

(Convenience translation to English of Consolidated Financial Statements Originally Issued in Turkish)  
İhlas Holding A.Ş. and its Subsidiaries

Consolidated Balance Sheet at June 30, 2019  
(All amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

	Current Period 30-06-19	Previous Period 31-12-18
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>	<b>1,555,299,221</b>	<b>1,608,984,747</b>
Cash and Cash Equivalents	27,521,674	38,017,127
Financial Investments	-	-
Trade Receivables	723,852,891	764,959,966
- Related parties	1,547,541	1,351,928
- Non-related parties	722,305,350	763,608,038
Receivables from Financial Sector Operations	-	-
- Related parties	-	-
- Non-related parties	-	-
Other Receivables	7,500,087	7,409,488
- Related parties	26,831	26,831
- Non-related parties	7,473,256	7,382,657
Derivative Financial Instruments	-	-
Inventories	605,902,802	587,748,895
Biological Assets	-	-
Prepaid Expenses	123,058,168	146,677,751
Assets related with Current Tax	678,591	378,432
Other Current Assets	66,785,008	63,793,088
SUBTOTAL	1,555,299,221	1,608,984,747
Assets Held for Sale	-	-
<b>NON-CURRENT ASSETS</b>	<b>950,026,633</b>	<b>867,013,818</b>
Financial Investments	914,306	914,306
Trade Receivables	154,937,747	166,574,308
- Related parties	-	-
- Non-related parties	154,937,747	166,574,308
Receivables from Financial Sector Operations	-	-
- Related parties	-	-
- Non-related parties	-	-
Other Receivables	4,072,925	3,820,048
- Related parties	-	-
- Non-related parties	4,072,925	3,820,048
Derivative Financial Instruments	-	-
Investments Accounted with Equity Method	64,281,540	22,486,685
Usufruct Assets	39,487,765	-
Investment Properties	216,647,015	215,543,853
Property, Plant and Equipment	256,195,494	252,502,602
Intangible Assets	16,431,440	16,223,300
- Goodwill	6,975,245	6,975,245
- Other Intangible Assets	9,456,195	9,248,055
Prepaid Expenses	132,598,825	118,338,188
Deferred Tax Asset	64,459,576	70,610,438
Other Non-Current Assets	-	-
<b>TOTAL ASSETS</b>	<b>2,505,325,854</b>	<b>2,475,998,565</b>

<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>SHORT TERM LIABILITIES</b>	<b>994,585,475</b>	<b>979,948,395</b>
Short-Term Liabilities	107,124,149	82,378,081
Short-Term Portion of Long-Term Liabilities	102,717,350	64,591,990
Other Financial Liabilities	-	-
Trade Payables	261,896,441	281,276,024
- Related parties	6,865,878	9,614,951
- Non-related parties	255,030,563	271,661,073
Liabilities for employee benefits	28,254,997	26,103,107
Payables from Financial Sector Operations	-	-
- Related parties	-	-
- Non-related parties	-	-
Other Payables	11,576,483	10,402,624
- Related parties	2,153,060	1,129,136
- Non-related parties	9,423,423	9,273,488
Derivative Financial Instruments	-	-
Government Grants and Incentives	-	-
Deferred Income	421,561,589	450,731,435
Current Income Tax Liabilities	119,133	6,864,430
Short-Term Provisions	14,447,903	12,131,547
- Short-Term Provisions for employee benefits	5,247,544	2,934,207
- Other Short-Term Provisions	9,200,359	9,197,340
Other Current Liabilities	46,887,430	45,469,157
SUBTOTAL	994,585,475	979,948,395
Liabilities From Assets Held for Sale	-	-
<b>LONG TERM LIABILITIES</b>	<b>754,517,553</b>	<b>682,441,614</b>
Long-Term Liabilities	272,818,990	249,666,903
Other Financial Liabilities	-	-
Trade Payables	-	-
- Related parties	-	-
- Non-related parties	-	-
Payables from Financial Sector Operations	-	-
- Related parties	-	-
- Non-related parties	-	-
Other Payables	30,594	30,594
- Related parties	-	-
- Non-related parties	30,594	30,594
Derivative Financial Instruments	-	-
Government Grants and Incentives	-	-
Deferred Income	373,280,348	324,603,100
Long-Term Provisions	53,492,594	49,463,069
- Long-Term Provisions for employee benefits	52,587,774	48,432,196
- Other Long-Term Provisions	904,820	1,030,873
Current Tax Liability	-	-
Deferred Tax Liability	46,239,482	44,624,039
Other Long Term Liabilities	8,655,545	14,053,819
<b>EQUITY</b>	<b>756,222,826</b>	<b>813,608,556</b>
<b>PARENT COMPANY EQUITY</b>	<b>470,438,688</b>	<b>520,005,741</b>
Paid-in Capital	790,400,000	790,400,000
Adjustment to Paid-in Capital	-	-
Share Buyback (-)	-	-
Capital Adjustments due to Cross-Ownership	-	-
Equity Share Premiums	7,261,711	7,260,265
Other Comprehensive Income not to be Reclassified as Profit or Loss	84,284,997	86,004,462
- Profit/Loss on Revaluation Funds	92,827,143	92,827,143
Gains/Losses on Remeasurement of Defined Benefit Plans	(8,475,712)	(6,754,993)
Non-Classifiable Other Comprehensive Income of Investment Accounted with Equity Method	(66,434)	(67,688)
Other Reserves	(44,598,745)	(44,598,745)
Other Comprehensive Income to be Reclassified as Profit or Loss	-	-
- Foreign Currency Translation Differences	-	-
- Profit/Loss on Revaluation Funds	-	-
- Other Profit/Loss	-	-
Restricted Reserves	22,265,924	21,196,531
Profit/Loss for the period	(355,192,692)	(301,665,632)
Non-controlling Interests	(33,982,507)	(38,591,140)
<b>Non-controlling Interests</b>	<b>285,784,138</b>	<b>293,602,815</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>2,505,325,854</b>	<b>2,475,998,565</b>

## Income Statement

	01.01.2019- 30.06.2019	01.01.2018- 30.06.2018	01.04.2019- 30.06.2019
<b>CONTINUING OPERATIONS</b>			
Revenue	337,836,956	473,587,774	157,617,168
Cost of Sales	(264,822,883)	(370,327,437)	(121,422,640)
<b>Gross Profit (Loss) from Commercial Operations</b>	<b>73,014,073</b>	<b>103,260,337</b>	<b>36,194,528</b>
Revenue from Financial Operations	-	-	-
Cost of Financial Operations (-)	-	-	-
<b>Gross Profit (Loss) from Financial Sector Operations</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>GRAND GROSS PROFIT/LOSS</b>	<b>73,014,073</b>	<b>103,260,337</b>	<b>36,194,528</b>
General Administrative Expenses (-)	(57,539,026)	(62,914,950)	(27,062,786)
Marketing Expenses (-)	(13,406,839)	(16,306,229)	(7,499,467)
Research and Development Expenses (-)	(732,533)	(366,185)	(339,550)
Other Operating Income	49,457,906	64,380,484	8,492,971
Other Operating Expenses (-)	(27,195,595)	(62,992,006)	(14,618,850)
<b>OPERATING PROFIT/LOSS</b>	<b>23,597,986</b>	<b>25,061,451</b>	<b>(4,833,154)</b>
Revenue from Investing Activities	558,628	4,929,267	387,470
Expenses of Investing Activities (-)	(37,335)	(485,492)	(3,047)
Shares in Profit/Loss of Investments Accounted with Equity Method	1,973,316	(1,755)	1,261,923
<b>PROFIT/LOSS BEFORE FINANCIAL EXPENSES</b>	<b>26,092,595</b>	<b>29,503,471</b>	<b>(3,186,808)</b>
Financial Income	6,323,012	1,713,056	3,816,983
Financial Expenses (-)	(63,026,059)	(55,529,720)	(37,306,452)
<b>PROFIT/LOSS BEFORE TAX FROM CONTINUING OPERATIONS</b>	<b>(30,610,452)</b>	<b>(24,313,193)</b>	<b>(36,676,277)</b>
<b>Tax Income/Expense from Continuing Operations</b>	<b>(5,962,774)</b>	<b>(12,418,917)</b>	<b>(3,394,929)</b>
- Current Tax Income/Expense	(922,876)	(1,424,987)	635,517
- Deferred Tax Income/Expense	(5,039,898)	(10,993,930)	(4,030,446)
<b>PROFIT/LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS</b>	<b>(36,573,226)</b>	<b>(36,732,110)</b>	<b>(40,071,206)</b>
<b>DISCONTINUED OPERATIONS</b>			
<b>CURRENT YEAR PROFIT / LOSS</b>	<b>(36,573,226)</b>	<b>(36,732,110)</b>	<b>(40,071,206)</b>
<b>Total Comprehensive Income Attributable to:</b>			
- Non-controlling Interests	(2,590,719)	(8,847,202)	(4,812,017)
- Equityholders of the Parent	-	(27,884,908)	(35,259,189)
<b>Earnings Per Share</b>	<b>(0.0463)</b>	<b>(0.0465)</b>	<b>(0.0507)</b>
- Earnings Per Share from Continuing Operations	-	-	-
- Earnings Per Share from Discontinued Operations	(0.0463)	(0.0465)	(0.0507)
<b>Diluted Earnings Per Share</b>			
- Diluted Earnings Per Share from Continuing Operations			
- Diluted Earnings Per Share from Discontinued Operations			
Weighted Average Share Amount	790,400,000	790,400,000	
<b>Comprehensive Income Statement</b>			
<b>(IFRS CONSOLIDATED)</b>			
<b>CURRENT YEAR PROFIT / LOSS</b>	<b>(36,573,226)</b>	<b>(36,732,110)</b>	<b>(40,071,206)</b>
<b>Non-Classifiable Items to Profit/ (Loss)</b>			
Change in Revaluation of Property, Plant and Equipment	-	-	-
Change in Revaluation of Intangible Assets	-	-	-
Gains/Losses on Remeasurement of Defined Benefit Plans	(1,785,272)	(4,798,368)	(491,527)
Non-Classifiable Other Comprehensive Income of Investment Accounted with Equity Method	2,113	8,029	(19,185)
Non-Classifiable Items of Other Comprehensive Income as Other Profit/(Loss)	-	-	-
Tax due to Non-Classifiable Items of Other Comprehensive Income as Profit/(Loss)	-	-	-
<b>Classifiable Items to Profit/ (Loss)</b>			
Foreign Currency Translation Differences	-	-	-
Gain/(Loss) on Revaluation or Reclassification of Available for Sale Financial Assets	-	-	-
Gain/(Loss) on Cash Flow Hedges	-	-	-
Gain/(Loss) on Hedge of Net Investment in a Foreign Operation	-	-	-
Classifiable Other Comprehensive Income of Investment Accounted with Equity Method	-	-	-
Classifiable Items of Other Comprehensive Income as Other Profit/(Loss)	-	-	-
<b>OTHER COMPREHENSIVE INCOME</b>	<b>(1,783,159)</b>	<b>(4,790,339)</b>	<b>(510,712)</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>(38,356,385)</b>	<b>(41,522,449)</b>	<b>(40,581,918)</b>
<b>Total Comprehensive Income Attributable to:</b>			
- Non-controlling Interests	(2,654,413)	(9,515,863)	(4,344,266)
- Equityholders of the Parent	(35,701,972)	(32,006,586)	(36,237,652)