Anonim Şirketi	Subsidiary	Turkey

<sup>(\*)</sup> The company was established in 2021.

<sup>(\*\*)</sup> As of the reporting date, the Company is non-operating.

# **Çalık Holding Anonim Şirketi and its Subsidiaries**

## **Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021**

*(Amounts expressed in thousands of USD unless otherwise stated.)*

### **1 Reporting entity (continued)**

#### **1.6 Entities in banking and finance segment (continued)**

##### **Aktifbank**

Aktifbank was founded as an investment and development bank in 1999 for the purpose of providing all kind of transactions related with investment, project finance and marketable securities and also to provide all kinds of investment banking services. However, Aktifbank is not authorised to accept deposits.

Name of Aktifbank was changed to “Aktif Yatırım Bankası Anonim Şirketi” from “Çalık Yatırım Bankası Anonim Şirketi” on 1 August 2008.

##### **Aktif Yatırım Bankası Sukuk Varlık Kiralama Anonim Şirketi (“Aktif VKŞ”)**

Aktif VKŞ was established in 2013 in Istanbul for the purpose of issuing rent certificate in accordance with the relevant regulations promulgated by Capital Market Board of Turkey.

##### **Aktif Fortis Enerji Anonim Şirketi (“Aktif Fortis”)**

Aktif Fortis was established in Istanbul in 2021 to provide electrical energy production services from biomass or gas obtained from biomass.

##### **Akuamarin Solar Enerji Üretim Anonim Şirketi (“Akuamarin”)**

Akuamarin was established in Istanbul in 2018 to provide solar power generation service. The power plant operates in Doğalar Village in Kütahya.

##### **Albania Leasing**

Main activity of Albania Leasing is financial leasing. As of the reporting date, Albania Leasing is non-operating.

##### **Ametist Solar Enerji Üretim Anonim Şirketi (“Ametist Solar”)**

Ametist Solar was established in 2018 in Istanbul in order to provide solar energy production services. The power plant operates in Çifteler Village in Eskişehir.

##### **Attivo Bilişim Anonim Şirketi (“Attivo”)**

Attivo, was established in in 2018 in Istanbul for the purpose of trading crypto-currencies.

##### **Aytaşı Solar Enerji Üretim Anonim Şirketi (“Aytaşı”)**

Aytaşı, was established in 2018 in Istanbul in order to provide solar energy production services. The power plant operates in Doğalar Village in Kütahya.

##### **BKT**

BKT was founded in 1998 by obtaining banking license and engages in banking activities in Albania.

##### **BKT Kosovo**

BKT Kosovo was opened in 2007 as a branch of BKT in Pristina. As of January 1, 2019, it has been transformed into a separate subsidiary.

##### **Cydev Investment Ltd. (“CYDEV Investment”)**

Cydev Investment was established in TRNC in 2016 and invests in the construction sector.

##### **Çalık Finansal Hizmetler**

Çalık Finansal Hizmetler was established in 2003 as Aktifbank’s cooperation with Şekerbank T. Anonim Şirketi and Çalık Holding for their projects of investing in domestic and foreign banks. In 2008, Çalık Holding acquired shares held by Şekerbank T. Anonim Şirketi.

## **Çalık Holding Anonim Şirketi and its Subsidiaries**

### **Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021**

*(Amounts expressed in thousands of USD unless otherwise stated.)*

#### **1 Reporting entity (continued)**

##### **1.6 Entities in banking and finance segment (continued)**

###### **Çiğdem Solar Enerji Üretim Anonim Şirketi (“Çiğdem”)**

Çiğdem, was established in 2017 in Istanbul in order to provide solar energy production services. The power plant operates in Karaalan Village in Eskişehir.

###### **Defne Solar Enerji Üretim Anonim Şirketi (“Defne”)**

Defne, was established in 2017 in Istanbul for the purpose of providing solar energy services. The power plant operates in Doğalar Village in Kütahya.

###### **Deniz Güneş Enerjisi Üretimi Anonim Şirketi (“Deniz Güneş Enerjisi”)**

Deniz Güneş Enerjisi, was established in 2018 in Ankara for the purpose of providing solar energy services. The power plant operates in Çalkışla Village in Erzincan.

###### **Dome Zero Inc (“Dome Zero”)**

Dome Zero was established in the United States on December 7, 2016 and operates in industrial production.

###### **Duru Güneş Enerjisi Üretimi Anonim Şirketi (“Duru”)**

Duru, was established in 2018 in Ankara for the purpose of providing solar energy services. The power plant operates in Çalkışla Village in Erzincan.

###### **E-Kent Geçiş Sistemleri ve Biletleme Teknolojileri Anonim Şirketi (“E-Kent”)**

E-Kent was established in 2002 and its main activity is modernisation of public transportation and suggesting new electronic solutions about electronic ticket and prosecution system. E-Kent merged with Asset Aktif Sportif ve Sanatsal Etkinlik Hizmetleri Ticaret Anonim Şirketi under E-Kent on 29 December 2017.

###### **Eko Biokütle Enerji Üretim Anonim Şirketi (“Eko Biokütle”)**

Eko Biokütle, was established to operate in the field of bio energy in Istanbul in 2018. Feasibility and permit works are in progress for the establishment of the plant.

###### **Emlak Girişim Danışmanlığı Anonim Şirketi (“Emlak Girişim”)**

Emlak Girişim engages in real estate projects, structures and systems, and in this regard makes active counseling and guidance.

###### **Emyap Development Limited (“Emyap Development”)**

Emyap Development was established and operates in the construction sector in the TRNC in 2018.

###### **E-Post Elektronik Perakende Otomasyon Satış ve Ticaret Anonim Şirketi (“E-Post”)**

E-Post was established in order to provide personalized postcard design services via internet in Istanbul in 2009.

###### **Esen Güneş Enerjisi Üretim Anonim Şirketi (“Esen”)**

Esen, was established in 2018 in Ankara for the purpose of providing solar energy services. The power plant operates in Çalkışla Village in Erzincan.

###### **Euroasian Leasing Company (“ELC”)**

Euroasian Leasing Company was established in Tatarstan-Russia to provide leasing solutions to the SME sector in accordance with the Islamic principles.

###### **Euro-Mediterranean**

Euro-Mediterranean was established in 2015 for the purpose of portfolio management in Northern Cyprus Turkish Republic.



## **Çalık Holding Anonim Şirketi and its Subsidiaries**

### **Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021**

*(Amounts expressed in thousands of USD unless otherwise stated.)*

#### **1 Reporting entity (continued)**

##### **1.6 Entities in banking and finance segment (continued)**

###### **Gelincik Solar Enerji Üretim Anonim Şirketi (“Gelincik”)**

Gelincik was established in order to provide solar power production service in Istanbul in 2017. The power plant operates in Karaalan Village in Eskişehir.

###### **Güneştaşı Solar Enerji Üretim Anonim Şirketi (“Güneştaşı”)**

Güneştaşı was established in order to provide solar power production service in Istanbul in 2018. The power plant operates in Doğalar Village in Kütahya.

###### **Halk Yenilenebilir Enerji Anonim Şirketi (“Halk Yenilenebilir”)**

The Company was established in 2017, in Ankara for the purpose of establishing and providing maintenance-repair services to power generation plants.

###### **HMC Digital**

HMC Digital is a joint venture signed between Kırmızı Elmas Enerji Ve Alt Yapı Yat. A.Ş. (Mitsubishi Corp.), Emlak Girişim and Hitachi Europe Ltd.. It was established in Istanbul on August 13, 2020 and operates in the field of biometric recognition and identity verification technologies, crypto signing and cyber security solutions.

###### **Idea Farm Ventures Limited (“Idea Farm”)**

Idea Farm was founded in 2016 in the UAE and operates in investment activities.

###### **İnovaban İnovasyon ve Finansal Danışmanlık Anonim Şirketi (“İnovaban İnovasyon”)**

İnovaban İnovasyon, was established in 2018 in Istanbul for the purpose of providing financial consulting and developing projects in R&D fields.

###### **İpek Güneş Enerjisi Üretim Anonim Şirketi (“İpek”)**

İpek, was established in 2018 in Ankara for the purpose of providing solar energy services. The power plant operates in Çalkışla Village in Erzincan.

###### **Kaplan Gözü Solar Enerji Üretim Anonim Şirketi (“Kaplan Gözü”)**

Kaplangözü was established in 2018 in Istanbul for the purpose of providing solar energy services. The power plant operates in Doğalar Village in Kütahya.

###### **Kasımpatı Solar Enerji Üretim Anonim Şirketi (“Kasımpatı”)**

Kasımpatı was established in 2018 in Istanbul for the purpose of providing solar energy services. The power plant operates in Akkaynak Village in Ankara.

###### **Kazakhstan İjara**

Kazakhstan İjara Company KIC Leasing was established in 2013, in Kazakhstan for the purpose of operating in financial leasing sector.

###### **Kıbrıs Besicilik ve Çiftçilik Teşebbüsleri Limited (“Kıbrıs Besicilik”)**

Kıbrıs Besicilik was established and operates in livestock and agriculture in TRNC in 2018.

###### **Kuvars Solar Enerji Üretim Anonim Şirketi (“Kuvars”)**

Kuvars was established in 2018 in Istanbul for the purpose of providing solar energy services. The power plant operates in Değişören in Eskişehir.

###### **Lapis Solar Enerji Üretim Anonim Şirketi (“Lapis”)**

Lapis was established in 2018 in Istanbul for the purpose of providing solar energy services. The power plant operates in Çifteler in Eskişehir.

## **Çalık Holding Anonim Şirketi and its Subsidiaries**

### **Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021**

*(Amounts expressed in thousands of USD unless otherwise stated.)*

#### **1 Reporting entity (continued)**

##### **1.6 Entities in banking and finance segment (continued)**

###### **Leylak Solar Enerji Üretim Anonim Şirketi (“Leylak”)**

Leylak, established in 2017 in Istanbul for the purpose of providing solar energy services. The power plant operates in Karaalan in Eskişehir.

###### **Lilyum Solar Enerji Üretim Anonim Şirketi (“Lilyum”)**

Lilyum, established in 2017 in Istanbul for the purpose of providing solar energy services. The power plant operates in Karaalan in Eskişehir.

###### **Martı Solar Enerji Üretim Anonim Şirketi (“Martı”)**

Martı, was established in 2018 in Istanbul for the purpose of providing solar energy services. The power plant operates in Akkaynak Village in Ankara.

###### **Mehtap Güneş Enerjisi Üretim Anonim Şirketi (“Mehtap”)**

Mehtap, was established in 2018 in Ankara for the purpose of providing solar energy services. The power plant operates in Çalkışla Village in Erzincan.

###### **Mercan Solar Enerji Üretim Anonim Şirketi (“Mercan”)**

Mercan, was established in 2018 in Istanbul for the purpose of providing solar energy services. The power plant operates in Akkaynak Village in Ankara.

###### **Mükafat Portföy**

Mükafat Portföy is established to operate in the field of portfolio management in 2016.

###### **Nilüfer Solar Enerji Üretim Anonim Şirketi (“Nilüfer”)**

Nilüfer, was established in 2018 in Istanbul for the purpose of providing solar energy services. The power plant operates in Akkaynak Village in Ankara.

###### **N-Kolay Ödeme Sistemleri Anonim Şirketi (“N-Kolay”)**

N-Kolay was established in 2014 in Istanbul for the purpose of providing bill payment point service to its customers.

###### **Oniki Teknoloji A.Ş. (“Oniki Teknoloji”)**

E-Post Dış Ticaret, was established in order to provide intermediary services in domestic and foreign trade in Istanbul in 2018. The Company’s title was changed to “Oniki Teknoloji A.Ş.” in 2019. As of the reporting date, the company is non-operating.

###### **Oniks Solar Enerji Üretim Anonim Şirketi (“Oniks”)**

Oniks, established in 2018 in Istanbul for the purpose of providing solar energy services. The power plant operates in Çifteler in Eskişehir.

###### **Opal Solar Enerji Üretim Anonim Şirketi (“Opal”)**

Opal, established in 2018 in Istanbul for the purpose of providing solar energy services. The power plant operates in Çifteler in Eskişehir.

###### **Passo Spor Oyunları Kulübü Yazılım ve Pazarlama A.Ş. (“Passo Spor”)**

Passo Spor was established in 2019 within the body of E-Kent Geçiş Sistemleri ve Biletleme Teknolojileri Anonim Şirketi in order to engage in software development and marketing activities.

###### **Pavo Teknik Servis Elektrik ve Elektronik Sanayi ve Ticaret Anonim Şirketi (“Pavo”)**

Pavo operates in the area of new generation payment recorders import, manufacture, sales and technical services.

## **Çalık Holding Anonim Şirketi and its Subsidiaries**

### **Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021**

*(Amounts expressed in thousands of USD unless otherwise stated.)*

#### **1 Reporting entity (continued)**

##### **1.6 Entities in banking and finance segment (continued)**

###### **Secom Aktif Elektronik Güvenlik Çözümleri A.Ş. (“Secom Aktif Güvenlik”)**

Secom Aktif Güvenlik, whose previous title was Kent Güvenlik Sistemleri Elektronik İnşaat Sanayi ve Ticaret A.Ş. has been purchased by Secom Aktif Güvenlik Yatırım A.Ş. on March 31, 2019.

###### **Secom Aktif Güvenlik Yatırım Anonim Şirketi (“Secom Aktif Yatırım”)**

Secom Aktif Yatırım was established on February 28, 2019 in order to engage in electronic security solutions.

###### **Seher Güneş Enerjisi Üretim Anonim Şirketi (“Seher”)**

Seher, was established in 2018 in Ankara for the purpose of providing solar energy services. The power plant operates in Çalkışla Village in Erzincan.

###### **Sigortayeri**

Sigortayeri provides insurance products through the virtual and physical multi-channel structure that are shaped according to the needs of potential policyholders in order to operate insurance brokerage.

###### **Silent Valley Partnership (“Silent Valley”)**

Silent Valley was established and operates in the construction sector in the TRNC in 2016.

###### **Tanyeri Güneş Enerjisi Üretim Anonim Şirketi (“Tanyeri”)**

Tanyeri, was established in 2018 in Ankara for the purpose of providing solar energy services. The power plant operates in Çalkışla Village in Erzincan.

###### **Tasfiye Halinde Haliç Finansal Kiralama Anonim Şirketi (“Haliç”)**

Haliç Leasing was established in Turkey in 2004 to operate in the field of financial leasing. On October 11, 2016, the Group purchased shares representing 32 percent of the company’s capital.

###### **Turkuvaz Solar Enerji Üretim Anonim Şirketi (“Turkuvaz”)**

Turkuvaz, was established in 2018 in Istanbul for the purpose of providing solar energy services. The power plant operates in Doğalar in Kütahya.

###### **Ufuk Güneş Enerjisi Üretim Anonim Şirketi (“Ufuk”)**

Ufuk, was established in 2018 in Ankara for the purpose of providing solar energy services. The power plant operates in Çalkışla Village in Erzincan.

###### **UPT Lithuania UAB**

UPT Lithuania UAB was established by UPT Ödeme Hizmetleri A.Ş. in Lithuania on December 4, 2019 and provides payment services. As of the reporting date, the company is non-operating.

###### **UPT Ödeme Hizmetleri Anonim Şirketi (“UPT”)**

UPT was established for the purpose of electronic money transfer and payment services.

###### **Yakamoz Güneş Enerjisi Üretim Anonim Şirketi (“Yakamoz”)**

Yakamoz, was established in 2018 in Ankara for the purpose of providing solar energy services. The power plant operates in Çalkışla Village in Erzincan.

# Çalık Holding Anonim Şirketi and its Subsidiaries

## Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

### 1 Reporting entity (continued)

#### 1.7 Entities in other segments

Company name	Type of partnership	Country
Amethyst Holding N.V.	Subsidiary	The Netherlands
Artmin Madencilik Sanayi ve Ticaret Anonim Şirketi	Subsidiary	Turkey
Başak Yönetim Sistemleri Anonim Şirketi	Subsidiary	Turkey
Çalık Dijital ve Bilişim Hizmetleri Anonim Şirketi	Subsidiary	Turkey
Çalık Hava Taşımacılık Turizm Sanayi ve Ticaret Anonim Şirketi	Subsidiary	Turkey
Çalık Pamuk Doğal ve Sentetik Elyaf Ticaret Anonim Şirketi	Subsidiary	Turkey
Çalık Tarım Ürünleri Lisanslı Depoculuk Anonim Şirketi	Subsidiary	Turkey
Irmak Yönetim Sistemleri Anonim Şirketi	Subsidiary	Turkey
İkideniz Petrol ve Gaz Sanayi ve Ticaret Anonim Şirketi	Subsidiary	Turkey
Kartaltepe Madencilik Sanayi ve Ticaret Anonim Şirketi	Joint venture	Turkey
Lidya Aurasia	Subsidiary	Uzbekistan
Lidya Madencilik Sanayi ve Ticaret Anonim Şirketi	Subsidiary	Turkey
Nouvelle Frontiere SARL	Subsidiary	D.Congo
Polimetal Madencilik Sanayi ve Ticaret Anonim Şirketi	Subsidiary	Turkey
Polimetal Mineral Madencilik Sanayi ve Ticaret Anonim Şirketi	Subsidiary	Turkey
Tunçpınar Madencilik Sanayi ve Ticaret Anonim Şirketi	Joint venture	Turkey

#### Amethyst Holding N.V. (“Amethyst”)

Amethyst was established in 2017 in the Netherlands for purpose of carrying out holding activities.

#### Artmin Madencilik Sanayi ve Ticaret Anonim Şirketi (“Artmin Madencilik”)

Artmin Madencilik (formerly AMG Mineral Madencilik A.Ş.) AMG Mineral Inc. was established in Ankara in 2011 in order to obtain exploration and operation licenses for all kinds of mines, to purchase and sell all kinds of mining sites, to operate mine sites and to participate in mining tenders. In 2015, Artmin Madencilik started to be controlled by the Group and its ownership rate is 70%. Since Lidya Madencilik purchased assets that did not involve an operational transaction, this purchase was not considered within the scope of TFRS 3. All identifiable purchase costs are reported within the mining operation license of Artmin Madencilik, since the relevant transaction is recorded taking into account the asset purchase accounting.

#### Başak Yönetim Sistemleri Anonim Şirketi (“Başak Yönetim”)

Başak Yönetim was established in 2008 for the purpose of building and operating of electricity production facility and producing, selling and marketing of electricity with the name “Başak Enerji Elektrik Üretim Sanayi ve Ticaret Anonim Şirketi”. The former name of Company was changed on 11 April 2013 as “Başak Yönetim Sistemleri Anonim Şirketi”.

#### Çalık Dijital ve Bilişim Hizmetleri Anonim Şirketi (“Çalık Dijital”)

Çalık Dijital (formerly known as Dore Altın ve Madencilik Anonim Şirketi ) was established in 2010 in Istanbul for the purpose of mining, operating, purchasing and renting underground and surface mine and natural resources in accordance with existing regulations, to purchase prospecting license, to demand operating right and to take over mining rights. The former name of Company was changed on 8 December 2017 as Çalık Dijital ve Bilişim Hizmetleri Anonim Şirketi (“Çalık Dijital”).

#### Çalık Hava Taşımacılık Turizm Sanayi ve Ticaret Anonim Şirketi (“Çalık Hava”)

Çalık Hava was established in 2010 in Istanbul for the purpose of providing every kind of air transportation activities, scheduled or unscheduled domestic and abroad air transportation, arranging passenger and freight traffic transportation.

## **Çalık Holding Anonim Şirketi and its Subsidiaries**

### **Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021**

*(Amounts expressed in thousands of USD unless otherwise stated.)*

#### **1 Reporting entity (continued)**

##### **1.7 Entities in other segments (continued)**

###### **Çalık Pamuk Doğal ve Sentetik Elyaf Ticaret Anonim Şirketi (“Çalık Pamuk”)**

Çalık Pamuk, which started its activities in 2011 as part of Çalık Holding, offers comprehensive consultancy services on all cotton-related issues, as well as cotton trade. The company supplies cotton of different origins from home and abroad such as Africa and the Southeastern region of Turkey, primarily the United States of America, and provides services to textile operators using cotton in both the domestic and foreign markets.

###### **Çalık Tarım Ürünleri ve Lisanslı Depoculuk Anonim Şirketi (“Çalık Tarım”)**

Çalık Tarım was established in 2017 in order to provide licensed warehousing services for the conservation of agricultural products under the license and for the purpose of commercial storage.

###### **Irmak Yönetim Sistemleri Anonim Şirketi (“Irmak Yönetim”)**

Irmak Yönetim, formerly known as “Irmak Enerji Elektrik Üretim Madencilik Sanayi ve Ticaret Anonim Şirketi”, was established in 2008 for the purpose of building and operating electricity production facility and producing, selling and marketing of electricity. The name was changed on 11 April 2013 as “Irmak Yönetim Sistemleri Anonim Şirketi”.

###### **İkideniz Petrol ve Gaz Sanayi ve Ticaret Anonim Şirketi (“İkideniz Petrol”)**

İkideniz Petrol was established in 2008 for the purpose of importing, exporting, distributing, operating and production all kinds of crude oil.

###### **Kartaltepe Madencilik Sanayi ve Ticaret Anonim Şirketi (“Kartaltepe”)**

Kartaltepe Mining was established in 2011. Headquartered in Ankara, the company carries out mining activities in Erzincan. As of the reporting date, 50% of the capital of Kartaltepe Madencilik is owned by Lidya Maden and the remaining 50% by Alacer Gold Madencilik A.Ş. (“Alacer”). (2020: Lidya Maden: 50% Alacer: 50%).

###### **Lidya Aurasia**

Lidya Aurasia was registered in 2019 with the aim of directly or indirectly conducting geological research studies, operating various mines and producing concentrates. The headquarters of the company is in Uzbekistan.

###### **Lidya Madencilik Sanayi ve Ticaret Anonim Şirketi (“Lidya Maden”)**

Lidya Maden was established in 2006 in Istanbul to explore all kind of metal and mineral products and to participate in mining companies.

###### **Nouvelle Frontier SARL (“Nouvelle Frontiere”)**

Nouvelle Frontiere was registered in 2019 with the purpose of conducting geological research studies directly or indirectly, operating various mines and producing concentrates. The head office of the company is in Democratic Republic of Congo.

###### **Polimetal Madencilik Sanayi ve Ticaret Anonim Şirketi (“Polimetal”)**

Polimetal was incorporated in 2011 as a wholly owned subsidiary of Yeni Anadolu Mineral Madencilik Sanayi ve Ticaret Ltd. Şti. (“YAMAS”). Polimetal is registered in Ankara, Turkey and is engaged in the development and operation of mining assets. On 03.01.2020 Alacer Gold Madencilik A.Ş. left the partnership by transferring its shares to Lidya Maden and Lidya Maden’s share in the company increased from 50% to 100%.

###### **Polimetal Mineral Madencilik Sanayi ve Ticaret Anonim Şirketi (“Polimetal Mineral”)**

Polimetal Mineral was established on 15 November 2016 to explore, develop and operate all kinds of mines.

# **Çalık Holding Anonim Şirketi and its Subsidiaries**

## **Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021**

*(Amounts expressed in thousands of USD unless otherwise stated.)*

### **1 Reporting entity (continued)**

#### **1.7 Entities in other segments (continued)**

##### **Tunçpınar Madencilik Sanayi ve Ticaret Anonim Şirketi (“Tunçpınar”)**

Tunçpınar was established in 2011 as a wholly owned subsidiary of YAMAS. Tunçpınar is registered in Ankara, Turkey and is engaged in the operation of mining in Tunceli region. As at reporting date, Tunçpınar is a joint venture of Lidya Maden and YAMAS with an ownership structure of 50 percent and 50 percent, respectively.

### **2 Basis of preparation**

#### **a) Statement of compliance**

Çalık Holding entities operating in Turkey maintain their books of account and prepare their statutory financial statements in Turkish Lira (“TL”) in accordance with the Accounting Practice Regulations as promulgated by the Banking Regulatory and Supervision Agency (“BRSA”) (applicable to the financial institutions), Turkish Uniform Chart of Accounts, Turkish Commercial Code and Tax Legislation.

The condensed interim consolidated financial statements for the six months period ended 30 June 2021 have been prepared in accordance with IAS 34 “Interim Financial Reporting”. Additionally, the accounting policies used in the preparation of the condensed interim consolidated financial statements for the period ended 30 June 2021 are consistent with those used in the preparation of annual consolidated financial statements for the year ended 31 December 2020. Accordingly, these condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2020. Çalık Group’s foreign entities maintain their books of account and prepare their statutory financial statements in accordance with the related legislation and generally accepted accounting principles applicable in the countries they operate. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”).

#### **Going concern**

Consolidated financial statements have been prepared on the basis of going concern, assuming that the Company and its subsidiaries included in consolidation will benefit from its assets and fulfill its obligations in the natural flow of its activities for at least 12 months from the date of approval of these financial statements.

#### **b) Significant changes regarding the current period**

The consolidated financial statements were approved by the Group management on 10 September 2021. Çalık Holding’s General Assembly and the other regulatory bodies have the power to amend the consolidated financial statements which after their issue.

#### **c) Basis of Measurements**

The consolidated financial statements have been prepared on the historical cost basis and for the Turkish entities as adjusted for the effects of inflation that lasted by 31 December 2004, except for the following:

- derivative financial instruments are measured at fair value,
- non-derivative financial assets at fair value OCI are measured at fair value
- assets and liabilities held for sale are measured at the lower of their carrying amount and fair value less costs to sell,
- non-derivative financial assets at fair value through profit or loss are measured at fair value,
- investment property is measured at fair value.

The methods used to measure the fair values are discussed further in Note 25.

## **Çalık Holding Anonim Şirketi and its Subsidiaries**

### **Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021**

*(Amounts expressed in thousands of USD unless otherwise stated.)*

#### **2 Basis of operation (continued)**

##### **d) Functional and presentation currency**

Çalık Holding determined its functional currency is Turkish Lira (“TL”) as at 30 June 2018 and earlier. As of 1 July 2018, The Group’s subsidiaries mainly operating in Energy and Construction sectors that are comprised significant part of Group’s revenue has almost completed their projects in Turkey and focused on foreign projects. In addition, the main operation of the Company concentrated abroad where potential dividend income also can be obtained. In accordance with IAS 21 “The Effects of Changes in Foreign Exchange Rates” The Group management decided to change functional currency from TL to USD and it will be appropriate to apply as at 1 July 2018. The Company changed its functional currency into USD in accordance with IAS 21 “The Effects of Changes in Foreign Exchange Rates” due to intensification of the activities of the Group companies abroad and the changes in the dividend policies as of 1 July 2018. The accompanying consolidated financial statements are presented in United States Dollar (“USD”) except as otherwise indicated, financial information presented in USD has been rounded to the nearest thousand.

Financial statements prepared in US Dollars which is the current currency, have been translated into the reporting currency “TL” as described below;

As of 30 June 2021, balance sheet accounts have been issued by T.C. The Central Bank (TCMB), has been converted into TL with the US Dollar buying rate of 1 USD = 8,6803 TL (31 December 2020: 1 USD = 7,3405 TL).

Profit or loss and other comprehensive income statements for the period ended 30 June 2021 have been converted to TL with an annual average of 1 USD = 7,8763 (30 June 2020: 1 USD = 6,4731 TL)

The translation differences resulting from the above translations are shown in the “foreign currency translation differences” account under the Comprehensive Income and Reclassified to Profit or Loss account group.

##### **e) Use of estimates and judgements**

The preparation of the consolidated financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Information about significant areas at estimation uncertainty and critical judgment in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements are described in the following notes:

- Note 8 – Financial investments
- Note 10– Trade receivables and payables
- Note 17 – Investment property
- Note 19 – Derivatives
- Note 20 – Provisions
- Note 22 – Taxation
- Note 25 – Financial instruments – Fair values and risk management *(including fair value explanations)*

## Çalık Holding Anonim Şirketi and its Subsidiaries

### Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

#### 2 Basis of operation (continued)

##### f) Comparative information and adjustment of prior period financial statements

Significant changes or material errors in accounting policies are adjusted retrospectively by rearranging the financial statements of the previous period. The effect of changes in accounting estimates affecting the current period has been recognized in the current period; The effects of changes in accounting estimates that affect current and future periods are recognized in the current and future periods.

The financial statements of the Group are prepared comparatively with the previous period in order to allow the determination of financial status and performance changes. Comparative information is reclassified when necessary and important differences are explained in order to comply with the presentation of the current period financial statements. The Group has made some classifications in the financial statements of the previous period in the current period. The nature and amounts of the classifications are described below.

In the consolidated statement of financial position for the year ended 31 December 2020 and consolidated statement of profit or loss for the six-month period ended 30 June 2021, the following classifications have been made in order to comply with the presentation of the current period;

30 June 2020			
	<i>Previously Reported</i>	<i>Revised</i>	<i>Classifications</i>
Revenue	657.672	664.781	7.109
Cost of Sales	(453.175)	(451.689)	1.486
General and Administrative Expenses	(93.629)	(108.863)	(15.234)
Selling, Marketing and Distribution Expenses	(21.552)	(14.913)	6.639
Other Income from Operating Activities	23.293	30.981	7.688
Income from Investing Activities	58.389	50.701	(7.688)
<b>Total</b>	<b>170.998</b>	<b>170.998</b>	<b>--</b>

  

31 December 2020			
	<i>Previously Reported</i>	<i>Revised</i>	<i>Classifications</i>
Short Term Financial Investments	1.692.761	1.427.561	(265.200)
Long Term Financial Investments	1.609.150	1.874.350	265.200
<b>Total</b>	<b>3.301.911</b>	<b>3.301.911</b>	<b>--</b>

Investments amounting to USD 7.109, which were netted off in the previous years, are shown separately in the "Revenue" and "Cost of Sales" accounts.

The expenses amounting to USD 8.595 shown in the "Cost of Sales" account were reclassified to the "General Administrative Expenses" account.

Expenses amounting to USD 6.639 shown in the "Marketing, Sales and Distribution Expenses" account were reclassified to the "General Administrative Expenses" account.

Share investments in Anagold Madencilik Sanayi ve Ticaret A.Ş. amounting to USD 265.200 shown in the "Short-Term Financial Investments" account in previous years were reclassified to the "Long-Term Financial Investments" account.

Securities sales profits amounting to USD 7.688, which were shown in the "Income from Investment Activities" account in previous years, were reclassified to the "Income from Operating Activities" account.



## **Çalık Holding Anonim Şirketi and its Subsidiaries**

### **Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021**

*(Amounts expressed in thousands of USD unless otherwise stated.)*

#### **2 Basis of preparation (continued)**

##### **g) The new standards, amendments and interpretations**

The accounting policies adopted in preparation of the consolidated financial statements as at June 30, 2021 are consistent with those of the previous financial year, except for the adoption of new and amended IFRS and IFRIC interpretations effective as of 1 January 2021. The effects of these standards and interpretations on the Group's financial position and performance have been disclosed in the related paragraphs.

##### **i) The new standards, amendments and interpretations which are effective as at 1 January 2021 are as follows:**

##### **Interest Rate Benchmark Reform – Phase 2 – Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16**

In August 2020, the IASB issued Interest Rate Benchmark Reform – Phase 2, Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 to provide temporary reliefs which address the financial reporting effects when an interbank offering rate (IBOR) is replaced with an alternative nearly risk-free rate (RFR), amending the followings:

##### **Practical expedient for changes in the basis for determining the contractual cash flows as a result of IBOR reform**

The amendments include a practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest. Under this practical expedient, if the interest rates applicable to financial instruments change as a result of the IBOR reform, the situation is not considered as a derecognition or contract modification; instead, this would be determined by recalculating the carrying amount of the financial instrument using the original effective interest rate to discount the revised contractual cash flows.

The practical expedient is required for entities applying IFRS 4 Insurance Contracts that are using the exemption from IFRS 9 Financial Instruments (and, therefore, apply IAS 39 Financial Instruments: Classification and Measurement) and for IFRS 16 Leases, to lease modifications required by IBOR reform.

##### **Relief from discontinuing hedging relationships**

- The amendments permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued.
- Amounts accumulated in the cash flow hedge reserve are deemed to be based on the RFR.
- For the IAS 39 assessment of retrospective hedge effectiveness, on transition to an RFR, entities may elect on a hedge-by-hedge basis, to reset the cumulative fair value changes to zero.

The amendments provide relief for items within a designated group of items (such as those forming part of a macro cash flow hedging strategy) that are amended for modifications directly required by IBOR reform. The reliefs allow the hedging strategy to remain and not be discontinued.

- As instruments transition to RFRs, a hedging relationship may need to be modified more than once. The phase two reliefs apply each time a hedging relationship is modified as a direct result of IBOR reform.

## **Çalık Holding Anonim Şirketi and its Subsidiaries**

### **Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021**

*(Amounts expressed in thousands of USD unless otherwise stated.)*

#### **2 Basis of preparation (continued)**

##### **g) The new standards, amendments and interpretations (continued)**

##### **i) The new standards, amendments and interpretations which are effective as at 1 January 2021 (continued)**

##### **Separately identifiable risk components**

The amendments provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component.

##### **Additional disclosures**

Amendments need additional IFRS 7 Financial Instruments disclosures such as;  
How the entity is managing the transition to RFRs, its progress and the risks to which it is exposed arising from financial instruments due to IBOR reform, quantitative information about financial instruments that have yet to transition to RFRs and if IBOR reform has given rise to changes in the entity's risk management strategy, a description of these changes.

The amendments are mandatory, with earlier application permitted. While application is retrospective, an entity is not required to restate prior periods.

The amendments did not have a significant impact on the financial position or performance of the Group.

##### **Amendments to IFRS 16 - Covid-19-Related Rent Concessions and Covid-19-Related Rent Concessions beyond 30 June 2021**

In May 2020, the IASB amended IFRS 16 to provide relief to lessees from applying the IFRS 16 guidance on lease modifications to rent concessions arising as a direct consequence of the covid-19 pandemic (2020 amendment). The 2020 amendment does not apply to lessors. In March 2021, the Board amended IFRS 16 to extend the availability of the practical expedient by one year (2021 amendment). The practical expedient in the 2021 amendment applies to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022, provided the other conditions for applying the practical expedient are met. The amendment applies to annual reporting periods beginning on or after 1 April 2021.

Overall, the Group expects no significant impact on its balance sheet and equity.

##### **ii) Standards issued but not yet effective and not early adopted**

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the consolidated financial statements are as follows. The Group will make the necessary changes if not indicated otherwise, which will be affecting the consolidated financial statements and disclosures, when the new standards and interpretations become effective.

##### **Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**

In December 2015, the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. Early application of the amendments is still permitted. The Group will wait until the final amendment to assess the impacts of the changes.

## **Çalık Holding Anonim Şirketi and its Subsidiaries**

### **Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021**

*(Amounts expressed in thousands of USD unless otherwise stated.)*

#### **2 Basis of preparation (continued)**

##### **g) The new standards, amendments and interpretations (continued)**

##### **ii) Standards issued but not yet effective and not early adopted (continued)**

#### **Amendments to IFRS 3 – Reference to the Conceptual Framework**

In May 2020, the IASB issued amendments to IFRS 3 Business combinations. The amendments are intended to replace to a reference to a previous version of the IASB's Conceptual Framework (the 1989 Framework) with a reference to the current version issued in March 2018 (the Conceptual Framework) without significantly changing requirements of IFRS 3. At the same time, the amendments add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date. The amendments issued to IFRS 3 which are effective for periods beginning on or after 1 January 2022 and must be applied retrospectively. Earlier application is permitted if, at the same time or earlier, an entity also applies all of the amendments contained in the Amendments to References to the Conceptual Framework in IFRS standards (March 2018).

Overall, the Group expects no significant impact on its balance sheet and equity.

#### **Amendments to IAS 16 – Proceeds before intended use**

In May 2020, the IASB issued amendments to IAS 16 Property, plant and equipment. The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment (PP&E), any proceeds of the sale of 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 costs of producing those items, in profit or loss. The amendments issued to IAS 16 which are effective for periods beginning on or after 1 January 2022. Amendments must be applied prospectively only to items of PP&E made available for use on or after beginning of the earliest period presented when the entity first applies the amendment.

There is no transition relief for the first time adopters.

Overall, the Group expects no significant impact on its balance sheet and equity.

#### **Amendments to IAS 37 – Onerous contracts – Costs of Fulfilling a Contract**

In May 2020, the IASB issued amendments to IAS 37 Provisions, Contingent Liabilities and Contingent assets. . The amendments issued to IAS 37 which are effective for periods beginning on or after 1 January 2022, to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making and also apply a “directly related cost approach”. Amendments must be applied retrospectively to contracts for which an entity has not fulfilled all of its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Earlier application is permitted and must be disclosed.

Overall, the Group expects no significant impact on its balance sheet and equity.

## **Çalık Holding Anonim Şirketi and its Subsidiaries**

### **Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021**

*(Amounts expressed in thousands of USD unless otherwise stated.)*

#### **2 Basis of preparation (continued)**

##### **g) The new standards, amendments and interpretations (continued)**

##### **ii) Standards issued but not yet effective and not early adopted (continued)**

##### **IFRS 17 - The new Standard for insurance contracts**

The IASB issued IFRS 17, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. IFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. Certain changes in the estimates of future cash flows and the risk adjustment are also recognised over the period that services are provided. Entities will have an option to present the effect of changes in discount rates either in profit and loss or in OCI. The standard includes specific guidance on measurement and presentation for insurance contracts with participation features. IFRS 17 will become effective for annual reporting periods beginning on or after 1 January 2023; early application is permitted. The Group is in the process of assessing the impact of the standard on financial position or performance of the Group.

##### **Amendments to IAS 1- Classification of Liabilities as Current and Non-Current Liabilities**

23 January 2020, the IASB issued amendments to IAS 1 Presentation of Financial Statements. The amendments issued to IAS 1 which are effective for periods beginning on or after 1 January 2023, clarify the criteria for the classification of a liability as either current or non-current. Amendments must be applied retrospectively in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Early application is permitted.

Overall, the Group expects no significant impact on its balance sheet and equity.

##### **Amendments to IAS 8 - Definition of Accounting Estimates**

In February 2021, the Board issued amendments to IAS 8, in which it introduces a new definition of 'accounting estimates'. The amendments issued to IAS 8 are effective for annual periods beginning on or after 1 January 2023. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates. The amended standard clarifies that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors. The previous definition of a change in accounting estimate specified that changes in accounting estimates may result from new information or new developments. Therefore, such changes are not corrections of errors. This aspect of the definition was retained by the Board.

Overall, the Group expects no significant impact on its balance sheet and equity.

# **Çalık Holding Anonim Şirketi and its Subsidiaries**

## **Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021**

*(Amounts expressed in thousands of USD unless otherwise stated.)*

### **2 Basis of preparation (continued)**

#### **g) The new standards, amendments and interpretations (continued)**

##### **ii) Standards issued but not yet effective and not early adopted (continued)**

#### **Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies**

In February 2021, the Board issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments issued to IAS 1 are effective for annual periods beginning on or after 1 January 2023. In the absence of a definition of the term ‘significant’ in IFRS, the Board decided to replace it with ‘material’ in the context of disclosing accounting policy information. ‘Material’ is a defined term in IFRS and is widely understood by the users of financial statements, according to the Board. In assessing the materiality of accounting policy information, entities need to consider both the size of the transactions, other events or conditions and the nature of them. Examples of circumstances in which an entity is likely to consider accounting policy information to be material have been added. The Group expects no significant impact on its balance sheet and equity.

#### **Amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction**

In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments issued to IAS 12 are effective for annual periods beginning on or after 1 January 2023. The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognised in the financial statements (and interest expense) or to the related asset component (and interest expense). This judgement is important in determining whether any temporary differences exist on initial recognition of the asset and liability. Overall, the Group expects no significant impact on its balance sheet and equity.

#### **Annual Improvements – 2018–2020 Cycle**

In May 2020, the IASB issued Annual Improvements to IFRS Standards 2018–2020 Cycle, amending the followings:

- IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter: The amendment permits a subsidiary to measure cumulative translation differences using the amounts reported by the parent. The amendment is also applied to an associate or joint venture.
- IFRS 9 Financial Instruments – Fees in the “10 per cent test” for derecognition of financial liabilities: The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either borrower or lender on the other’s behalf.
- IAS 41 Agriculture – Taxation in fair value measurements: The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring fair value of assets within the scope of IAS 41.

Improvements are effective for annual reporting periods beginning on or after 1 January 2022. Earlier application is permitted for all. The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

## **Çalık Holding Anonim Şirketi and its Subsidiaries**

### **Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021**

(Amounts expressed in thousands of USD unless otherwise stated.)

#### **3 Acquisitions and disposals of subsidiaries and non-controlling interests**

##### **3.1 Partial share purchase and sale transactions with non-controlling interests that did not cause any change in control in 2021**

None.

##### **3.2 Share changes that cause a change in control in 2021**

None.

##### **3.3 Partial share purchase and sale transactions with non-controlling interests that did not cause any change in control in 2020**

###### *Çalık Solar*

On 31 January 2020, Çalık Solar merged with Momentum Enerji Elektrik Üretim San. Ve Tic A.Ş., one of the group companies, based on the 31 December 2019 balance sheets with the facilitated merger method.

###### *Çalık Yenilenebilir Enerji*

On 31 January 2020, Çalık Yenilenebilir Enerji merged with Momentum Enerji Elektrik Üretim San. Ve Tic A.Ş., one of the group companies, based on the 31 December 2019 balance sheets with the facilitated merger method.

###### *Çedaş Elektrik Dağıtım Yatırımları*

On 13 April 2020, Çedaş Elektrik Dağıtım Yatırımları merged with Çalık Enerji San. Ve Tic. A.Ş., one of the group companies, based on the 31 December 2019 balance sheets with the facilitated merger method

###### *Gap Elektrik Dağıtım*

As a result of the share transfer agreement signed on 15 June 2020, Çalık Holding A.Ş., Ahmet Çalık and Çalık Denim Tekstil San.veTic. A.Ş. left the partnership by transferring all the shares, corresponding to 99.98% of the company shares, to TCB İnşaat Yatırım A.Ş., one of the group companies.

###### *Gapyapı İnşaat*

In 2020, Gap İnşaat A.Ş. took over 50,000 shares of Gapyapı İnşaat A.Ş. ("Gapyapı") free of charge, which is owned by its main shareholder, corresponding to 100% of its 50 TL paid-in capital.

###### *Petrotrans Enerji*

On 30 April 2020, Petrotrans Enerji merged with Çalık Holding A.Ş., based on the 31 December 2019 balance sheets with the facilitated merger method.

###### *Sembol Enerji*

On 31 January 2020, Sembol Enerji merged with Momentum Enerji Elektrik Üretim San. Ve Tic A.Ş., one of the group companies, based on the 31 December 2019 balance sheets with the facilitated merger method.

###### *Çalık Güneş Enerji*

On 31 January 2020, Çalık Güneş Enerji merged with Momentum Enerji Elektrik Üretim San. Ve Tic A.Ş., one of the group companies, based on the 31 December 2019 balance sheets with the facilitated merger method.

###### *Olimpos Solar*

On 26 August 2020, Olimpos Solar merged with Momentum Enerji Elektrik Üretim San. Ve Tic A.Ş., one of the group companies, based on the 31 December 2019 balance sheets with the facilitated merger method.

## **Çalık Holding Anonim Şirketi and its Subsidiaries**

### **Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021**

*(Amounts expressed in thousands of USD unless otherwise stated.)*

#### **3 Acquisitions and disposals of subsidiaries and non-controlling interests (continued)**

##### **3.3 Partial share purchase and sale transactions with non-controlling interests that did not cause any change in control in 2020 (continued)**

###### *Pasifik Solar*

On 26 August 2020, Pasifik Solar merged with Momentum Enerji Elektrik Üretim San. Ve Tic A.Ş., one of the group companies, based on the 31 December 2019 balance sheets with the facilitated merger method.

##### **3.4 Share changes that cause a change in control in 2020**

###### *Akyarlar Enerji*

On 13 July 2020, all of the shares of the company were sold to Best Brands Grup Enerji Yatırım A.Ş..

###### *Energy Sabz Arman Pars, Enerji Sabz Pouya Pars*

On 26 April 2020, Energy Sabz Arman Pars and Enerji Sabz Pouya Pars were liquidated.

###### *Gök Safir Solar, Kızılyıldızı Solar, Kuzey Yıldızı Solar, Olivin Solar, Sedef Solar, Seher Yıldızı, Yakut Solar, Zirkon Solar*

On 16 April 2020, all of shares of Gök Safir Solar, Kızılyıldızı Solar, Kuzey Yıldızı Solar, Olivin Solar, Sedef Solar, Seher Yıldızı, Yakut Solar and Zirkon Solar were sold to Vonsteel Group A.Ş..

###### *Hamerz Green Energy, Mayestan Clean Energy*

On 2 May 2020, companies Hamerz Green Energy and Mayestan Clean Energy were liquidated.

###### *Kadıkalesi İnşaat, Yalıkavak Enerji*

On 13 July 2020, all shares of Kadıkalesi İnşaat and Yalıkavak Enerji company shares were sold to Best Brands Grup Enerji Yatırım A.Ş.

###### *Kamelya Solar*

On 3 February 2020, all the shares of the Kamelya Solar company were sold to real persons.

###### *Kırlangıç Solar*

On 31 January 2020, all the shares of the Kırlangıç Solar company were sold to real persons.

###### *Olimpos Solar*

On 18 June 2020, all of the preferred shares, corresponding to 26,58% of Olimpos Solar company shares, were sold to Momentum Enerji Elektrik Üretim Sanayi ve Ticaret A.Ş..

###### *Pasifik Solar*

On 18 June 2020, all of the preferred shares, corresponding to 26,58% of Pasifik Solar company shares, were sold to Momentum Enerji Elektrik Üretim Sanayi ve Ticaret A.Ş..

###### *Polimetal Madencilik*

On 3 January 2020, Polimetal Madencilik Sanayi ve Ticaret A.Ş. shareholder Alacer Gold Madencilik A.Ş. transferred its shares to Lidya Madencilik San. ve Tic. A.Ş., and left the partnership.

## Çalık Holding Anonim Şirketi and its Subsidiaries

### Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

#### 4 Discontinued operation and disposal group held for sale

The Group reclassified assets and liabilities of Çalık Alexandria operating in textile sector as “Assets held for sale” as the Group plans to dispose its production and retail facilities of this subsidiary. All assets and liabilities of this subsidiary except the cash and cash equivalents have been classified as “Assets held for sale” and “Liabilities held for sale” in the consolidated financial statements, respectively. In addition, properties acquired as a result of legal proceedings of uncollectable loans and receivables of banking sector operations have been re-presented under “Assets held for sale”.

As at 30 June 2021, assets and liabilities including those of discontinued operations are USD 61.530 and USD 11.966 (31 December 2020: USD 60.678 and USD 11.896), respectively, and details are as follows:

Assets held for sale	30 June 2021	31 December 2020
Property, plant and equipment (*)	55.090	53.602
Inventories	5.401	4.884
Intangible assets	25	26
Other assets	1.014	2.166
<b>Total</b>	<b>61.530</b>	<b>60.678</b>

  

Liabilities held for sale	30 June 2021	31 December 2020
Trade payables	11.804	11.805
Other payables	162	91
<b>Total</b>	<b>11.966</b>	<b>11.896</b>

(\*)Property, plant and equipment consist of properties classified as held for sale of the subsidiaries in textile sector amounting to USD 9.723 (31 December 2020: USD 9.584), land and buildings with a carrying value of USD 1.057 (31 December 2020: USD 1.067 ) obtained against the doubtful receivables in marketing sector and properties amounting to USD 44.310 (31 December 2020: USD 42.951) which were acquired as a result of legal proceedings of uncollectable loans and receivables of banking sector operations.

#### 5 Operating segments

The Group has six reportable segments, as described below, which are largely organised and managed separately according to the nature of products and services provided, distribution channels and profile of customers.

Assets, liabilities, profit and measurement of financial results of the segments are dependent to accounting policies of the Group. Segment operating profit, assets and liabilities consist of items directly belonging to these segment or items that can be distributed fairly.

The Group’s main reportable operating segments are as follows:

**Energy:** Entities in energy segment operate in sale of electricity, operation of natural gas and crude oil resources, maintenance and repair services, exploration-production of these resources and sale and transportation of these resources to international markets.



## **Çalık Holding Anonim Şirketi and its Subsidiaries**

### **Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021**

*(Amounts expressed in thousands of USD unless otherwise stated.)*

#### **5 Operating segments (continued)**

*Construction:* Entities in construction segment are operating in construction, contracting and decoration businesses both within Turkey and abroad. In addition, these entities are managing mining of all kinds of minerals, marble, lime, clay, coal and stone as long as the necessary permits are granted and trading of marble, store cutting machines with its spare parts, ceramic floor and wall tiles both within the country and abroad. These entities are also providing services for land development and project development services for urban renewal, office residential and housing markets.

*Textile:* Entities in textile segment mainly deal with production and trading activities of yarn, texture and ready wear besides providing consulting services related to importation and exportation of cotton.

*Marketing:* Entities in marketing segment mainly supplies goods used in the production and the domestic or foreign projects carried out mainly by the Group entities.

*Telecommunication:* Entities in telecommunication segment mainly provides telecommunication, communication, press and internet services.

*Banking and finance:* Entities in banking and finance segment mainly provides commercial and investment banking, financial leasing, insurance, project financing, other financial services, trading of marketable securities and credit financial services.

*Other:* Entities in other segment mainly engage in electronic fee collection, organisation, mining, transportation energy licence procurement and various services.

The Group management prepares segment reporting in accordance with same policies applied to the consolidated financial statements as at and for the period ended 30 June 2021.

## Çalık Holding Anonim Şirketi and its Subsidiaries

### Notes to Condensed Consolidated Interim Financial Statements

As at and for the Six-Month Period Ended 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

#### 5 Operating segments (continued)

The following information was prepared according to the accounting policies applied for subsidiaries, associates, joint ventures and joint operations.

<i>Reviewed</i>									
<i>30 June 2021</i>									
	Energy	Construction	Textile	Marketing	Tele-communication	Banking and finance	Other	Eliminations	Total
Revenue	473.423	112.231	101.243	33.852	32.317	313.344	23.867	(63.107)	1.027.170
Gross profit	148.911	1.296	36.500	6.193	9.753	176.262	6.674	(22.447)	363.142
Other income/(expenses), net	(43.603)	(7.855)	(6.340)	(158)	(10.780)	(64.342)	(13.136)	3.031	(143.183)
<b>Results from operating activities</b>	<b>105.308</b>	<b>(6.559)</b>	<b>30.160</b>	<b>6.035</b>	<b>(1.027)</b>	<b>111.920</b>	<b>(6.462)</b>	<b>(19.416)</b>	<b>219.959</b>
Gains /(loss) from investing activities	1.222	15	249	--	30	5.901	86.435	(81.768)	12.084
Share of profit/(loss) of equity accounted	21.509	--	--	--	--	(1.372)	(1.264)	--	18.873
Interest expense	(3.321)	(20.232)	(10.700)	(2.092)	(3.687)	(2.275)	(30.200)	12.737	(59.770)
Finance income/(expenses), net	3.742	30.596	(24.726)	1.942	382	(1.780)	29.302	(3.681)	35.777
<b>Consolidated income/(loss) before tax</b>	<b>128.460</b>	<b>3.820</b>	<b>(5.017)</b>	<b>5.885</b>	<b>(4.302)</b>	<b>112.394</b>	<b>77.811</b>	<b>(92.128)</b>	<b>226.923</b>
Tax benefit/(expense)	(13.115)	(1.320)	(110)	(235)	105	(25.128)	13.759	(15)	(26.059)
<b>Net profit/(loss) for the period</b>	<b>115.345</b>	<b>2.500</b>	<b>(5.127)</b>	<b>5.650</b>	<b>(4.197)</b>	<b>87.266</b>	<b>91.570</b>	<b>(92.143)</b>	<b>200.864</b>

  

	Energy	Construction	Textile	Marketing	Tele-communication	Banking and finance	Other	Eliminations	Total
Segment assets	1.143.249	971.686	282.256	115.159	242.400	7.820.826	1.398.537	(1.667.553)	10.306.560
Segment liabilities	(509.525)	(696.397)	(271.201)	(68.238)	(205.937)	(6.872.236)	(554.788)	797.664	(8.380.658)
Capital expenditure <sup>(*)</sup>	12.473	2.109	4.528	83	3.781	6.121	13.271	(482)	41.884
Depreciation and amortisation <sup>(*)</sup>	(7.652)	(4.475)	(5.081)	(81)	(6.818)	(8.262)	(985)	57	(33.297)

<sup>(\*)</sup> Additions and depreciation related to right of use assets are not included.

## Çalık Holding Anonim Şirketi and its Subsidiaries

### Notes to the Interim Condensed Consolidated Interim Financial Statements

#### As at and for the Six-Month Period Ended 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

## 5 Operating segments (continued)

<i>Reviewed</i>									
<i>30 June 2020</i>									
	Energy	Construction	Textile	Marketing	Tele-communication	Banking and finance	Other	Eliminations	Total
Revenue	406.360	112.708	62.366	22.465	33.648	282.085	11.072	(39.744)	890.960
Gross profit	174.829	(4.688)	11.927	615	12.435	173.343	7.344	(17.033)	358.772
Other income/(expenses), net	(41.726)	(10.298)	(5.374)	(3.882)	(10.632)	(85.088)	(7.060)	8.230	(155.830)
<b>Results from operating activities</b>	<b>133.103</b>	<b>(14.986)</b>	<b>6.553</b>	<b>(3.267)</b>	<b>1.803</b>	<b>88.255</b>	<b>284</b>	<b>(8.803)</b>	<b>202.942</b>
Gains /(loss) from investing activities	4.776	364	132	--	27	15.485	188.553	(158.734)	50.603
Share of profit/(loss) of equity accounted	25.897	--	--	--	--	(816)	(430)	--	24.651
Interest expense	(6.573)	(1.895)	(14.576)	(4.040)	(3.894)	(2.620)	(29.588)	11.181	(52.005)
Finance income/(expenses), net	4.801	7.862	(17.293)	2.963	(3.636)	8.012	45.627	(1.372)	46.964
<b>Consolidated income/(loss) before tax</b>	<b>162.004</b>	<b>(8.655)</b>	<b>(25.184)</b>	<b>(4.344)</b>	<b>(5.700)</b>	<b>108.316</b>	<b>204.446</b>	<b>(157.728)</b>	<b>273.155</b>
Tax benefit/(expense)	(17.843)	1.563	464	316	(46)	(20.714)	(2.220)	(19)	(38.499)
<b>Net profit/(loss) for the period</b>	<b>144.161</b>	<b>(7.092)</b>	<b>(24.720)</b>	<b>(4.028)</b>	<b>(5.746)</b>	<b>87.602</b>	<b>202.226</b>	<b>(157.747)</b>	<b>234.656</b>

	Energy	Construction	Textile	Marketing	Tele-communication	Banking and finance	Other	Eliminations	Total
Segment assets	1.113.377	1.041.503	302.433	118.359	250.578	7.968.868	1.346.355	(1.665.981)	10.475.492
Segment liabilities	(466.165)	(754.049)	(283.871)	(77.510)	(209.141)	(7.021.916)	(587.065)	817.652	(8.582.065)
Capital expenditure <sup>(*)</sup>	5.555	2.813	5.846	36	3.905	6.586	15.089	--	39.830
Depreciation and amortisation <sup>(*)</sup>	(8.908)	(4.791)	(4.999)	(194)	(6.627)	(8.753)	(1.055)	89	(35.238)

<sup>(\*)</sup> Additions and depreciation related to right of use assets are not included.

<sup>(\*\*)</sup> Items related to profit or loss of income are presented as at 30 June 2020, while items related to the statements of financial position are presented as at 31 December 2020.

**Çalık Holding Anonim Şirketi and its Subsidiaries**  
**Notes to Condensed Consolidated Interim Financial Statements**  
**As at and for the Six-Month Period Ended 30 June 2021**  
*(Amounts expressed in thousands of USD unless otherwise stated.)*

**6 Related party balances**

The joint ventures and associates of the Group have been accounted for using the equity method in the consolidated financial statements. Accordingly, the transactions of Group's subsidiaries with joint ventures and the balances from joint ventures and associates are not subject to elimination.

***Related party balances***

As at 30 June 2021 and 31 December 2020, the Group had the following balances outstanding from its related parties:

<b>30 June 2021</b>					
	<b>Shareholders</b>	<b>Associates</b>	<b>Joint ventures</b>	<b>Other</b>	<b>Total</b>
Trade receivables	--	17.409	1.404	83.198	102.011
Financial investments	--	161.299	--	--	161.299
Other receivables(*)	339.489	--	4.566	31.623	375.678
Receivables related to financial sector operations	--	13	--	2.769	2.782
Prepaid expenses	--	5.826	--	16	5.842
Borrowings	--	(206.039)	--	(706)	(206.745)
Trade payables	--	--	(220)	(11.508)	(11.728)
Payables related to finance sector operations	(285)	--	(572)	(8.809)	(9.666)
Deferred revenue	--	--	(1)	(5.699)	(5.700)
Other payables	(68)	--	--	(3.510)	(3.578)
<b>Total</b>	<b>339.136</b>	<b>(21.492)</b>	<b>5.177</b>	<b>87.374</b>	<b>410.195</b>

  

<b>31 December 2020</b>					
	<b>Shareholders</b>	<b>Associates</b>	<b>Joint ventures</b>	<b>Other</b>	<b>Total</b>
Trade receivables	--	17.358	1.714	59.398	78.470
Financial investments	--	185.223	--	--	185.223
Other receivables(*)	328.932	--	4.835	36.111	369.878
Receivables related to financial sector operations	--	24	--	3.460	3.484
Prepaid expenses	--	5.699	--	21	5.720
Borrowings	--	(216.037)	--	(1.420)	(217.457)
Trade payables	--	--	(436)	(12.259)	(12.695)
Payables related to finance sector operations	(193)	(1)	(1.581)	(28.511)	(30.286)
Deferred revenue	--	(1)	(6.577)	(26)	(6.604)
Other payables	(13.984)	--	(3.233)	(6.581)	(23.798)
<b>Total</b>	<b>314.755</b>	<b>(7.735)</b>	<b>(5.278)</b>	<b>50.193</b>	<b>351.935</b>

(\*) As of 30 June 2021, USD 320.000 of the other receivables from the partners (31 December 2020: USD 320.000) consists of the receivables of GAP İnşaat Dubai FZE from Delta Netherlands B.V.

No impairment losses have been recognised against balances outstanding as at 30 June 2021 (31 December 2020: None) and no specific allowance has been made for impairment losses on balances with the related parties.

## Çalık Holding Anonim Şirketi and its Subsidiaries

### Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

#### 6 Related party balances (continued)

##### Related party transactions

For the six-month periods ended 30 June 2021 and 2020, the revenues earned and expenses incurred by the Group in relation to transactions with its related parties were as summarised below:

2021					
	Shareholders	Associates	Joint ventures	Other	Total
Revenue	53	15.056	2.771	36.353	54.233
Cost of sales	--	(5.106)	53	(2.448)	(7.501)
General and administrative expenses	(53)	--	(318)	(56)	(427)
Selling, marketing and distribution expenses	--	--	--	(334)	(334)
Income from investment activities <sup>(*)</sup>	--	37.740	1.308	14	39.062
Income / (expense) from other operations	(184)	(12.052)	1.024	27	(11.185)
Income/(expense) from financing activities	1.991	(10.404)	97	(1.222)	(9.538)
<b>Total</b>	<b>1.807</b>	<b>25.234</b>	<b>4.935</b>	<b>32.334</b>	<b>64.310</b>
2020					
	Shareholders	Associates	Joint ventures	Other	Total
Revenue	89	8.301	1.529	19.396	29.315
Cost of sales	--	(2.211)	(506)	(752)	(3.469)
General and administrative expenses	(72)	--	(13)	(79)	(164)
Income from investment activities <sup>(*)</sup>	--	27.784	907	138	28.829
Income / (expense) from other operations	--	--	1.179	(91)	1.088
Income/(expense) from financing activities	307	(6.042)	3	(114)	(5.846)
<b>Total</b>	<b>324</b>	<b>27.832</b>	<b>3.099</b>	<b>18.498</b>	<b>49.753</b>

<sup>(\*)</sup> As of 30 June 2021, USD 37.740 of the related amount consists of dividend income received from Anagold Madencilik San. ve Tic. A.Ş. (30 June 2020: USD 25.085).

##### Transactions with key management personnel

On a consolidated basis, key management costs included in general and administrative expenses for the six-month period ended 30 June 2021 amounted to USD 14.371 (2020: USD 11.666).

#### 7 Cash and cash equivalents

At 30 June 2021 and 31 December 2020, cash and cash equivalents comprised the following:

30 June 2021	Finance <sup>(*)</sup>	Non-finance <sup>(**)</sup>	Total
Cash on hand	89.159	359	89.518
Cash at banks	337.134	137.922	475.056
-Demand deposits	289.097	99.407	388.504
-Time deposits	48.037	38.515	86.552
Balances at central bank (excluding statutory reserve)	40.594	--	40.594
Other cash and cash equivalents <sup>(***)</sup>	1.256	8.857	10.113
<b>Cash and cash equivalents</b>	<b>468.143</b>	<b>147.138</b>	<b>615.281</b>
Restricted amounts	(15.639)	(57.019)	(72.658)
<b>Cash and cash equivalents in the consolidated statement of cash flows</b>	<b>452.504</b>	<b>90.119</b>	<b>542.623</b>

## Çalık Holding Anonim Şirketi and its Subsidiaries

### Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

#### 7 Cash and cash equivalents (continued)

31 December 2020	Finance <sup>(*)</sup>	Non-finance <sup>(**)</sup>	Total
Cash on hand	77.113	465	77.578
Cash at banks	586.896	138.381	725.277
-Time deposits	340.935	54.608	395.543
-Demand deposits	245.961	83.773	329.734
Balances at central bank (excluding statutory reserve)	70.288	--	70.288
Other cash and cash equivalents <sup>(***)</sup>	14.848	9.496	24.344
<b>Cash and cash equivalents</b>	<b>749.145</b>	<b>148.342</b>	<b>897.487</b>
Restricted amounts	(22.166)	(30.343)	(52.509)
<b>Cash and cash equivalents in the consolidated statement of cash flows</b>	<b>726.979</b>	<b>117.999</b>	<b>844.978</b>

<sup>(\*)</sup> Finance represents the Group's entities operating in banking and finance business.

<sup>(\*\*)</sup> Non-finance represents the Group's entities operating in businesses other than banking and finance.

<sup>(\*\*\*)</sup> As of 30 June 2021, other cash and cash equivalents are mainly: USD 8.652 (31 December 2020: USD 9.350) consists of liquid funds, USD 943 credit card receivables (December 31, 2020: USD 1.244), money in transit amounting to USD 177 (31 December 2020: USD 120) and other cash and cash equivalents of USD 341. As of 30 June 2021, there are no reverse repo transactions (31 December 2020: USD 13.629).

As of 30 June 2021, cash and cash equivalents amounting to USD 72.658 (31 December 2020: USD 52.509) owned by the Group are blocked and therefore this balance cannot be used in daily operations. USD 57 (31 December 2020: USD 57) of the relevant amount is in the bank in Malawi based on the maintenance contract, USD 2.943 (December 31, 2020: USD 4.010) is in Switzerland, and there is no balance in the bank in Georgia based on the maintenance contract for this period (31 December 2020: USD 655). A portion of USD 17.128 (31 December 2020: USD 17.433) is kept in domestic banks as collateral for the loans used, while USD 15 (31 December 2020: USD 18) is kept blocked by the court based on expropriation lawsuits and USD 2.546. (31 December 2020: USD 3.233) consists of blocked amounts consisting of online collections. USD 4.608 of the remaining amount (31 December 2020: USD 4.937) is kept as a cash guarantee given to Istanbul Takas ve Saklama Bankası Anonim Şirketi, which is paid for the electricity purchased from EPIAŞ.

The Group has blocked deposits amounting to USD 29.721 (31 December 2020: None). The related blocked deposit can only be used for the investment expenditures of the Polimetall Balıkesir project.

Mandatory blocked account amount resulting from the Group's banking activities in Albania and Turkey is USD 15.640 (31 December 2020: USD 22.166).

The Group's exposure to currency risks related to cash and cash equivalents are disclosed in Note 25.

#### 8 Financial investments

At 30 June 2021 and 31 December 2020, financial investments comprised the following:

	30 June 2021		
	Current	Non-current	Total
Financial assets at FVTOCI	1.142.921	1.488.144	2.631.065
Financial assets at FVTPL <sup>(*)</sup>	193.850	260.471	454.321
Financial assets at amortised costs	94.158	150.518	244.676
<b>Total</b>	<b>1.430.929</b>	<b>1.899.133</b>	<b>3.330.062</b>

<sup>(\*)</sup> As at 30 June 2021 and 2020, equity securities in Anagold Madencilik Sanayi ve Ticaret Anonim Şirketi which is classified as equity securities at fair value through profit or loss were valued for the consolidated financial statements. These investments are valued periodically by an independent valuation firm by using discounted cash flow method. As at 30 June 2021, a decrease in fair value for this investment amounting to USD 32.400 has been recognised under "Loss from investing activities" in loss due to valuation of equity securities at fair value through loss after in the tax effect (As at 30 June 2020, an increase in fair value for this investment amounting to USD 6.452 has been recognised under "Gain from investing activities" in profit due to valuation of equity securities at fair value through profit after in the tax effect.).

## Çalık Holding Anonim Şirketi and its Subsidiaries

### Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

#### 8 Financial investments (*continued*)

	31 December 2020		
	Current	Non-current	Total
Financial assets at FVTOCI	1.157.933	1.458.820	2.616.753
Financial assets at FVTPL(*)	158.000	292.647	450.647
Financial assets at amortised costs	111.628	122.883	234.511
<b>Total</b>	<b>1.427.561</b>	<b>1.874.350</b>	<b>3.301.911</b>

As at 30 June 2021 and 31 December 2020 financial assets at fair value through other comprehensive income, financial assets at fair value through profit or loss and financial asset at fair value through amortised costs. comprised the following:

	30 June 2021	31 December 2020
	Carrying amount	Carrying Amount
<b>Financial investments of finance sector companies' entities</b>		
Public sector bonds, notes and bills	1.774.273	1.776.262
Private sector bonds, notes and bills	733.690	603.279
Asset backed securities and lease certificates	235.011	304.010
Investment funds	65.869	68.241
Equity securities – listed	14.653	18.492
<b>Equity securities – non-listed</b>		
Anagold Madencilik Sanayi ve Ticaret Anonim Şirketi	232.800	265.200
Bursagaz Bursa Şehiriçi		
Doğal Gaz Dağıtım Ticaret ve Taahhüt Anonim Şirketi	15.194	15.194
Kayserigaz Kayseri Doğalgaz		
Dağıtım Pazarlama Ticaret Anonim Şirketi	12.253	12.253
Other	1.643	4.469
<b>Total</b>	<b>3.085.386</b>	<b>3.067.400</b>

As at 30 June 2021 financial assets at amortised costs and as at 31 December 2020 financial assets at amortised costs comprised the following:

	30 June 2021	31 December 2020
	Carrying amount	Carrying amount
Asset backed securities and lease certificates	46.675	48.897
Private sector bonds, notes and bills	141.621	130.116
Public sector bonds, notes and bills	55.156	49.581
Other(*)	1.224	5.917
<b>Total</b>	<b>244.676</b>	<b>234.511</b>

(\*)As at 30 June 2021, the amount consists of interbank time deposits with maturity of 30 June 2021, realized by the Group's subsidiaries operating in the banking sector with banking activities.

## Çalık Holding Anonim Şirketi and its Subsidiaries

### Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

#### 9 Financial assets related to concession agreements

As at 30 June 2021 and 31 December 2020, financial assets related to concession agreements comprised the following:

	30 June 2021	31 December 2020
Current financial assets related to concession agreements	47.657	60.150
Non-current financial assets related to concession agreements	169.207	194.309
<b>Total</b>	<b>216.864</b>	<b>254.459</b>

Movements of financial assets related to concession agreements for the six months period ended 30 June 2021 and 2020 were as follows:

	2021	2020
<b>Financial asset at the beginning of the period</b>	<b>254.459</b>	<b>291.057</b>
Investments during the year	13.038	7.109
<b>Collections</b>	<b>(35.586)</b>	<b>(37.532)</b>
<i>Principal collections</i>	(22.393)	(22.475)
<i>Financial income collections</i>	(13.193)	(15.057)
Financial income	24.400	19.939
Fair value difference and other corrections	--	17.719
Foreign currency translation differences	(39.447)	(38.759)
<b>Financial asset at the end of period</b>	<b>216.864</b>	<b>259.533</b>

As at 30 June 2021 and 31 December 2020, the maturity breakdown of the financial assets related to concession agreements:

	30 June 2021	31 December 2020
Up to 1 year	47.657	60.150
Up to 1 - 3 years	75.159	96.454
Up to 3 - 5 years	51.330	67.915
Over 5 years	42.718	29.940
<b>Total</b>	<b>216.864</b>	<b>254.459</b>

#### 10 Trade receivables and payables

##### Trade receivables

##### Short-term trade receivables

As at 30 June 2021 and 31 December 2020, short-term trade receivables comprised the following:

	30 June 2021	31 December 2020
Due from related parties	101.199	76.624
Due from third parties	333.773	318.145
<b>Total</b>	<b>434.972</b>	<b>394.769</b>



## Çalık Holding Anonim Şirketi and its Subsidiaries

### Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

#### 10 Trade receivables and payables (continued)

##### Trade receivables (continued)

##### Short-term trade receivables (continued)

As at 30 June 2021 and 31 December 2020, short-term trade receivables comprised the following:

	30 June 2021	31 December 2020
Accounts receivables	406.165	362.310
Doubtful receivables	57.051	58.890
Notes receivables <sup>(*)</sup>	23.047	30.285
Postdated cheques received	5.697	2.112
Other trade receivables	109	132
<b>Subtotal</b>	<b>492.069</b>	<b>453.729</b>
Allowances for doubtful trade receivables (-)	(57.051)	(58.890)
Discount on trade receivables (-)	(46)	(70)
<b>Total</b>	<b>434.972</b>	<b>394.769</b>

<sup>(\*)</sup> As of June 30, 2021, USD 20.570 of notes receivable consists of notes received from Çalık Denim's commercial activities (31 December 2020: USD 24.868).

##### Long-term trade receivables

As at 30 June 2021 and 31 December 2020, long-term trade receivables comprised the following:

	30 June 2021	31 December 2020
Due from related parties	812	1.846
Due from third parties	37.871	33.561
<b>Total</b>	<b>38.683</b>	<b>35.407</b>

As at 30 June 2021 and 31 December 2020, long-term trade receivables comprised the following:

	30 June 2021	31 December 2020
Accounts receivables	38.699	35.422
<b>Subtotal</b>	<b>38.699</b>	<b>35.422</b>
Discount on trade receivables (-)	(16)	(15)
<b>Total</b>	<b>38.683</b>	<b>35.407</b>

Movements of allowance for doubtful receivables for the six-month periods ended 30 June 2021 and 2020 were as follows:

	2021	2020
<b>Balance at 1 January</b>	<b>58.890</b>	<b>54.238</b>
Allowance for the period	3.559	5.096
Recoveries of amounts previously impaired (-)	(51)	(1.009)
Reversal of impairment allowances no longer required (-)	(3.081)	(2.055)
Translation difference	(2.266)	(1.916)
<b>Total</b>	<b>57.051</b>	<b>54.354</b>

## Çalık Holding Anonim Şirketi and its Subsidiaries

### Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

#### 10 Trade receivables and payables (continued)

##### Trade payables

##### Short-term trade payables

	30 June 2021	31 December 2020
Due from related parties	11.728	12.695
Due from third parties	255.679	257.465
<b>Total</b>	<b>267.407</b>	<b>270.160</b>

As at 30 June 2021 and 31 December 2020, short-term trade payables comprised the following:

	30 June 2021	31 December 2020
Accounts payables <sup>(*)</sup>	258.907	256.542
Notes payable	--	9.119
Cheques and payment orders given	4.818	--
Other trade payables	3.970	4.972
<b>Subtotal</b>	<b>267.695</b>	<b>270.633</b>
Discount on trade payables (-)	(288)	(473)
<b>Total</b>	<b>267.407</b>	<b>270.160</b>

##### Long term trade payables

As at 30 June 2021 and 31 December 2020, long-term trade payables comprised the following:

	30 June 2021	31 December 2020
Accounts payables <sup>(*)</sup>	4.600	5.407
<b>Subtotal</b>	<b>4.600</b>	<b>5.407</b>
Discount on trade payables (-)	(380)	(521)
<b>Total</b>	<b>4.220</b>	<b>4.886</b>

<sup>(\*)</sup> Accounts payables mainly consists of payables to suppliers of material and equipment for the EPC projects and payables to the subcontractors for the ongoing construction projects.

The Group's exposure to currency risks related to trade receivables and trade payables are disclosed in Note 25.

#### 11 Receivables and payables from finance sector activities

##### Short term receivables from finance sector activities

As at 30 June 2021 and 31 December 2020, current receivables related to finance sector activities comprised the following:

Short term receivables related to finance sector activities	30 June 2021	31 December 2020
Due from third parties	2.782	3.480
Due from related parties	948.798	644.865
<b>Total</b>	<b>951.580</b>	<b>648.345</b>

Short term receivables related to finance sector activities	30 June 2021	31 December 2020
Loans and receivables from customers	646.828	476.434
Loans and receivables from banks	310.750	174.336
Non-performing loans and receivables	40.283	43.408
<b>Subtotal</b>	<b>997.861</b>	<b>694.178</b>
Provision for impairment in value of loans and receivables	(46.281)	(45.833)
<b>Total</b>	<b>951.580</b>	<b>648.345</b>

# Çalık Holding Anonim Şirketi and its Subsidiaries

## Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

### 11 Receivables and payables from finance sector activities (continued)

#### Long term receivables from finance sector activities

As at 30 June 2021 and 31 December 2020, long term receivables related to finance sector activities comprised the following:

Long term receivables related to finance sector activities	30 June 2021	31 December 2020
Due from related parties	--	4
Due from third parties	1.805.002	1.964.337
<b>Total</b>	<b>1.805.002</b>	<b>1.964.341</b>

  

Long term receivables related to finance sector activities	30 June 2021	31 December 2020
Loans and receivables from customers	1.814.501	1.959.615
Loans and receivables from banks	72.638	86.570
<b>Subtotal</b>	<b>1.887.139</b>	<b>2.046.185</b>
Provision for impairment in value of loans and receivables	(82.137)	(81.844)
<b>Total</b>	<b>1.805.002</b>	<b>1.964.341</b>

For the six-month period ended on 30 June 2021, impairment losses for loans and receivables was USD 2.735, whereas the reversal and recovery of the provision for impairment in value of loans and receivables of the amount was USD 13.438. (30 June 2020: impairment expense for loans and receivables and reversal and recovery of the provision for impairment in value of loans and receivables amounting to USD 1.560 and USD 25.691, respectively).

#### Short term payables related to finance sector activities

As at 30 June 2021 and 31 December 2020, short term payables related to finance sector activities comprised the following:

Short term payables related to finance sector activities	30 June 2021	31 December 2020
Due from related parties	9.666	30.286
Due from third parties	4.588.439	4.748.535
<b>Total</b>	<b>4.598.105</b>	<b>4.778.821</b>

Short term payables related to finance sector activities	30 June 2021	31 December 2020
<b>Due to banks</b>	<b>42.931</b>	<b>38.907</b>
Time deposits	40.895	38.338
Current accounts	2.036	569
<b>Due to customers</b>	<b>3.469.378</b>	<b>3.481.347</b>
Individual	2.699.280	2.689.892
Private enterprises	581.030	601.775
Public institutions	120.210	113.766
Other	68.858	75.914
<b>Funds and payment accounts (*)</b>	<b>411.866</b>	<b>489.924</b>
<b>Funds from repo transactions</b>	<b>673.930</b>	<b>768.643</b>
<b>Total</b>	<b>4.598.105</b>	<b>4.778.821</b>

(\*) The customer accounts represent the transitory balances of loan customers for the respective transactions. As at 30 June 2021, this account does not include any deposit amount (31 December 2020: None).

# Çalık Holding Anonim Şirketi and its Subsidiaries

## Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

### 11 Receivables and payables from finance sector activities (continued)

#### Long term payables related to finance sector activities

As at 30 June 2021 and 31 December 2020, long term payables related to finance sector activities comprised the following:

Long term payables related to finance sector activities	30 June 2021	31 December 2020
Payables from finance sector activities to third parties	531.470	500.758
<b>Total</b>	<b>531.470</b>	<b>500.758</b>

  

Long term payables related to finance sector activities	30 June 2021	31 December 2020
<b>Due to customers</b>		
Individual	494.636	467.585
Private enterprises	36.627	32.964
Other	207	209
<b>Total</b>	<b>531.470</b>	<b>500.758</b>

### 12 Inventories

As at 30 June, the Group wrote down provision for impairment about its inventory is amounting to USD 6.210 (31 December 2020: USD 6.962).

### 13 Investments in equity-accounted investees

#### i) Joint ventures

For the six-month periods ended 30 June 2021 and 2020, the movements in investments in joint ventures were as follows:

	2021	2020
<b>Balance at 1 January</b>	<b>210.542</b>	<b>188.441</b>
Share of profit of equity accounted investees	20.245	25.467
Capital contribution to share capital increase in joint ventures	--	125
Dividends	(14.644)	(900)
Change in share of associates	--	(13.615)
Currency translation difference	(4.183)	(1.121)
<b>Balance at 30 June</b>	<b>211.960</b>	<b>198.397</b>

#### ii) Associates

For the six-month periods ended 30 June 2021 and 2020, the movements in investments in associates were as follows:

	2021	2020
<b>Balance at 1 January</b>	<b>11.473</b>	<b>11.105</b>
Share of profit of equity-accounted investees	(1.372)	(816)
Capital contribution to share capital increase in associates	2.227	1.158
Currency translation difference	(1.414)	(1.079)
<b>Balance at 30 June</b>	<b>10.914</b>	<b>10.368</b>

## Çalık Holding Anonim Şirketi and its Subsidiaries

### Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

#### 14 Property, plant and equipment

For the six-month periods ended 30 June 2021 and 2020, movements in the property, plant and equipment were as follows:

	2021	2020
<b>Net carrying value at 1 January</b>	<b>562.406</b>	<b>615.564</b>
Additions (+)	34.391	20.223
Disposals (-)	(3.342)	(14.762)
Currency translation difference	(42.307)	(45.709)
Transfers	(75)	(1.092)
Additions through acquisitions	--	2.532
Depreciation for the period (-)	(25.925)	(27.267)
<b>Net carrying value at 30 June</b>	<b>525.148</b>	<b>549.489</b>

#### 15 Intangible assets and goodwill

For the six-month periods ended 30 June 2021 and 2020, movements in the intangible assets and goodwill were as follows:

	2021	2020
<b>Net carrying value at 1 January</b>	<b>128.008</b>	<b>146.034</b>
Additions (+)	5.491	16.902
Disposals (-)	(12)	(8.150)
Currency translation difference	(15.629)	(16.793)
Transfers	75	1.092
Additions through acquisitions	--	10.054
Amortisation for the period (-)	(7.372)	(7.971)
Corrections	1.155	--
<b>Net carrying value at 30 June</b>	<b>111.716</b>	<b>141.168</b>

#### 16 Right of use assets

For the six-month periods ended 30 June 2021 and 2020, movements in right of use assets were as follows:

	Balance at 1 January 2021	Additions	Disposal	Foreign currency translation differences	Balance at 30 June 2021
<b>Right of use assets</b>					
Right of use assets	60.030	6.892	(1.264)	(2.149)	63.509
Depreciation of right of use assets	(14.225)	(3.817)	741	765	(16.536)
<b>Net carrying value</b>	<b>45.805</b>	<b>3.075</b>	<b>(523)</b>	<b>(1.384)</b>	<b>46.973</b>

  

	Balance at 1 January 2020	Additions	Additions through acquisitions	Disposal	Foreign currency translation differences	Balance at 30 June 2020
<b>Right of use assets</b>						
Right of use assets	47.413	2.186		82	(1.809)	47.829
Depreciation of right of use assets	(7.004)	(2.075)		(41)	(40)	(9.177)
<b>Net carrying value</b>	<b>40.409</b>	<b>111</b>	<b>41</b>	<b>(60)</b>	<b>(1.849)</b>	<b>38.652</b>

## Çalık Holding Anonim Şirketi and its Subsidiaries

### Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

#### 17 Investment properties

As at 30 June 2021 and 31 December 2020, investment properties comprised the following:

	30 June 2021	31 December 2020
Investment property under development	101.033	98.919
Investment property in use	25.767	31.419
<b>Total</b>	<b>126.800</b>	<b>130.338</b>

For the six-month periods ended 30 June 2021 and 2020, movements in investment properties were as follows:

	2021	2020
<b>Balance at 1 January</b>	<b>130.338</b>	<b>153.039</b>
Additions	2.002	2.705
Disposals	--	(401)
Currency translation difference	(5.540)	9
<b>Balance at 30 June</b>	<b>126.800</b>	<b>155.352</b>

As at 30 June 2021, the Group has not obtained a valuation report related to operating investment properties and investment properties under construction. However, the Group obtained a valuation report related to investment properties and investment properties under construction as at 31 December 2020.

As of 30 June 2021, the Group management has not received any valuation report in its interim condensed consolidated financial statements, as it does not expect a significant change in the fair value of its investment properties.

The Group obtained independent appraisal reports for each item of investment property and measured them at their fair values at the year ends. Fair value information for all investment property within the scope of IFRS 13 based on fair value hierarchy are as follows:

<b>30 June 2021</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Investment properties	--	--	126.800	126.800
<b>Total</b>	<b>--</b>	<b>--</b>	<b>126.800</b>	<b>126.800</b>

<b>31 December 2020</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Investment properties	--	--	130.338	130.338
<b>Total</b>	<b>--</b>	<b>--</b>	<b>130.338</b>	<b>130.338</b>

#### 18 Loans and borrowings

As at 30 June 2021 and 31 December 2020, loans and borrowings comprised the following:

	30 June 2021	31 December 2020
<b>Short term loans and borrowings</b>		
Securities issued	1.029.024	1.010.110
Funds borrowed by the Group's banking subsidiaries	411.858	380.658
Bank loans	295.652	254.765
Current portion of long-term bank loans	147.307	177.312
Lease obligations	11.310	14.504
Factoring payables	1.150	3.682
Sukuk agreement	5.845	--
<b>Total</b>	<b>1.902.146</b>	<b>1.841.031</b>

## Çalık Holding Anonim Şirketi and its Subsidiaries

### Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

#### 18 Loans and borrowings (continued)

	30 June 2021	31 December 2020
<b>Long term loans and borrowings</b>		
Bank loans	240.626	255.249
Sukuk agreement	166.386	186.646
Lease obligations	46.859	45.211
Subordinated liabilities	29.745	30.667
Funds borrowed by the Group's banking subsidiaries	13.220	16.356
Securities issued	6.633	2.135
<b>Total</b>	<b>503.469</b>	<b>536.264</b>

As at 30 June 2021 and 31 December 2020, the terms and conditions of outstanding loans and borrowings including factoring payables comprised the following:

30 June 2021					
	Currency	Nominal interest rate (%)	Year of maturity	Nominal value	Carrying amount
Secured bank borrowings	TL	5,70-20,42	2024-2025	140.416	157.170
Secured bank borrowings	USD	1,05-6,50	2021-2029	186.376	188.881
Secured bank borrowings	EUR	0,49-5,30	2021-2025	26.437	26.415
Secured bank borrowings	ALL	5,50	2021	3.680	3.861
Unsecured bank borrowings	TL	Revolving	2021	3.770	3.456
Unsecured bank borrowings	TL	2,89-23,00	2021-2029	217.300	222.707
Unsecured bank borrowings	USD	Revolving	2021	3.071	3.000
Unsecured bank borrowings	USD	0,04-8,30	2021-2023	348.728	346.682
Unsecured bank borrowings	EUR	0,05-7,29	2021-2024	174.927	175.651
Unsecured bank borrowings	AUD	2,00	2022	1.798	1.810
Unsecured bank borrowings	XAU	1,25	2021	3.395	3.396
Unsecured bank borrowings	CHF	0	2021	4.127	4.127
Unsecured bank borrowings	GBP	1,35	2021	1.244	1.252
Debt securities issued	TL	0,50-19,90	2021	883.359	883.457
Debt securities issued	USD	1,50-4,75	2021	107.326	107.904
Debt securities issued	EUR	0,70-2,50	2021	44.296	44.296
Factoring payables	USD		2021	1.150	1.150
Lease payables	EUR		2021-2049	43.048	44.773
Lease payables	TL		2021-2028	7.088	7.079
Lease payables	USD		2028	347	347
Lease payables	ALL		2021-2030	10.061	5.954
Lease payables	JPY		2021	16	16
Sukuk agreement	USD		2024	118.000	118.000
Sukuk agreement	TL		2030	54.231	54.231
<b>Total</b>				<b>2.384.191</b>	<b>2.405.615</b>

## Çalık Holding Anonim Şirketi and its Subsidiaries

### Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

#### 18 Loans and borrowings (continued)

31 December 2020					
	Currency	Nominal interest rate (%)	Year of maturity	Nominal value	Carrying amount
Secured bank borrowings	TL	9,50-20,50	2021-2024	186.971	192.898
Secured bank borrowings	USD	1,05-6,35	2021-2029	148.260	149.919
Secured bank borrowings	EUR	0,49-6,50	2021-2029	39.635	38.825
Secured bank borrowings	ALL	5,00-5,50	2021-2030	3.737	3.830
Unsecured bank borrowings	TL	Revolving	2021	4.850	4.088
Unsecured bank borrowings	TL	7,50-37,08	2021-2029	265.266	280.033
Unsecured bank borrowings	USD	Revolving	2021	3.832	3.750
Unsecured bank borrowings	USD	0,10-8,60	2021-2022	261.057	264.178
Unsecured bank borrowings	EUR	0,01-7,35	2021-2031	168.057	166.939
Unsecured bank borrowings	AUD	2,25	2021	1.828	1.863
Unsecured bank borrowings	XAU	0,75-1,25	2021	3.927	3.931
Unsecured bank borrowings	CHF	0,35	2021	3.504	3.505
Unsecured bank borrowings	GBP	1,35	2021	1.240	1.248
Debt securities issued	TL	8,50-23,75	2021-2022	872.173	872.173
Debt securities issued	USD	0,50-4,75	2021-2022	113.242	113.242
Debt securities issued	EUR	0,40-2,30	2021	26.830	26.830
Factoring payables	TL	14,80	2021	1.090	1.090
Factoring payables	USD	11	2021	1.150	1.150
Factoring payables	EUR	6,30	2021	1.442	1.442
Lease payables	EUR		2021-2024	44.105	46.290
Lease payables	TL		2021-2028	7.118	6.213
Lease payables	USD		2024-2028	380	380
Lease payables	ALL		2021-2030	10.492	6.780
Lease payables	JPY		2021	52	52
Sukuk agreement	USD		2024	118.000	118.000
Sukuk agreement	TL		2030	68.646	68.646
<b>Total</b>				<b>2.356.884</b>	<b>2.377.295</b>

As of 30 June 2021, there is mortgages amounting to USD 200.000 (31 December 2020: USD 200.000) on carrying amounting to USD 101.033 (31 December 2020: 98.919 USD) investment properties under construction, letter of bank guarantees amounting to USD 8.989 and EUR 16.831 given for Exim Bank loans (31 December 2020: USD 9.092 and EUR 23.615)

There are pledges over Çalık Enerji's shares of the Group's subsidiaries YEDAŞ, YEPAŞ and ÇEDAŞ with numbers of shares by 85 (TL 0,00085 or 0,0000002% of total voting shares), 115 (TL 0,00115 or 0,000002% of total voting shares), 377.622.000 (TL 377.622 or 99,9% of total voting shares), respectively and ÇEDAŞ's shares of YEPAŞ and YEDAŞ, with number of shares by 6.358.770.388 (TL 63.587 or 99,999993% of total voting shares) and 35.700.685.312 (TL 357.006 or 99,9999990% of total voting shares), as a guarantee for the bank borrowings used or will be used by Çalık Holding, ÇEDAŞ, YEDAŞ and YEPAŞ from Ziraat Bankası A.Ş..



## Çalık Holding Anonim Şirketi and its Subsidiaries

### Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

#### 19 Derivatives

The carrying values of derivative instruments held at 30 June 2021 and 31 December 2020, were as follows:

	30 June 2021		31 December 2020	
	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>
Forward transactions	1.067	(1.065)	2.283	(1.814)
Swap transactions	12.611	(12.377)	10.136	(16.927)
Currency options	1.126	(1.198)	913	(816)
<b>Total</b>	<b>14.804</b>	<b>(14.640)</b>	<b>13.332</b>	<b>(19.557)</b>

All derivatives in a net receivable position (positive fair value) are reported as derivative assets. All derivatives in a net payable position (negative fair value) are reported as derivative liabilities.

#### 20 Provisions

As at 30 June 2021 and 31 December 2020, provisions comprised the following items:

	30 June 2021	31 December 2020
<b><u>Short term provisions</u></b>		
Short term employee benefits	15.315	18.208
Other short term provisions	21.165	23.996
<b>Total short term provisions</b>	<b>36.480</b>	<b>42.204</b>
<b><u>Long term provisions</u></b>		
Long term employee benefits	10.822	11.849
Other long term provisions	1.155	1.254
<b>Total long term provisions</b>	<b>11.977</b>	<b>13.103</b>
<b>Total provisions</b>	<b>48.457</b>	<b>55.307</b>

As at 30 June 2021 and 31 December 2020, short-term and long term employee benefits comprised the following items:

	30 June 2021	31 December 2020
<b><u>Short-term</u></b>		
Bonus provisions	9.979	13.818
Vacation pay liability	5.336	4.390
<b>Total</b>	<b>15.315</b>	<b>18.208</b>
<b><u>Long term</u></b>		
Employee termination benefits	10.822	11.844
Other	--	5
<b>Total</b>	<b>10.822</b>	<b>11.849</b>

As at 30 June 2021 and 31 December 2020, other provisions comprised the following items:

	30 June 2021	31 December 2020
Provision for litigations	14.589	16.977
Provisions for expenses	5.480	5.635
Other current provisions	2.251	2.638
<b>Total</b>	<b>22.320</b>	<b>25.250</b>

## Çalık Holding Anonim Şirketi and its Subsidiaries

### Notes to the Interim Condensed Consolidated Interim Financial Statements

#### As at and for the Six-Month Period Ended 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

## 20 Provisions (continued)

For the six-month periods ended 30 June 2021 and 2020, movements in the provisions were as follows:

2021	1 January	Provision for the period	Write off/ payments during the year	Currency translation difference	30 June
Provision for litigations	16.977	546	(962)	(1.972)	14.589
Bonus provisions	13.818	4.672	(6.988)	(1.523)	9.979
Reserve for severance payments <sup>(*)</sup>	11.844	1.290	(779)	(1.533)	10.822
Vacation pay liability	4.390	1.444	(46)	(452)	5.336
Other expense provisions	8.278	1.349	(773)	(1.123)	7.731
<b>Total</b>	<b>55.307</b>	<b>9.301</b>	<b>(9.548)</b>	<b>(6.603)</b>	<b>48.457</b>

  

2020	1 January	Provision for the period	Write off/ payments during the year	Currency translation difference	30 June
Provision for litigations	16.350	589	(1.850)	(1.491)	13.598
Bonus provisions	13.433	5.932	(6.655)	(1.515)	11.195
Reserve for severance payments <sup>(*)</sup>	11.208	1.527	(337)	(997)	11.401
Vacation pay liability	4.480	1.020	(1.162)	(379)	3.959
Other expense provisions	4.370	1.422	(94)	(545)	5.153
<b>Total</b>	<b>49.841</b>	<b>10.490</b>	<b>(10.098)</b>	<b>(4.927)</b>	<b>45.306</b>

<sup>(\*)</sup> The reserve has been calculated by estimating the present value of future probable obligation of the Group arising from the retirement of the employees.

#### Litigation and claims

As at 30 June 2020, the expected cash outflow amount for the pending claims filed against to the Group is USD 16.378 (30 June 2020: USD 14.372). As at 30 June 2021 and 31 December 2020, the provision for litigation and claims are mainly related to the labor cases against the Group. The Group made a provision for the whole amount related to these claims.

## 21 Commitments and contingencies

Guarantee, pledge and mortgages ("GPM") in respect of commitment and contingencies realised in the ordinary course of business outside the finance sector were given as at 30 June 2021 are as follows:

30 June 2021	Original currency (USD equivalent)			
	USD	TL	Others	Total
A Total amount of GPMs given in the name of its own legal personality	398.991	48.449	92.422	539.862
B Total amount of GPMs given in the name of the consolidated subsidiaries and joint ventures	--	91.957	--	91.957
- Total amount of GPMs given in the name of the consolidated subsidiaries	--	91.957	--	91.957
C Total amount of GPMs given to be able to conduct ordinary business transactions to secure payables of third parties	--	--	--	--
D Other GPMs given	2.084	22.885	--	24.969
<b>Total</b>	<b>401.075</b>	<b>163.291</b>	<b>92.422</b>	<b>656.788</b>

## Çalık Holding Anonim Şirketi and its Subsidiaries

### Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

#### 21 Commitments and contingencies (continued)

GPMs in respect of commitment and contingencies realised in the ordinary course of business outside the finance sector were given as at 31 December 2020 are as follows:

31 December 2020	Original currency (USD equivalent)			
	USD	TL	Others	Total
A Total amount of GPMs given in the name of its own legal personality	371.319	59.031	91.910	522.260
B Total amount of GPMs given in the name of the consolidated subsidiaries and joint ventures	--	108.742	--	108.742
- Total amount of GPMs given in the name of the consolidated subsidiaries	--	108.742	--	108.742
C Total amount of GPMs given to be able to conduct ordinary business transactions to secure payables of third parties	--	--	--	--
D Other GPMs given(*)	2.084	26.383	--	28.467
<b>Total</b>	<b>373.403</b>	<b>194.156</b>	<b>91.910</b>	<b>659.469</b>

#### 22 Taxation

##### Turkey

Corporate income tax is levied on the statutory corporate income tax base, which is determined by modifying income for certain tax exclusions and allowances.

In Turkey, corporate tax rate is 25% as at 30 June 2021 (31 December 2020: 22%) temporary corporate tax return are filled on a quarterly basis. According to the Corporate Tax Law, 75 percent of the income obtained from the sales of subsidiaries and real estates owned for at least two years is subject to tax exemption if it is recorded in the equity accounts within five years from the date of sale. The remaining 25 percent is subject to corporate tax. As of 2018 the rates have been revised to 50 percent for real estate.

In accordance with the “Law on the Amendment of Certain Tax Acts and Some Other Laws” numbered 7061 and published in Official Gazette on 5 December 2017; the corporate tax rate for the years 2018, 2019 and 2020 has been increased from 20% to 22%. Therefore, deferred tax assets and liabilities are calculated with 22% tax rate for the temporary differences that will be realised in 2018, 2019 and 2020; and with 20% tax rate for the temporary differences that will be realised after 2021 and onwards.

There is also a withholding tax on the dividends paid and is accrued only at the time of such payments. According to the amendments in the tax legislations, which became effective from 24 April 2003, dividends that are paid to the shareholders from the profits of the years between 1999 and 2002 are immune from the withholding tax, if such profits are exempted from corporation tax bases of the companies. As per the decision no.2006/10731 of the Council of Ministers published in the Official Gazette no.26237 dated 23 July 2006, certain duty rates included in the articles no.15 and 30 of the new Corporate Tax Law no:5520 revised.

Accordingly, the withholding tax rate on the dividend payments other than the ones paid to the nonresident institutions generating income in Turkey through their operations or permanent representatives and the resident institutions was increased from 10 percent to 15 percent. In applying the withholding tax rates on dividend payments to the nonresident institutions and the individuals the withholding tax rates covered in the related Double Tax Treaty Agreements are taken into account.

In Turkey, the tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provision for taxes shown in the consolidated financial statements reflects the total amount of taxes calculated on each entity that are included in the consolidation.

## Çalık Holding Anonim Şirketi and its Subsidiaries

### Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

#### 22 **Taxation** (continued)

Under the Turkish taxation system, tax losses can be carried forward to be offset against future taxable income for up to five years. Tax losses cannot be carried back.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns within four months following the close of the accounting year to which they relate. Tax returns are open for five years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue reassessments based on their findings.

#### *Possible tax audits*

In Turkey, the tax and other government authorities (Social Security Institution) have the right to inspect the Group's tax returns and accounting records for the past five fiscal years. The Group has not recorded a provision for any additional taxes for the fiscal years that remained unaudited, as the amount cannot be estimated with any degree of uncertainty. The Group's management believes that no material assessment will arise from any future inspection for unaudited fiscal years.

#### *Transfer pricing regulations*

In Turkey, the transfer pricing provisions have been stated under the Article 13 of Corporate Tax Law with the heading of "disguised profit distribution via transfer pricing". The General Communiqué on disguised profit distribution via Transfer Pricing, dated 18 November 2007 sets details about implementation.

If a taxpayer enters into transactions regarding sale or purchase of goods and services with related parties, where the prices are not set in accordance with arm's length principle, then related profits are considered to be distributed in a disguised manner through transfer pricing. Such disguised profit distributions through transfer pricing are not accepted as tax deductible for corporate income tax purposes.

#### *Tax applications for foreign subsidiaries and joint ventures of the Group*

As of 30 June 2021, there is no change the Group, its subsidiary and joint ventures tax applications compared to year-end.

#### **Tax recognised in profit or loss**

Income tax expense for the six-month period ended 30 June 2021 and 2020 comprised the following items:

	<b>2021</b>	<b>2020</b>
Tax expense	33.749	36.582
Deferred tax expense / (income)	(7.690)	1.917
<b>Total income tax expense</b>	<b>26.059</b>	<b>38.499</b>

#### **Taxes assets / taxes payable on income**

Taxes assets / taxes payable on income as at 30 June 2021 and 31 December 2020 comprised the following:

	<b>30 June 2021</b>	<b>31 December 2020</b>
Taxes on income	33.749	75.003
Less: Corporation taxes paid in advance	(20.630)	(69.392)
Foreign currency translation difference	(1.216)	(257)
<b>Current tax liabilities/(assets), net</b>	<b>11.903</b>	<b>5.354</b>

As at 30 June 2021, taxes payable on income amounting to USD 13.639 (31 December 2020: USD 7.767) is not offset with prepaid taxes amounting to USD 1.736 (31 December 2020: USD 2.413) since they are related to different tax jurisdictions.

## Çalık Holding Anonim Şirketi and its Subsidiaries

### Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

#### 23 Revenue and cost of sales

For the six months periods ended 30 June 2021 and 2020, revenue and cost of sales comprised the following:

	2021	2020
Domestic sales	406.671	394.555
Export sales	359.441	274.713
Other sales	6.298	3.387
Sales discounts (-)	(8.759)	(7.874)
<b>Subtotal (*)</b>	<b>763.651</b>	<b>664.781</b>
Cost of sales (-)	(549.928)	(451.689)
<b>Gross profit from non-finance operations</b>	<b>213.723</b>	<b>213.092</b>
Revenue from finance sector operations (*) (**)	263.519	226.179
Cost of revenues from finance sector operations (-)	(114.100)	(80.499)
<b>Gross profit from finance sector activities</b>	<b>149.419</b>	<b>145.680</b>
<b>Gross profit</b>	<b>363.142</b>	<b>358.772</b>

(\*) Segment breakdown of revenue is disclosed in Note 5.

(\*\*) Revenue from finance sector operations include Fee and commission income and other revenue from finance sector operations amounted to USD 33.250 (2020: USD 38.974).

#### 24 Expenses by nature

For the six months periods ended 30 June 2021 and 2020, personnel and depreciation and amortization expenses comprised the following:

	2021	2020
<b><u>Personnel expenses</u></b>		
Cost of sales (-)	31.265	27.679
General and administrative expenses	54.335	49.454
Selling, marketing and distribution expenses	5.171	5.565
Research and development expenses	1.465	1.125
<b>Total</b>	<b>92.236</b>	<b>83.823</b>
	2021	2020
<b><u>Depreciation and amortization expenses</u></b>		
Cost of sales (-)	23.303	23.966
General and administrative expenses	11.516	11.213
Selling, marketing and distribution expenses	1.515	1.398
Research and development expenses	780	736
<b>Total</b>	<b>37.114</b>	<b>37.313</b>

# Çalık Holding Anonim Şirketi and its Subsidiaries

## Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

### 25 Financial instruments – Fair values and risk management

#### Currency risk

The Group is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than the respective functional currencies of Group entities. Such transactions with a currency other than the functional currency pose a currency risk.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Group ensures that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

The Group is exposed to currency risk through the impact of rate changes on the translation of foreign currency denominated payables and bank borrowings from financial institutions. Such risk is monitored by the Board of Directors and limited through taking positions within approved limits as well as using derivative instruments where necessary

To minimise risk arising from foreign currency denominated statement of financial position items, the Group sometimes utilises derivative instruments as well as keeping part of its idle cash in foreign currencies.

At 30 June 2021, the currency risk exposures of the Group in USD equivalents are as follows:

CURRENCY POSITION STATEMENT	30 June 2021			
	USD equivalent	TL	EUR	Other <sup>(*)</sup>
1. Trade Receivables	144.353	74.597	54.302	71.170
2a. Monetary financial assets	2.110.819	231.588	906.418	1.005.988
2b. Non-monetary financial assets	--	--	--	--
3. Other	261.873	93.008	193.219	21.331
<b>4. Current assets (1+2+3)</b>	<b>2.517.045</b>	<b>399.193</b>	<b>1.153.939</b>	<b>1.098.489</b>
5. Trade Receivables	1.196	9.510	--	100
6a. Monetary financial assets	1.592.772	24.641	904.693	513.834
6b. Non-monetary financial assets	--	--	--	--
7. Other	1.124	1.465	424	451
<b>8. Non-current assets (5+6+7)</b>	<b>1.595.092</b>	<b>35.616</b>	<b>905.117</b>	<b>514.385</b>
<b>9. Total Assets (4+8)</b>	<b>4.112.137</b>	<b>434.809</b>	<b>2.059.056</b>	<b>1.612.874</b>
10. Trade payables	(2.018.670)	(178.076)	(1.664.809)	(17.926)
11. Financial liabilities	(958.032)	(916.195)	(162.058)	(659.722)
12a. Other monetary liabilities	(861.746)	(139.389)	(208.315)	(597.904)
12b. Other non-monetary liabilities	(3.617)	--	(560)	(2.951)
<b>13. Short term liabilities (10+11+12)</b>	<b>(3.842.065)</b>	<b>(1.233.660)</b>	<b>(2.035.742)</b>	<b>(1.278.503)</b>
14. Trade payables	(313.639)	--	(260.871)	(3.342)
15. Financial liabilities	(294.695)	(1.180.523)	(53.687)	(94.836)
16a. Other monetary liabilities	(1.256)	--	--	(1.256)
16b. Other non-monetary liabilities	(1)	(8)	--	--
<b>17. Long term liabilities (14+15+16)</b>	<b>(609.591)</b>	<b>(1.180.531)</b>	<b>(314.558)</b>	<b>(99.434)</b>
<b>18. Total liabilities (13+17)</b>	<b>(4.451.656)</b>	<b>(2.414.191)</b>	<b>(2.350.300)</b>	<b>(1.377.937)</b>
<b>19. Outside of the financial statements derivatives instruments net assets / (liability) position (19a+19b)</b>	<b>82.716</b>	<b>(26.000)</b>	<b>(58.331)</b>	<b>155.092</b>
19a. Hedged portion of assets amount	761.959	--	89.783	655.165
19b. Hedged portion of liabilities amount	(679.243)	(26.000)	(148.114)	(500.073)
<b>20. Net foreign currencies assets / (liability) position (9+18+19)</b>	<b>(256.803)</b>	<b>(2.005.382)</b>	<b>(349.575)</b>	<b>390.029</b>
<b>21. Monetary items Net foreign currencies assets / (liability) position (IFRS 7.b23)</b>				
<b>(=1+2a+5+6a+10+11+12a+14+15+16a)</b>	<b>(598.898)</b>	<b>(2.073.847)</b>	<b>(484.327)</b>	<b>216.106</b>

(\*) USD equivalents are given.

# Çalık Holding Anonim Şirketi and its Subsidiaries

## Notes to the Interim Condensed Consolidated Interim Financial Statements

### As at and for the Six-Month Period Ended 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

## 25 Financial instruments – Fair values and risk management (continued)

### Currency risk (continued)

At 31 December 2020, the currency risk exposures of the Group in USD equivalents are as follows:

CURRENCY POSITION STATEMENT		31 December 2020			
	USD equivalent	TL	EUR	Other <sup>(*)</sup>	
1. Trade Receivables	119.160	28.821	44.987	60.027	
2a. Monetary financial assets	2.051.253	180.431	894.253	929.290	
2b. Non-monetary financial assets	--	--	--	--	
3. Other	256.947	74.880	184.613	20.198	
<b>4. Current assets (1+2+3)</b>	<b>2.427.360</b>	<b>284.132</b>	<b>1.123.853</b>	<b>1.009.515</b>	
5. Trade Receivables	1.296	9.510	--	--	
6a. Monetary financial assets	1.617.511	24.701	897.934	512.245	
6b. Non-monetary financial assets	--	--	--	--	
7. Other	22.575	1.465	3.860	17.639	
<b>8. Non-current assets (5+6+7)</b>	<b>1.641.382</b>	<b>35.676</b>	<b>901.794</b>	<b>529.884</b>	
<b>9. Total Assets (4+8)</b>	<b>4.068.742</b>	<b>319.808</b>	<b>2.025.647</b>	<b>1.539.399</b>	
10. Trade payables	(2.021.957)	(248.567)	(1.603.599)	(20.237)	
11. Financial liabilities	(872.972)	(790.146)	(146.941)	(585.012)	
12a. Other monetary liabilities	(971.236)	(130.938)	(257.172)	(637.809)	
12b. Other non-monetary liabilities	(4.545)	--	(1.177)	(3.101)	
<b>13. Short term liabilities (10+11+12)</b>	<b>(3.870.710)</b>	<b>(1.169.651)</b>	<b>(2.008.889)</b>	<b>(1.246.159)</b>	
14. Trade payables	(274.683)	--	(221.167)	(3.278)	
15. Financial liabilities	(343.761)	(1.357.055)	(83.663)	(56.222)	
16a. Other monetary liabilities	(1.293)	--	--	(1.293)	
16b. Other non-monetary liabilities	(1)	(8)	--	--	
<b>17. Long term liabilities (14+15+16)</b>	<b>(619.738)</b>	<b>(1.357.063)</b>	<b>(304.830)</b>	<b>(60.793)</b>	
<b>18. Total liabilities (13+17)</b>	<b>(4.490.448)</b>	<b>(2.526.714)</b>	<b>(2.313.719)</b>	<b>(1.306.952)</b>	
<b>19. Outside of the financial statements derivatives instruments net assets / (liability) position (19a+19b)</b>	<b>170.991</b>	<b>(59.662)</b>	<b>72.478</b>	<b>90.179</b>	
19a. Hedged portion of assets amount	706.808	338	169.714	498.497	
19b. Hedged portion of liabilities amount	(535.817)	(60.000)	(97.236)	(408.318)	
<b>20. Net foreign currencies assets / (liability) position (9+18+19)</b>	<b>(250.715)</b>	<b>(2.266.568)</b>	<b>(215.594)</b>	<b>322.626</b>	
<b>21. Monetary items Net foreign currencies assets / (liability) position (IFRS 7.b23)(=1+2a+5+6a+10+11+12a+14+15+16a)</b>	<b>(696.682)</b>	<b>(2.283.243)</b>	<b>(475.368)</b>	<b>197.711</b>	

(\*) USD equivalents are given.

# Çalık Holding Anonim Şirketi and its Subsidiaries

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### 25 Financial instruments – Fair values and risk management (continued)

#### Currency risk (continued)

##### Sensitivity analysis

A strengthening/weakening of the USD against the other currencies below would have increased/(decreased) the comprehensive income and profit/loss (excluding the tax effect) as at 30 June 2021 and 31 December 2020 as follows:

30 June 2021	Profit / (Loss)		Equity	
	Strengthening of USD	Weakening of USD	Strengthening of USD	Weakening of USD
<b>Increase/(decrease) 10% of TL parity</b>				
1-TL Dollar net asset / liability	23.103	(23.103)	--	--
2-Hedged portion of TL amounts(-)	--	--	--	--
<b>3-Net effect of TL (1+2)</b>	<b>23.103</b>	<b>(23.103)</b>	<b>--</b>	<b>--</b>
<b>Increase/(decrease) 10% of EUR parity</b>				
4-EUR net asset / liability	41.580	(41.580)	--	--
5-Hedged portion of EUR amounts(-)	--	--	--	--
<b>6-Net effect of EUR (4+5)</b>	<b>41.580</b>	<b>(41.580)</b>	<b>--</b>	<b>--</b>
<b>Increase/(decrease) 10% of other parities</b>				
7-Other foreign currency net asset / liability	(39.003)	39.003	--	--
8-Hedged portion of other foreign currency amounts(-)	--	--	--	--
<b>9-Net effect of other foreign currencies (7+8)</b>	<b>(39.003)</b>	<b>39.003</b>	<b>--</b>	<b>--</b>
<b>TOTAL (3+6+9)</b>	<b>25.680</b>	<b>(25.680)</b>	<b>--</b>	<b>--</b>

31 December 2020	Profit / (Loss)		Equity	
	Strengthening of USD	Weakening of USD	Strengthening of USD	Weakening of USD
<b>Increase/(decrease) 10 percent of TL parity</b>				
1-TL net asset / liability	30.878	(30.878)	--	--
2-Hedged portion of TL amounts(-)	--	--	--	--
<b>3-Net effect of TL (1+2)</b>	<b>30.878</b>	<b>(30.878)</b>	<b>--</b>	<b>--</b>
<b>Increase/(decrease) 10 percent of EUR parity</b>				
4-EUR net asset / liability	26.457	(26.457)	--	--
5-Hedged portion of EUR amounts(-)	--	--	--	--
<b>6-Net effect of EUR (4+5)</b>	<b>26.457</b>	<b>(26.457)</b>	<b>--</b>	<b>--</b>
<b>Increase/(decrease) 10 percent of other parities</b>				
7-Other foreign currency net asset / liability	(32.263)	32.263	--	--
8-Hedged portion of other foreign currency amounts(-)	--	--	--	--
<b>9-Net effect of other foreign currencies (7+8)</b>	<b>(32.263)</b>	<b>32.263</b>	<b>--</b>	<b>--</b>
<b>TOTAL (3+6+9)</b>	<b>25.072</b>	<b>(25.072)</b>	<b>--</b>	<b>--</b>



## **Çalık Holding Anonim Şirketi and its Subsidiaries**

### **Notes to the Interim Condensed Consolidated Interim Financial Statements As at and for the Six-Month Period Ended 30 June 2021**

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#### **25 Financial instruments – Fair values and risk management (continued)**

##### ***Fair value information***

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or in its absence, the most advantageous market to which the Group has access at that date.

When available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. If there is no quoted market price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs.

##### ***Fair value hierarchy***

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There were no changes in the Group's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the period.

**Çalık Holding Anonim Şirketi and its Subsidiaries**  
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**25 Financial instruments – Fair values and risk management (continued)**

***Fair value information (continued)***

The table below shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

<b>30 June 2021</b>	<b>Amortised costs</b>	<b>Measured at fair value through profit or loss</b>	<b>Measured at fair value through other comprehensive income</b>	<b>Total book value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total net realisable value</b>
<b>Financial assets measured at fair value</b>								
Financial investments(**)	--	454.321	2.631.065	<b>3.085.386</b>	1.774.273	1.049.223	261.890	<b>3.085.386</b>
Derivatives(**)	--	14.804	--	<b>14.804</b>	--	14.804	--	<b>14.804</b>
<b>Financial assets not measured at fair value</b>								
Financial investments(**)	244.676	--	--	<b>244.676</b>	55.156	189.520	--	<b>244.676</b>
Trade receivables	473.655	--	--	<b>473.655</b>	--	--	--	--
Other receivables	569.834	--	--	<b>569.834</b>	--	--	--	--
Cash and cash equivalents	615.281	--	--	<b>615.281</b>	--	--	--	--
Receivables related to finance sector operations	2.756.582	--	--	<b>2.756.582</b>	--	--	--	--
<b>Total</b>	<b>4.660.028</b>	<b>469.125</b>	<b>2.631.065</b>	<b>7.760.218</b>	<b>1.829.429</b>	<b>1.253.547</b>	<b>261.890</b>	<b>3.344.866</b>
<b>Financial liabilities measured at fair value</b>								
Derivatives(**)	--	14.640	--	<b>14.640</b>	--	14.640	--	<b>14.640</b>
<b>Financial liabilities not measured at fair value</b>								
Loans and borrowings(**)	2.405.615	--	--	<b>2.405.615</b>	--	--	2.405.615	<b>2.405.615</b>
Trade payables	271.627	--	--	<b>271.627</b>	--	--	--	--
Payables related to finance sector operations	5.129.575	--	--	<b>5.129.575</b>	--	--	--	--
Other payables(*)	33.828	--	--	<b>33.828</b>	--	--	--	--
<b>Total</b>	<b>7.840.645</b>	<b>14.640</b>	--	<b>7.855.285</b>	--	<b>14.640</b>	<b>2.405.615</b>	<b>2.420.255</b>

(\*) Deposits and guarantees given are excluded from other liabilities.

(\*\*) Carrying value and fair value of this assets and liabilities are the same.

## Çalık Holding Anonim Şirketi and its Subsidiaries

### Notes to the Interim Condensed Consolidated Interim Financial Statements

As at and for the Six-Month Period Ended 30 June 2021

(Amounts expressed in thousands of USD unless otherwise stated.)

## 25 Financial instruments – Fair values and risk management (continued)

### Fair value information (continued)

31 December 2020	Amortised costs	Measured at fair value through profit or loss	Measured at fair value through other comprehensive income	Total book value	Level 1	Level 2	Level 3	Total net realisable value
<b>Financial assets measured at fair value</b>								
Financial investments <sup>(**)</sup>	--	450.647	2.616.753	<b>3.067.400</b>	1.776.262	994.022	297.116	<b>3.067.400</b>
Derivatives <sup>(**)</sup>	--	13.332	--	<b>13.332</b>	--	13.332	--	<b>13.332</b>
<b>Financial assets not measured at fair value</b>								
Financial investments <sup>(**)</sup>	234.511	--	--	<b>234.511</b>	49.581	184.930	--	<b>234.511</b>
Trade receivables	430.176	--	--	<b>430.176</b>	--	--	--	--
Other receivables	554.612	--	--	<b>554.612</b>	--	--	--	--
Cash and cash equivalents	897.487	--	--	<b>897.487</b>	--	--	--	--
Receivables related to finance sector operations	2.612.686	--	--	<b>2.612.686</b>	--	--	--	--
<b>Total</b>	<b>4.729.472</b>	<b>463.979</b>	<b>2.616.753</b>	<b>7.810.204</b>	<b>1.825.843</b>	<b>1.192.284</b>	<b>297.116</b>	<b>3.315.243</b>
<b>Financial liabilities measured at fair value</b>								
Derivatives <sup>(**)</sup>	--	19.557	--	<b>19.557</b>	--	19.557	--	<b>19.557</b>
<b>Financial liabilities not measured at fair value</b>								
Loans and borrowings <sup>(**)</sup>	2.377.295	--	--	<b>2.377.295</b>	--	--	2.377.295	<b>2.377.295</b>
Trade payables	275.046	--	--	<b>275.046</b>	--	--	--	--
Payables related to finance sector operations	5.279.579	--	--	<b>5.279.579</b>	--	--	--	--
Other payables <sup>(*)</sup>	49.563	--	--	<b>49.563</b>	--	--	--	--
<b>Total</b>	<b>7.981.483</b>	<b>19.557</b>	<b>--</b>	<b>8.001.040</b>	<b>--</b>	<b>19.557</b>	<b>2.377.295</b>	<b>2.396.852</b>

(\*) Deposits and guarantees given are excluded from other liabilities.

(\*\*) Carrying value and fair value of this assets and liabilities are the same.

## **Çalık Holding Anonim Şirketi and its Subsidiaries**

### **Notes to the Interim Condensed Consolidated Interim Financial Statements**

#### **As at and for the Six-Month Period Ended 30 June 2021**

*(Amounts expressed in thousands of USD unless otherwise stated.)*

#### **26 Subsequent events**

Board of Directors of the Group is planning that, Çalık Finansal Hizmetler A.Ş. as a whole, with all its assets and liabilities by dissolving without liquidation, shall be taken over by Çalık Holding A.Ş. and, merged within the structure of Çalık Holding A.Ş. Necessary procedures for the merger transaction are in progress.