

HACI ÖMER SABANCI HOLDİNG A.Ş.

**CONVENIENCE TRANSLATION INTO ENGLISH OF
CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD 1 JANUARY – 30 JUNE 2022
TOGETHER WITH AUDITOR'S REVIEW REPORT**

(ORIGINALLY ISSUED IN TURKISH)



**CONVENIENCE TRANSLATION INTO ENGLISH OF INDEPENDENT
AUDITOR’S REVIEW REPORT ORIGINALLY ISSUED IN TURKISH**

**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED
FINANCIAL INFORMATION**

To the General Assembly of Hacı Ömer Sabancı Holding A.Ş.

Introduction

We have reviewed the accompanying condensed consolidated balance sheet of Hacı Ömer Sabancı Holding A.Ş. (the “Company”) and its subsidiaries (collectively referred as the “Group”) as at 30 June 2022 and the related condensed consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the six-month period then ended. The management of the Group is responsible for the preparation and fair presentation of this interim condensed consolidated financial information in accordance with Turkish Accounting Standard 34 (“TAS 34”) “Interim Financial Reporting”. Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of review

We conducted our review in accordance with the Standard on Review Engagements (“SRE”) 2410, “Review of interim financial information performed by the independent auditor of the entity”. A review of interim condensed consolidated financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and the objective of which is to express an opinion on the consolidated financial statements. Consequently, a review on the interim condensed consolidated financial information does not provide assurance that the audit firm will be aware of all significant matters which would have been identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to conclude that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with TAS 34.



Additional explanation for convenience translation into English

Turkish Financial Reporting Standards differ from International Financial Reporting Standards("IFRS") issued by the International Accounting Standards Board with respect to the application of IAS 29 Financial Reporting in Hyperinflationary Economies by 30 June 2022. Accordingly, the accompanying consolidated financial statements are not intended to present fairly the consolidated financial position and results of operations of the Group in accordance with IFRS.

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

A handwritten signature in blue ink, appearing to read "Gökhan Yüksel", is written over a faint, circular stamp or watermark.

Gökhan Yüksel, SMMM
Partner

Istanbul, 11 August 2022

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HACI ÖMER SABANCI HOLDİNG A.Ş.**CONDENSED CONSOLIDATED BALANCE SHEET AT 30 JUNE 2022 AND 31 DECEMBER 2021**

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

ASSETS	Note References	Reviewed 30 June 2022	Audited 31 December 2021
Current Assets		617.875.266	465.289.463
Cash and Cash Equivalents		63.164.647	69.417.883
Reserve Deposits with the Central Bank of the Republic of Turkey		123.889.940	81.792.492
Financial Investments		41.843.346	40.134.206
- Fair Value Through Profit or Loss	5.a	7.934.458	11.288.001
- Fair Value Through Other Comprehensive Income	5.b	14.954.227	15.853.577
- At Amortized Cost	5.c	18.694.045	12.629.008
- Time Deposit	5.d	260.616	363.620
Trade Receivables		6.287.466	4.254.881
- Trade receivables from related parties		215.372	203.792
- Trade receivables from non-related parties		6.072.094	4.051.089
Receivables from Finance Sector Operations	24	324.366.439	225.676.033
Other Receivables	8	6.498.496	3.753.288
Derivative Financial Instruments	23	19.496.333	23.646.983
Inventories		11.139.222	7.520.997
Prepaid Expenses		4.585.771	2.353.369
Deferred Insurance Expenses		754.853	474.946
Assets Related to Current Tax	22	5.859.705	136.708
Other Current Assets	16	9.481.277	5.433.104
		617.367.495	464.594.890
Non-current Assets Held for Sale	18	507.771	694.573
Non-current Assets		439.659.576	354.474.326
Financial Assets		179.763.155	131.979.497
- Fair Value Through Other Comprehensive Income	5.b	124.465.087	87.077.994
- At Amortized Cost	5.c	55.298.068	44.901.503
Trade Receivables		1.266	6.086
- Trade receivables from non-related parties		1.266	6.086
Receivables From Finance Sector Operations	24	181.644.815	160.936.678
Other Receivables	8	1.155.710	503.230
Derivative Financial Instruments	23	36.434.717	27.349.132
Investments Accounted Through Equity Method	9	9.926.838	8.763.569
Investment Property		463.082	383.871
Property, Plant and Equipment	10	12.443.711	10.569.872
Right Of Use Assets	12	2.537.887	1.980.324
Intangible Assets		12.821.692	10.480.408
- Goodwill	13	3.659.057	2.522.764
- Other Intangible Asset	11	9.162.635	7.957.644
Prepaid Expenses		382.085	46.052
Deferred Insurance Expenses		717.320	642.071
Deferred Tax Assets	22	1.170.014	660.696
Other Non-current Assets	16	197.284	172.840
Total Assets		1.057.534.842	819.763.789

These consolidated financial statements have been approved for issue by the Board of Directors on 11 August 2022. General Assembly has the right to change these consolidated financial statements.

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

HACI ÖMER SABANCI HOLDİNG A.Ş.

CONDENSED CONSOLIDATED BALANCE SHEET AT 30 JUNE 2022 AND 31 DECEMBER 2021

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

	Note	Reviewed	Audited
	References	30 June	31 December
		2022	2021
LIABILITIES			
Current Liabilities		796.871.147	606.207.659
Short Term Borrowings	6	31.702.029	26.193.026
Current Portion of Long-Term Borrowings	6	37.793.842	27.179.115
Short Term Lease Liabilities	7	499.060	382.607
Trade Payables		11.322.171	8.739.683
- Trade payables to related parties		207.091	109.484
- Trade payables to non-related parties		11.115.080	8.630.199
Payables from Finance Sector Operations	25	652.194.972	495.202.504
Payables related to Employee Benefits		244.838	133.906
Other Payables	8	27.667.309	16.992.367
Derivative Financial Instruments	23	12.835.251	14.714.467
Deferred Income		596.720	248.442
Income Taxes Payable	22	748.563	1.756.390
Short Term Provisions		14.487.912	11.151.910
- Short Term Provisions for Employee Benefits		925.740	768.587
- Insurance Technical Provisions	14	12.417.381	9.328.281
- Other Short-Term Provisions	14	1.144.791	1.055.042
Other Short-Term Liabilities	16	6.772.083	3.513.242
		796.864.750	606.207.659
Liabilities Classified as Held for Sale	18	6.397	-
Long Term Liabilities		121.682.827	109.951.948
Long Term Borrowings	6	68.452.809	64.396.093
Long Term Lease Liabilities	7	2.363.138	1.844.517
Payables from Finance Sector Operations	25	14.577.626	17.327.199
Other Payables	8	10.915.708	7.145.569
Derivative Financial Instruments	23	9.651.240	11.219.270
Deferred Income		253.392	221.404
Long Term Provisions		9.513.407	6.380.764
- Long Term Provisions for Employee Benefits		1.581.738	1.051.410
- Insurance Technical Provisions	14	6.569.627	4.766.880
- Other Long-Term Provisions	14	1.362.042	562.474
Taxes and Funds Payable		9.488	10.233
Deferred Tax Liabilities	22	5.904.893	1.382.161
Other Long-Term Liabilities	16	41.126	24.738
EQUITY		138.980.868	103.604.182
Equity Attributable to The Parent	17	69.406.503	51.416.916
Share Capital	17	2.040.404	2.040.404
Adjustments to Share Capital		3.426.761	3.426.761
Share Premium	17	22.237	22.237
Treasury shares (-)	17	(1.069.331)	(298.646)
Other Comprehensive Income or Expenses That Will Not Be Reclassified to Profit or Loss		(376.856)	(238.606)
- Actuarial Gain/Loss		(376.856)	(238.606)
Other Comprehensive Income or Expenses That Will Be Reclassified to Profit or Loss		7.549.139	3.521.468
- Currency Translation Reserve	17	8.751.620	6.690.649
- Gains/Losses on Hedge	17	(1.770.389)	(2.450.148)
- Revaluation Reserve	17	567.908	(719.033)
Restricted Reserves	17	2.647.143	1.532.498
Retained Earnings		38.824.893	29.378.702
Net Income for the Period		16.342.113	12.032.098
Non-controlling Interests		69.574.365	52.187.266
TOTAL EQUITY AND LIABILITIES		1.057.534.842	819.763.789

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

HACI ÖMER SABANCI HOLDİNG A.Ş.

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE PERIOD ENDED
30 JUNE 2022 AND 2021**

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

	Note References	Reviewed 1 January - 30 June 2022	Reviewed 1 January - 30 June 2021	Not reviewed 1 April- 30 June 2022	Not reviewed 1 April- 30 June 2021
CONTINUING OPERATIONS					
Sales (net)	4	28.050.392	13.009.450	15.587.518	6.806.316
Cost of Sales (-)	4	(22.234.282)	(10.056.791)	(12.286.580)	(5.285.189)
Gross Profit from Non-Financial Operations		5.816.110	2.952.659	3.300.938	1.521.127
Interest, Premium, Commission and Other Income	4	61.660.277	22.591.481	35.683.643	11.980.438
Interest, Premium, Commission and Other Expense (-)	4	(25.083.023)	(12.487.751)	(14.120.476)	(6.620.155)
Gross Profit from Financial Operations		36.577.254	10.103.730	21.563.167	5.360.283
GROSS PROFIT		42.393.364	13.056.389	24.864.105	6.881.410
General and Administrative Expenses (-)		(9.886.283)	(4.782.043)	(5.306.352)	(2.483.281)
Marketing Expenses (-)		(2.460.572)	(1.382.827)	(1.296.384)	(698.285)
Research and Development Expenses (-)		(38.879)	(22.498)	(21.883)	(12.717)
Other Income from Operating Activities	19	4.925.267	1.087.083	3.486.214	557.312
Other Expense from Operating Activities (-)	19	(2.363.354)	(918.476)	(1.399.842)	(450.684)
Share of Profit of Investments Accounted for Using the Equity Method	9	2.492.096	1.212.892	1.250.093	562.010
OPERATING PROFIT		35.061.639	8.250.520	21.575.951	4.355.765
Income from Investing Activities	20	3.538.154	140.102	201.287	105.613
Expense from Investing Activities (-)	20	(3.084)	(1.779)	(119)	(25)
OPERATING PROFIT BEFORE FINANCIAL EXPENSES		38.596.709	8.388.843	21.777.119	4.461.353
Financial Income	21	480.045	69.347	299.498	24.516
Financial Expenses (-)	21	(1.073.923)	(589.371)	(556.064)	(340.372)
INCOME BEFORE TAX FROM CONTINUING OPERATIONS		38.002.831	7.868.819	21.520.553	4.145.497
Tax Expense from Continuing Operations					
Current Tax Expense		(5.061.228)	(1.305.914)	6.402.105	(1.119.517)
Deferred Tax Income/(Expense)	22	(2.867.004)	(345.476)	(11.266.672)	97.142
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS		30.074.599	6.217.429	16.655.986	3.123.122
DISCONTINUED OPERATIONS					
Profit After Tax					
From Discontinued Operations		(2.394)	(4.202)	(2.347)	(1.753)
PROFIT FOR THE PERIOD		30.072.205	6.213.227	16.653.639	3.121.369
ALLOCATION OF PROFIT					
- Non-controlling Interests		13.730.092	2.748.907	8.562.249	1.409.395
- Equity Holders of the Parent		16.342.113	3.464.320	8.091.390	1.711.974
Earnings per share					
- hundreds of ordinary shares (TRY)		8,01	1,70	3,97	0,84
Earnings per share from continuing operations					
- hundreds of ordinary shares (TRY))		8,01	1,70	3,97	0,84

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

HACI ÖMER SABANCI HOLDİNG A.Ş.**CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2022 AND 2021**

(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

	Reviewed 1 January - 30 June 2022	Reviewed 1 January - 30 June 2021	Not reviewed 1 April- 30 June 2022	Not reviewed 1 April- 30 June 2021
INCOME FOR THE PERIOD	30.072.205	6.213.227	16.653.639	3.121.369
Other Comprehensive Income / (Loss):				
Items that will not be Reclassified				
To Profit or Loss	(280.840)	(38.206)	(247.843)	(32.778)
Actuarial (losses) / gains	(257.404)	(36.161)	(220.862)	(29.395)
Other comprehensive income/(expense) shares of investments accounted by equity method, after tax	(23.436)	(2.045)	(26.981)	(3.383)
Items that will be Reclassified				
To Profit or Loss	8.717.791	1.501.209	24.849	2.533.468
Gains/(losses) on available for sale financial assets transferred to the income statement, after tax	3.133.724	(560.740)	(2.949.777)	1.387.674
Currency translation differences	3.993.858	1.668.369	2.045.599	725.485
Cash flow hedges, after tax	2.973.008	1.200.347	1.521.868	700.195
Profit/(loss) from the derivative financial assets related to the hedging of net investment in a foreign operation, after tax	(1.437.607)	(760.677)	(682.854)	(349.932)
Other comprehensive income/(expense) shares of investments accounted by equity method, after tax	54.808	(46.090)	90.013	70.046
OTHER COMPREHENSIVE INCOME (AFTER TAX)	8.436.951	1.463.003	(222.994)	2.500.690
TOTAL COMPREHENSIVE INCOME	38.509.156	7.676.230	16.430.645	5.622.059
ALLOCATION OF TOTAL COMPREHENSIVE INCOME				
- Non-controlling Interests	18.277.622	3.480.215	8.165.343	2.750.363
- Equity Holders of the Parent	20.231.534	4.196.015	8.265.302	2.871.696

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

HACI ÖMER SABANCI HOLDİNG A.Ş.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD 1 JANUARY - 30 JUNE 2022 AND 2021

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

	<u>Accumulated Other Comprehensive Income or Loss That Will</u>													
	<u>Not be reclassified</u>													<u>Be reclassified</u>
	<u>Profit or Loss</u>													
	Share capital	Adjustment to share capital	Treasury shares	Share premium	Actuarial gains / losses	Currency translation reserve	Hedge reserve	Revaluation funds	Restricted reserve	Retained earnings	Net income for the year	Equity attributable to the parent	Non- controlling interest	Total
Balance at 1 January 2021	2.040.404	3.426.761	(190.470)	22.237	(150.921)	2.684.551	(1.755.742)	207.135	1.223.543	25.721.428	4.767.573	37.996.499	38.786.395	76.782.894
Transfers	-	-	-	-	-	-	-	146.726	4.620.847	(4.767.573)	-	-	-	
Dividends	-	-	-	-	-	-	-	-	(733.591)	-	(733.591)	(414.157)	(1.147.748)	
Capital increase	-	-	-	-	-	-	-	-	-	-	-	139.339	139.339	
Changes in ownership interests in subsidiaries that do not result in a loss of control	-	-	-	-	-	29.335	-	-	(12.116)	-	17.219	(17.219)	-	
Total comprehensive income	-	-	-	-	(18.314)	848.799	146.464	(245.254)	-	3.464.320	4.196.015	3.480.215	7.676.230	
Balances at 30 June 2021	2.040.404	3.426.761	(190.470)	22.237	(169.235)	3.562.685	(1.609.278)	(38.119)	1.370.269	29.596.568	3.464.320	41.476.142	41.974.573	83.450.715
Balance at 1 January 2022	2.040.404	3.426.761	(298.646)	22.237	(238.606)	6.690.649	(2.450.148)	(719.033)	1.532.498	29.378.702	12.032.098	51.416.916	52.187.266	103.604.182
Transfers	-	-	-	-	-	-	-	343.960	11.688.138	(12.032.098)	-	-	-	
Dividends(*)	-	-	-	-	-	-	-	-	(1.558.437)	-	(1.558.437)	(895.009)	(2.453.446)	
Subsidiary disposals (**)	-	-	-	-	-	25.245	-	-	-	2.643.361	2.668.606	-	2.668.606	
Other changes	-	-	-	-	-	-	-	-	87.175	-	87.175	4.486	91.661	
Increase / (decrease) due to share buy back transactions (***)	-	-	(770.685)	-	-	-	-	-	770.685	(770.685)	(770.685)	-	(770.685)	
Total comprehensive income	-	-	-	-	(138.250)	2.035.726	679.759	1.286.941	-	13.698.752	17.562.928	18.277.622	35.840.550	
Balances at 30 June 2022	2.040.404	3.426.761	(1.069.331)	22.237	(376.856)	8.751.620	(1.770.389)	567.908	2.647.143	38.824.893	16.342.113	69.406.503	69.574.365	138.980.868

(*) Dividends per share paid by the Holding with a TRY1 nominal value is TRY0,75 (2021: TRY0,35).

(**) Sabancı Holding's entire shares in Philsa Philip Morris Sabancı Sigara ve Tütünçülük Sanayi ve Ticaret A.Ş. and Philip Morris SA Philip Morris Sabancı Pazarlama ve Satış A.Ş. have been sold on 5 January 2022 to Philip Morris Products S.A. (PM).

(***) Considering the transactions that were cleared as of 30 June 2022, shares with a nominal value of full TRY44.957 corresponding to 2,2034% of Company's share capital were repurchased.

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

HACI ÖMER SABANCI HOLDİNG A.Ş.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIOD 1 JANUARY - 30 JUNE 2022 AND 2021

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

	Note references	Reviewed 1 January - 30 June 2022	Reviewed 1 January - 30 June 2021
Net income from continuing operations		30.074.599	6.217.429
Net income from discontinued operations		(2.394)	(4.202)
Adjustments to reconcile income before taxation to net cash provided by operation activities:			
Tax expense/income		7.928.232	1.651.390
Depreciation and amortization expenses	4	1.522.148	888.589
Provision for loan losses		16.363.393	2.227.549
Changes in the fair value of derivative instruments		1.774.225	(3.985.835)
Interest income/expense and foreign currency gains		(15.616.799)	(2.427.531)
Provision for employment termination benefits		170.568	80.105
Impairment charge on property, plant and equipment,intangible assets and investment property		657	317
Impairment an assets held for sale		225	477
Income from sale of property, plant and equipment,intangible assets and investment property		(153.527)	(124.963)
Income from associates and joint ventures		(2.492.096)	(1.212.892)
Provision for /(reversal of) inventory impairment		(4.050)	17.017
Provision for /(reversal of) doubtful receivables		(43.974)	4.907
Unrealized foreign currency translation differences		(5.707.935)	(78.445)
Adjustments for losses (gains) on disposal of subsidiaries		(2.766.445)	-
Net cash provided by operation activities before changes in operating assets and liabilities		31.046.827	3.253.912
Changes in trade receivables		(1.913.008)	(741.350)
Changes in inventories		(3.595.900)	(829.892)
Changes in other receivables		(3.112.754)	9.300.862
Changes in prepaid expenses		(2.566.873)	(514.149)
Changes in derivative financial instruments		(8.382.181)	(3.626.480)
Changes in other assets		(8.076.643)	(331.938)
Changes in trade payables		2.488.370	(85.179)
Changes in other liabilities and other payables		28.587.597	3.147.218
Net cash provided in operating activities of assets classified as held for sale		184.693	88.273
Changes in assets and liabilities in finance segment:			
Changes in financial investments		3.124.660	(193.087)
Changes in receivables from finance sector operations		(133.176.931)	(28.067.860)
Changes in payables from finance sector operations		156.653.608	45.094.376
Changes in Central Bank of the Republic of Turkey account		(42.097.448)	(9.349.796)
Income taxes paid	22	(11.787.566)	(1.189.988)
Employment termination benefits paid		(58.265)	(50.598)
Net cash provided from operating activities		7.318.186	15.904.324
Cash flow from investing activities			
Sale / (Proceed) of fair value through other comprehensive income or amortized cost at financial asset		(38.296.152)	(13.182.836)
Capital expenditures		(2.792.377)	(499.635)
Proceeds from sales of property, plant, equipment and intangible assets		514.333	304.779
Cash outflows related to purchases for obtaining control of subsidiaries		(746.690)	-
Cash outflows from acquisitions or capital increases in associates and/or joint ventures		-	(150.000)
Cash inflows caused by share sales or capital decrease of associates and/or joint ventures		3.069.577	-
Dividends received		1.354.860	1.186.775
Other cash inflows/outflows		128.665	-
Net cash provided from / (used in) investing activities		(36.767.784)	(12.340.917)
Cash flow from financing activities			
Cash inflows from financial liabilities		27.475.461	13.454.422
Cash outflows from repayments of borrowings		(9.509.857)	(3.670.169)
Cash outflows from payments of lease liabilities		(479.869)	(377.399)
Cash outflows from repurchased shares		(770.685)	-
Share capital increase of subsidiaries		-	139.339
Interest received		6.154	8.931
Dividends paid		(2.453.446)	(1.147.748)
Net cash provided from / (used in) financing activities		14.267.758	8.407.376
Effect of change in foreign currency rates on cash and cash equivalents		8.790.825	2.022.025
Net increase / (decrease) in cash and cash equivalents		(6.391.015)	13.992.808
Cash and cash equivalents in the beginning of the period (**)		51.775.624	15.485.011
Cash and cash equivalents at the end of the period		45.384.609	29.477.819

(*) Cash and cash equivalents at the end of the period comprise interest accruals of TRY2.056 (31 December 2021: TRY1.491). Restricted deposit is TRY17.642.259 and TRY17.780.038 at the beginning and at the end of the current period, respectively (31 December 2021: TRY4.342.775 and TRY17.642.259 respectively).

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

HACI ÖMER SABANCI HOLDİNG A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 1 - ORGANIZATION AND OPERATIONS OF THE GROUP

Hacı Ömer Sabancı Holding A.Ş. (the “Holding”) was established in 1967 to coordinate and perform liaison services regarding the activities of companies operating in various fields including mainly finance, manufacturing and trade. The Holding is registered in Turkey. The number of employees as of 30 June 2022 is 64.909 (31 December 2021: 65.054). Holding’s registered address is as follows:

Sabancı Center, 4. Levent, İstanbul, Türkiye.

The Holding is registered with the Capital Markets Board (“CMB”) and its shares have been quoted on Borsa Istanbul (“BİST”) since 1997. As of 30 June 2022, the principal shareholders and their respective shareholding rates in the Group (“Hacı Ömer Sabancı A.Ş.”) are as follows (Note 17):

	(%)
Sakıp Sabancı Holding A.Ş.	14,07
Serra Sabancı	7,22
Suzan Sabancı Dinçer	6,94
Çiğdem Sabancı Bilen	6,94
Diğer	64,83
	100,00

The Holding, its subsidiaries, associates and joint ventures are together referred as the “Group”. The Holding is managed by Sabancı Family.

Subsidiaries

As of 30 June 2022, the type of activity of subsidiaries and their respective business segments in these condensed consolidated financial statements for the interim period are as follows:

Subsidiaries	Trade Stock Market	Type of Activity	Business Segment	Number of employees	Registered Country
Akbank T.A.Ş. (“Akbank”)	BİST	Banking	Banking	17.221	Turkey
Aksigorta A.Ş. (“Aksigorta”)	BİST	Insurance	Financial Services	660	Turkey
Agesa Hayat ve Emeklilik A.Ş. (“Agesa”)	BİST	Individual Pension and Insurance	Financial Services	1.660	Turkey
Carrefoursa Carrefour Sabancı Ticaret Merkezi A.Ş. (“Carrefoursa”)	BİST	Trade	Retail	13.241	Turkey
Teknosa İç ve Dış Ticaret A.Ş. (“Teknosa”)	BİST	Trade	Retail	2.609	Turkey
Çimsa Çimento Sanayi ve Ticaret A.Ş. (“Çimsa”)	BİST	Cement	Building Materials	2.660	Turkey
Çimsa Sabancı Cement BV (“CSC BV”)	-	Cement	Building Materials	214	Holland
Kordsa Teknik Tekstil Anonim Şirketi (“Kordsa”)	BİST	Tire reinforcement	Industry	4.959	Turkey
Exsa Export Sanayi Mamulleri Satış ve Araştırma A.Ş. (“Exsa”)	-	Trade	Other	7	Turkey
Ankara Enternasyonal Otelcilik A.Ş. (“AEO”)	-	Tourism	Other	2	Turkey
Tursa Sabancı Turizm ve Yatırım İşletmeleri A.Ş. (“Tursa”)	-	Tourism	Other	2	Turkey
Sabancı Dijital Teknoloji Hizmetleri A.Ş. (“SabancıDX”)	-	Information Technology	Other	285	Turkey
Dx Technology Services and Investment BV (“Dx BV”)	-	Information Technology	Other	131	Holland
Sabancı İklim Teknolojileri A.Ş. (“ Sabancı İklim Teknolojileri”)	-	Energy	Energy	-	Turkey

HACI ÖMER SABANCI HOLDİNG A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS (Continued)

In addition, A.R.T.S., which was established as a "Structured Entity" in November 1999 to provide long-term financing from abroad, which the Bank has 100% controlling power even though it is not a subsidiary, has been included in the consolidation by full consolidation method.

For the purposes of segment information, Holding’s stand-alone financial statements have been included within the “Other” business segment in Note 4.

Joint Ventures

As of 30 June 2022, the nature of business and operating segments of the Joint Ventures which are accounted through equity method in the consolidated financial statements are as follows:

Joint Ventures	Traded Stock Market	Type of Activity	Business Segment	Ventures	Number of Employees
Brisa Bridgestone Sabancı Lastik Sanayi ve Ticaret A.Ş. (“Brisa”)	BİST	Tire	Industry	Bridgestone	3.815
Akçansa Çimento Sanayi ve Ticaret A.Ş. (“Akçansa”)	BİST	Cement	Building Materials	Heidelberg	2.114
Enerjisa Enerji A.Ş. (“Enerjisa Enerji”)	BİST	Energy	Energy	E.ON SE	12.510
Enerjisa Üretim Santralleri A.Ş. (“Enerjisa Üretim”)	-	Energy	Energy	E.ON SE	898
Temsa Ulaşım Araçları Sanayi ve Ticaret A.Ş. (“Temsa Ulaşım Araçları”)	-	Automotive	Other	PPF Industry CO. B.V.	1.453

All the Joint Ventures are registered in Turkey.

HACI ÖMER SABANCI HOLDİNG A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of Presentation

2.1.1 *Statement of compliance with TAS*

Sabancı Holding, its Subsidiaries and Joint Ventures registered in Turkey maintain their books of accounts and prepare their statutory financial statements (“Statutory Financial Statements”) in TRY in accordance with the Turkish Commercial Code (“TCC”), tax legislation and the Uniform Chart of Accounts issued by the Ministry of Finance, applicable Turkish insurance laws for insurance companies and banking law, accounting principles and instructions promulgated by the Banking Regulation and Supervising Agency for banks and accounting principles issued by the CMB for listed companies. The foreign Subsidiaries and Joint Ventures maintain their books of account in accordance with the laws and regulations in force in the countries in which they are registered. These consolidated financial statements are based on the statutory records, which are maintained under historical cost conversion, with the required adjustments and reclassifications reflected for the purpose of fair presentation in accordance with the Turkish Financial Reporting Standards (“TFRS”).

The accompanying financial statements are prepared in accordance with the requirements of Capital Markets Board (“CMB”) Communiqué Serial II, no: 14.1 “Basis of Financial Reporting in Capital Markets”, which was published in the Official Gazette No:28676 on 13 June 2013. The accompanying financial statements are prepared based on the Turkish Financial Reporting Standards (“TFRS”) that have been put into effect by the Public Oversight Accounting and Auditing Standards Authority (“POA”) under Article 5 of the Communiqué.

In accordance with the Turkish Accounting Standard No: 34 “Interim Financial Reporting”, entities are allowed to prepare a complete or condensed set of interim financial statements. In this respect, the Group has preferred to prepare condensed consolidated financial statements in the interim periods. Accordingly, these interim condensed consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2021.

The interim condensed consolidated financial statements have been prepared in accordance with formats announced by CMB as of 7 June 2013 and the “Announcement regarding to TAS Taxonomy” which was published on 15 April 2019 by POA, and the format and mandatory information recommended by CMB. These interim condensed consolidated financial statements have been prepared under the historical cost conversion except for the financial assets and liabilities presented at fair values, and the revaluations related to the differences between the carrying value and fair value of the non-current assets recognized in business combinations.

Public Oversight Accounting and Auditing Standards Authority (“POA”) made an announcement on 20 January 2022 about Application of Financial Reporting in Hyperinflationary Economies for Turkish Financial Reporting Standards and Reporting Standards for Large and Medium Sized Entities. In accordance with the announcement, companies that apply TFRS should not adjust financial statements for TAS 29 - Financial Reporting in Hyperinflationary Economies for the year 2021. As of the preparation date of this consolidated financial statements, POA did not make an additional announcement and no adjustment was made to this consolidated financial statements in accordance with TAS 29.

Functional and Presentation Currency

The individual financial statements of each Group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The results and financial position of each entity are expressed in TRY, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

HACI ÖMER SABANCI HOLDİNG A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 2-BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1 Basis of Presentation (Continued)

2.1.2 New and Revised Turkish Accounting Standards

The accounting policies adopted in preparation of the consolidated financial statements as of June 30, 2022, are consistent with those of the previous fiscal year, except for the adoption of new and amended TFRS and TFRIC interpretations effective as of January 1, 2022. The effects of these standards and interpretations on the Group’s financial position and performance have been disclosed in the related paragraphs.

(a) Standards, amendments and interpretations applicable as at 30 June 2022:

- Amendments to TFRS 7, TFRS 4 and TFRS 16 - Interest rate benchmark reform phase 2
- Amendments to TFRS 16 - Covid -19 related rent concessions extension of the practical expedient

(b) Standards, amendments and interpretations that are issued but not effective as at 30 June 2022:

- TFRS 17 - The new standard for insurance contracts
- Amendments to TAS 1 - Presentation of financial statement on classification of liabilities
- A number of narrow-scope amendments to TFRS 3, TAS 16, TAS 37 and some annual improvements on TFRS 1, TFRS 9, TAS 41 and TFRS 16
- Amendments to TFRS 3- Business combinations
- Amendments to TAS 16- Property, plant, and equipment
- Amendments to TAS 37- Provisions, contingent liabilities, and contingent assets
- Narrow scope amendments to TAS 1, practice statement TAS 8
- Amendments to TAS 12 - Deferred tax related to assets and liabilities arising from a single transaction

HACI ÖMER SABANCI HOLDİNG A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 2 -BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1 Basis of Presentation (Continued)

2.1.3 Basis of Consolidation

a) The consolidated financial statements include the accounts of the parent company, Hacı Ömer Sabancı Holding A.Ş., its Subsidiaries and Joint Ventures (collectively referred to as the “Group”) on the basis set out in sections (b) to (f) below. The financial statements of the companies included in the scope of consolidation have been prepared at the date of the consolidated financial statements, and are prepared in accordance with CMB Financial Reporting Standards as explained in Note 2.1.1. The result of operations of Subsidiaries, Joint Ventures and Associates are included or excluded in these consolidated financial statements subsequent to the date of acquisition or date of sale respectively.

b) Subsidiaries are companies on which the Holding has the power to control directly or indirectly. The Group has control over a company if it is exposed to variable returns because of a business relationship with a company or has right on these returns and at the same time has the power to influence these returns with its power on the company.

c) Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

d) When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under TFRS 9 Financial Instruments, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

The companies which Holding has less than 50% shares are considered as subsidiaries since Holding exercises a dominant influence and power to govern the financial and operating policies through exercise of voting power related to shares held by Holding together with voting power which Holding effectively exercises related to shares held by Sabancı family members.

Sabancı family members allow Holding to exercise voting power in respect of shares held in these companies. In the accompanying consolidated financial statements, the shares held by Sabancı family members are presented as non-controlling interest.

HACI ÖMER SABANCI HOLDİNG A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 2 -BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1 Basis of Presentation (Continued)

2.1.3 Basis of Consolidation (Continued)

The table below sets out all consolidated Subsidiaries and shows the proportion of ownership interest and the effective interest of the Holding in these subsidiaries on 30 June 2022 and 31 December 2021:

	30 June 2022		31 December 2021	
	Direct and indirect ownership interest by the Holding and its subsidiaries	Proportion of ownership interest (%)	Direct and indirect ownership interest by the Holding and its Subsidiaries	Proportion of ownership interest (%)
Joint Ventures				
AEO	76,85	76,85	76,85	76,85
Agesa	40,00	40,00	40,00	40,00
Akbank	40,75	40,75	40,75	40,75
Aksigorta	36,00	36,00	36,00	36,00
Carrefoursa	57,12	57,12	57,12	57,12
CSC BV	100,00	83,24	100,00	83,24
Çimsa	63,52	58,10	63,52	58,10
Dx BV	100,00	100,00	-	-
Exsa	61,68	47,90	61,68	47,90
Kordsa	71,11	71,11	71,11	71,11
SabancıDX	100,00	100,00	100,00	100,00
Sabancı İklim Teknolojileri(*)	100,00	100,00	-	-
Teknosa	50,00	50,00	50,00	50,00
Tursa	100,00	100,00	100,00	100,00

(*) Sabancı İklim Teknolojileri has been incorporated with a capital of TRY250.000 by Holding as of June 8 2022, which is sole and founding shareholder.

The balance sheets and statements of profit or loss of the Subsidiaries are consolidated on a line-by-line basis and the carrying value of the shares held by the Holding and its Subsidiaries is deducted from the related shareholders' equity. Intercompany transactions and balances between the Holding and its Subsidiaries are eliminated in consolidation. The cost of financing the shares in Subsidiaries held by the Holding and its Subsidiaries and the dividends pertaining to these shares are deducted from equity and income for the period, respectively.

The Subsidiaries are included into or excluded from the scope of consolidation after the date of transmission of the control to the Group. The shares of non-controlling shareholders in the net assets and operating results of Subsidiaries are presented in the consolidated balance sheet and profit or loss table as non-controlling interests. Sabancı Family, “Sabancı Foundation” and a retirement fund for Akbank employees called “Akbank Retirement Fund” established both by Sabancı Family, have a share in the capitals of some subsidiaries and affiliates which are accounted in the consolidated financial statements. This share is considered as non-controlling share in the consolidated financial statements, and it is not included in the current period profit.

HACI ÖMER SABANCI HOLDİNG A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 2 -BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1 Basis of Presentation (Continued)

2.1.3 Basis of Consolidation (Continued)

e) Joint venture - If Holding and its subsidiaries have rights on net assets relating to operations subject to a joint arrangement, such net assets are accounted through equity method in the consolidated financial statements.

The table below sets out the Joint Ventures and shows the proportion of ownership interest and effective interest of the Holding in these Joint Ventures on 30 June 2022 and 31 December 2021:

	30 June 2022		31 December 2021	
	Direct and indirect ownership interest by the Holding and its subsidiaries (%)	Proportion of ownership interest (%)	Direct and indirect ownership interest by the Holding and its Subsidiaries (%)	Proportion of ownership interest (%)
Joint Ventures				
Akçansa	39,72	39,72	39,72	39,72
Brisa	43,63	43,63	43,63	43,63
Enerjisa Enerji	40,00	40,00	40,00	40,00
Enerjisa Üretim	50,00	50,00	50,00	50,00
Temsa Ulaşım Araçları	50,00	23,95	50,00	23,95

Investments in Joint Ventures were consolidated by equity method. Sabancı family members do not have any interest in the share capital of the Joint Ventures

HACI ÖMER SABANCI HOLDİNG A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 2 -BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1 Basis of Presentation (Continued)

2.1.4 Comparatives and Restatement of Prior Year Financial Statements

The current period condensed consolidated financial statements of the Group include comparative financial information to enable the determination of the financial position and performance. Comparative figures are reclassified, where necessary, to conform to the changes in the presentation of the current period condensed consolidated financial statements.

2.2 Changes in Accounting Policies and Estimates and Errors

Changes made in the accounting policies and corrections regarding accounting errors are applied retrospectively and prior year financial statements are restated.

If changes in accounting estimates and errors are for only one period, changes are applied in the current year but if the estimated changes affect the following periods, changes are applied both on the current and following years prospectively. In the current year, there are not any material errors and changes in accounting estimate methods of the Group.

If any significant accounting errors are found out, changes are applied retrospectively, and prior year’s financial statements are restated. There has been no significant accounting error that the Group determined in the current year.

The preparation of consolidated financial statements in conformity with Turkish Financial Reporting Standards requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management’s best knowledge of current event and actions, actual results ultimately may differ from those estimates. Estimates are regularly reviewed, related corrections are adjusted and accounted for related period income statement. Changes in accounting estimates, if only for a period in which the change in the current period, if it relates to future periods, both in the period they are recognized in future periods, prospectively applied to the financials to see the effect on net profit/loss for the period.

2.3 Summary of Significant Accounting Policies

For the period ended 30 June 2022, the Group prepared its financial statements in accordance with TAS 34 Interim Financial Reporting Standard. The condensed interim consolidated financial statements do not contain all information required to be included in the annual financial statements and should be read in conjunction with the annual financial statements prepared as of 31 December 2021.

HACI ÖMER SABANCI HOLDİNG A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 3 - BUSINESS COMBINATIONS

The business combinations between the period 1 January and 30 June 2022 are as follows

51% of the shares in Radiflow Ltd., a global cyber security company operating in the Middle East, USA, European and Asian markets, have been acquired by Dx BV is a company incorporated in the Netherlands of which Holding is the sole and founding shareholder, as of May 30, 2022 in consideration for USD 30.510 post customary adjustments as per acquisition and closing procedures.

Moreover, 100% of the shares in SEM İnternet Reklam Hizmetleri ve Danışmanlık A.Ş. and Liberdatum İnternet Reklam Hizmetleri ve Danışmanlık A.Ş, digital marketing companies operating in Turkey, have been acquired by Dx BV as of June 30, 2022 in consideration for a total of USD 14.780 post customary adjustments as per acquisition and closing procedures. Both companies became subsidiaries of Dx BV after the acquisition.

In this scope, the fair values of the identifiable assets, liabilities, and conditional liabilities of relevant companies as of the reporting period were predicted by preparing financial statements as per TFRS and were reflected in the financial statements as temporary amounts.

As per the TFRS 3 standard, the measuring period was defined to be a maximum of one year as of the date of purchase, and if new information arises following the completion of the report, additional assets and liabilities may be recognized.

The purchase price, recorded assets and liabilities at the date of purchase:

	Radiflow (Full TRY)
Purchased intangible assets	140.472.651
Purchased liabilities	131.568.222
Total net identifiable assets	8.904.429
Corresponding to %51 of the purchased	4.541.259
Cash purchase price	500.429.838
Goodwill	495.888.579

The purchase price, recorded assets and liabilities at the date of purchase:

	Sem&Liberdatum (Full TRY)
Purchased intangible assets	143.428.329
Purchased liabilities	106.905.337
Total net identifiable assets	36.522.992
Cash purchase price	246.260.590
Ownership rate	%100
Goodwill	209.737.598

Respectively, Full TRY495.888.579 and Full TRY209.737.598 portions of the fair value of identifiable assets, liabilities and contingent liabilities acquired as a result of the purchase and which exceeded the purchase fee, was recognized as goodwill on the balance sheet.

HACI ÖMER SABANCI HOLDİNG A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 3 - BUSINESS COMBINATIONS

The business combinations between the period 1 January and 31 December 2021 are as follows:

Ageas Insurance International NV (Ageas) have acquired all AvivaSA shares that representing %40 of the share capital, from Aviva International Holdings Ltd. (Aviva) as of 05 May 2021. %80 of AvivaSA’s shares representing have been shared equally by the Company and Ageas as of the date and the trade name of Avivasa has been changed to AgeSa Hayat ve Emeklilik A.Ş. (Agesa) was registered in the trade registry on 8 July 2021. The Company and Ageas also own the shares representing %72 of Aksigorta’s capital in equally. The Shareholders Agreement signed between the Company and Ageas with the change in the shareholding structure in Agesa which regulates the matters related to the management of Agesa as of 14 January 2021. Similarly, the Shareholders Agreement which regulates the joint management of Aksigorta between the Company and Ageas dated 18 February 2011 has also been revised and signed between the Company and Ageas as of 14 January 2021.

While the Group has been consolidated Aksigorta and Agesa companies with equity method by 36% and 40% shareholdings due to the changes on conditions of shareholders' agreements, the company have taken control of Agesa and Aksigorta and have been consolidated with full consolidation method in accordance with TFRS 3 as of July 1, 2021.

NOTE 4 - SEGMENT REPORTING

Holding key management reviews the results and performance of its reportable operating segments based on EBITDA (earnings before interest, foreign currency gains and losses and due date income and expenses as part of other operating income and expenses and depreciation and amortisation). In addition to the requirements of segment reporting, The Group’s management presented this information for certain financial statement readers to utilize this data during their analyses.

a) External Revenues (Consolidated):

	1 January - 30 June 2022	1 January - 30 June 2021
Finance	61.660.277	22.591.481
Banking	54.573.877	22.591.481
Financial Services	7.086.400	-
Industry	8.798.351	3.202.897
Retail	13.669.306	7.180.311
Building Materials	4.782.565	1.806.749
Other	800.170	819.493
Total (*)	89.710.669	35.600.931

(*) The distribution of income refers to total revenue in the consolidated income statement.

HACI ÖMER SABANCI HOLDİNG A.Ş.**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022**

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 4 - SEGMENT REPORTING (Continued)**b) Segment assets (Consolidated):**

	30 June 2022	31 December 2021
Finance	1.005.411.301	782.773.062
Banking	976.882.424	759.925.181
Financial Services	28.528.877	22.847.881
Energy	257.608	-
Industry	20.073.825	14.250.722
Retail	10.490.282	8.085.754
Building Materials	11.604.238	8.100.013
Other	11.057.402	6.426.779
Segment assets	1.058.894.656	819.636.330
Assets classified as held for sale	507.771	694.573
Investments accounted through equity method (Note 9)	9.926.838	8.763.569
Unallocated assets	(1.573.859)	(1.349.773)
Less: intersegment eliminations	(10.220.564)	(7.980.910)
Total assets as per consolidated financial statements	1.057.534.842	819.763.789

c) Segment liabilities (Consolidated):

	30 June 2022	31 December 2021
Finance	898.493.684	702.533.005
Banking	875.712.177	685.380.986
Financial Services	22.781.507	17.152.019
Energy	1.785	-
Industry	11.100.121	7.674.087
Retail	10.589.889	8.277.383
Building Materials	8.175.908	5.482.272
Other	1.881.656	1.416.694
Segment liabilities	930.243.043	725.383.441
Liabilities related with asset classified as held for sale	6.397	-
Unallocated liabilities	(1.453.711)	(1.224.908)
Less: intersegment eliminations	(10.241.755)	(7.998.926)
Total liabilities as per consolidated financial statements	918.553.974	716.159.607

HACI ÖMER SABANCI HOLDİNG A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 4 - SEGMENT REPORTING (Continued)

d) The balance sheet items by segment:

i) Banking:

	Combined(*) 30 June 2022	Consolidated(**) 30 June 2022	Combined(*) 31 December 2021	Consolidated(**) 31 December 2021
Cash and cash equivalents	58.474.223	58.474.223	66.412.593	66.412.593
Financial assets	207.944.681	207.944.681	163.705.496	163.705.496
Derivative financial instruments	55.880.265	55.880.265	49.786.871	49.786.871
Reserve deposits with the Central Bank of Republic of Turkey	123.889.940	123.889.940	81.792.492	81.792.492
Receivables from finance sector operations	505.142.691	505.142.691	385.773.791	385.773.791
Property, plant and equipment	2.774.313	2.774.313	2.296.505	2.296.505
Right of use assets	712.662	712.662	589.516	589.516
Intangible assets	2.057.883	2.057.883	1.499.602	1.499.602
Other receivables and other assets	20.338.287	20.338.287	8.300.611	8.300.611
Total segment assets	977.214.945	977.214.945	760.157.477	760.157.477
Financial liabilities	126.731.488	126.731.488	110.953.405	110.953.405
Payables from finance sector operations	673.516.591	673.516.591	517.618.535	517.618.535
Derivative financial instruments	22.251.881	22.251.881	25.624.651	25.624.651
Other payables and other liabilities	53.212.217	53.212.217	31.184.395	31.184.395
Total segment liabilities	875.712.177	875.712.177	685.380.986	685.380.986

(*) Combined data reflects the total amounts of the Companies, which belong to the related segment.

(**) Consolidated data reflects the total amounts after intra-segment eliminations of the subsidiaries and the joint ventures which belong to the related segment considering the Holding's portion of ownership before intersegment eliminations.

As of 30 June 2022, the cash flows from operating activities of the Akbank are TRY13.705.579 (30 June 2021: TRY17.950.348).

As of 30 June 2022, the cash flows from investing activities of the Akbank are TRY(29.405.113) (30 June 2021: TRY(11.347.164)).

As of 30 June 2022, the cash flows from financing activities of the Akbank are TRY(1.865.884) (30 June 2021: TRY5.853.493).

Akbank's accumulated non-controlling interests calculated from its financial statements amount to TRY60.140.389 as of 30 June 2022 (31 December 2021: TRY44.305.071).

HACI ÖMER SABANCI HOLDİNG A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 4 - SEGMENT REPORTING (Continued)

d) The balance sheet items by segment (continued):

ii) Financial Services:

	Combined(*) 30 June 2022	Consolidated(**) 30 June 2022	Combined(*) 31 December 2021	Consolidated(**) 31 December 2021
Cash and cash equivalents	2.377.349	2.377.349	2.940.017	2.940.017
Financial assets	11.506.302	11.506.302	8.268.078	8.268.078
Receivables from finance sector operations	2.582.516	2.580.173	1.832.521	1.832.454
Property, plant and equipment	93.762	93.762	71.435	71.435
Right of use assets	51.859	51.859	47.612	47.612
Intangible assets	3.848.066	3.848.066	3.943.745	3.943.745
Other receivables and other assets	7.958.481	8.071.366	5.614.758	5.744.540
Total segment assets	28.418.335	28.528.877	22.718.166	22.847.881
Financial liabilities	203.566	203.566	116.828	116.828
Payables from finance sector operations	1.642.890	1.641.372	1.065.653	1.065.653
Insurance technical provisions	18.987.008	18.987.008	14.095.161	14.095.161
Other payables and other liabilities	1.948.043	1.947.529	1.874.377	1.874.377
Total segment liabilities	22.781.507	22.779.475	17.152.019	17.152.019

(*) Combined data reflects the total amounts of the Companies, which belong to the related segment

(**) Consolidated data reflects the total amounts of the Companies before elimination which belong to the related segment considering the Holding’s portion of ownership.
Insurance segment consists of Aksigorta and Agesa.

The financial services section includes the results of Aksigorta and Agesa companies.

HACI ÖMER SABANCI HOLDİNG A.Ş.

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(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 4 SEGMENT REPORTING (Continued)

d) The balance sheet items by segment (Continued):

iii) Energy:

	Combined(*) 30 June 2022	Consolidated(**) 30 June 2022	Combined(*) 31 December 2021	Consolidated(**) 31 December 2021
Cash and cash equivalents	4.437.612	43.128	3.917.521	-
Financial investments	1.072.185	214.447	409.899	-
Trade receivables	19.641.074	-	7.887.848	-
Inventories	1.524.910	-	688.214	-
Investments accounted through equity method (Note 9)	-	8.001.898	-	7.022.533
Property, plant and equipment	11.381.901	-	10.727.754	-
Right of use assets	468.305	-	367.369	-
Intangible assets	4.650.484	-	4.783.912	-
Other receivables and other assets	23.520.969	32	21.092.408	-
Total segment assets	66.697.440	8.259.505	49.874.925	7.022.533
Financial liabilities	27.957.757	-	19.691.430	-
Trade payables	9.823.122	45	5.817.253	-
Other payables and other liabilities	11.108.872	1.740	8.450.972	-
Total segment liabilities	48.889.751	1.785	33.959.655	-

(*) Combined data reflects the total amounts of the Companies, which belong to the related segment.

(**) Consolidated data reflects the total amounts after intra-segment eliminations of the subsidiaries and the joint ventures which belong to the related segment considering the Holding’s portion of ownership before intersegment eliminations

Energy segment consists of Enerjisa Enerji, Enerjisa Üretim and Sabancı İklim Teknolojileri.

HACI ÖMER SABANCI HOLDİNG A.Ş.

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(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 4 SEGMENT REPORTING (Continued)

d) The balance sheet items by segment(Continued):

iv) Industry:

	Combined(*)	Consolidated(**)	Combined(*)	Consolidated(**)
	30 June 2022	30 June 2022	31 December 2021	31 December 2021
Cash and cash equivalents	4.401.084	988.684	3.539.685	194.805
Financial investments	143.580	1.093	134.795	875
Trade receivables	6.198.440	3.965.646	3.675.628	2.615.203
Inventories	6.412.060	4.534.916	4.072.572	2.963.849
Investments accounted through equity method (Note 9)	272.257	1.085.503	540.348	1.007.457
Property, plant and equipment	7.001.689	4.803.186	5.948.195	3.912.528
Right of use assets	300.933	285.476	243.951	233.000
Intangible assets	2.213.771	1.953.306	1.723.316	1.596.855
Other receivables and other assets	6.749.470	3.541.517	5.469.844	3.015.635
Total segment assets	33.693.284	21.159.327	25.348.334	15.540.207
Financial liabilities	12.681.414	6.658.995	9.224.243	4.434.125
Trade payables	6.161.650	2.758.970	4.738.072	1.930.912
Other payables and other liabilities	3.332.380	1.688.553	2.199.648	1.309.050
Total segment liabilities	22.175.444	11.106.518	16.161.963	7.674.087

(*) Combined data reflects the total amounts of the Companies, which belong to the related segment.

(**) Consolidated data reflects the total amounts after intra-segment eliminations of the subsidiaries and the joint ventures which belong to the related segment considering the Holding’s portion of ownership before intersegment eliminations.

Industry segment consists of Kordsa and Brisa.

HACI ÖMER SABANCI HOLDİNG A.Ş.

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(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 4 - SEGMENT REPORTING (Continued)

d) The balance sheet items by segment (Continued):

v) Retail:

	Combined(*) 30 June 2022	Consolidated(**) 30 June 2022	Combined(*) 31 December 2021	Consolidated(**) 31 December 2021
Cash and cash equivalents	1.522.885	1.522.885	1.583.386	1.583.386
Trade receivables	496.946	496.946	296.256	296.256
Inventories	4.571.622	4.571.622	3.191.507	3.191.507
Investment property	34.772	34.772	34.772	34.772
Property, plant and equipment	673.070	673.070	619.504	619.504
Right of use assets	1.334.747	1.334.747	1.017.297	1.017.297
Intangible assets	117.237	117.237	106.338	106.338
Other receivables and other assets	1.687.346	1.739.003	1.185.038	1.236.694
Total segment assets	10.438.625	10.490.282	8.034.098	8.085.754
Financial liabilities	3.207.809	3.207.809	2.442.905	2.442.905
Trade payables	6.372.260	6.372.260	5.124.517	5.124.517
Other payables and other liabilities	1.009.820	1.009.820	709.961	709.961
Total segment liabilities	10.589.889	10.589.889	8.277.383	8.277.383

(*) Combined data reflects the total amounts of the Companies, which belong to the related segment

(**) Consolidated data reflects the total amounts of the Companies before elimination which belong to the related segment considering the Holding’s portion of ownership.

Retail segment consists of Teknosa and Carrefoursa.

HACI ÖMER SABANCI HOLDİNG A.Ş.

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(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 4 - SEGMENT REPORTING (Continued)

d) The balance sheet items by segment (Continued):

vi) Building Materials:

	Combined(*) 30 June 2022	Consolidated(**) 30 June 2022	Combined(*) 31 December 2021	Consolidated(**) 31 December 2021
Cash and cash equivalents	1.256.013	1.033.660	866.185	601.222
Financial assets	513.891	7.729	506.226	64
Trade receivables	3.663.509	1.651.794	2.182.916	1.265.858
Inventories	2.721.817	1.861.622	1.762.987	990.319
Investments accounted through equity method (Note 9)	-	567.180	-	471.118
Property, plant and equipment	4.805.343	3.792.760	4.329.778	3.423.351
Right of use assets	231.483	124.337	176.959	74.411
Intangible assets	1.208.271	1.149.135	822.947	777.723
Other receivables and other assets	2.776.893	2.158.450	1.614.632	1.147.313
Total segment assets	17.177.220	12.346.667	12.262.630	8.751.379
Financial liabilities	6.434.483	5.075.731	4.452.227	3.661.834
Trade payables	3.736.692	1.899.502	2.625.210	1.268.943
Other payables and other liabilities	1.528.216	1.200.675	754.803	551.495
Total segment liabilities	11.699.391	8.175.908	7.832.240	5.482.272

(*) Combined data reflects the total amounts of the Companies, which belong to the related segment.

(**) Consolidated data reflects the total amounts of the Companies before elimination which belong to the related segment considering the Holding’s portion of ownership.

Building materials segment consists of Çimsa Sabancı Cement BV, Çimsa and Akçansa.

HACI ÖMER SABANCI HOLDİNG A.Ş.

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(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 4 - SEGMENT REPORTING (Continued)

d) The balance sheet items by segment(Continued):

vii) Other:

	Combined(*) 30 June 2022	Consolidated(**) 30 June 2022	Combined(*) 31 December 2021	Consolidated(**) 31 December 2021
Cash and cash equivalents	6.961.304	6.961.304	3.725.682	3.725.682
Financial assets	17.846.195	1.887.434	13.961.115	97.900
Trade receivables	313.726	312.524	218.035	217.412
Inventories	171.061	171.061	375.323	375.323
Property, plant and equipment	315.817	279.753	255.747	219.683
Right of use assets	28.807	28.807	18.489	18.489
Intangible assets	37.044	37.044	33.416	33.416
Investments accounted through equity method (Note 9)	272.257	272.257	262.461	262.461
Other receivables and other assets	1.227.866	1.379.475	1.645.878	1.738.874
Total segment assets	27.174.077	11.329.659	20.496.146	6.689.240
Financial liabilities	540.952	540.952	18.700	18.700
Trade payables	374.287	372.154	498.829	497.202
Other payables and other liabilities	977.576	968.550	910.325	900.792
Total segment liabilities	1.892.815	1.881.656	1.427.854	1.416.694

(*) Combined data reflects the total amounts of the Companies, which belong to the related segment.

(**) Consolidated data reflects the total amounts of the Companies by deducting the financial asset values of the Holding's subsidiaries, joint ventures and associations before elimination which belong to the related segment considering the Holding's portion of ownership.

Other segment consists of Holding, Exsa, Tursa, AEO, Sabancı DX and Dx BV.

CONVENIENCE TRANSLATION INTO ENGLISH OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 4 - SEGMENT REPORTING (Continued)

e) The reconciliation of the consolidated statement of profit or loss:

	1 January - 30 June 2022			1 January - 30 June 2021		
	Total Consolidation of Segments Before Elimination	Elimination Consolidation Adjustments	Consolidated	Total Consolidation of Segments Before Elimination	Elimination Consolidation Adjustments	Consolidated
Total revenue	90.753.884	(1.043.215)	89.710.669	35.701.037	(100.106)	35.600.931
Cost of sales and interest, premiums, commissions and other expenses	(49.199.890)	1.882.585	(47.317.305)	(22.923.517)	378.975	(22.544.542)
General administration expenses	(10.344.935)	458.652	(9.886.283)	(4.826.986)	44.943	(4.782.043)
Sales, marketing and distribution expenses	(2.473.541)	12.969	(2.460.572)	(1.382.827)	-	(1.382.827)
Research and development expenses	(38.880)	1	(38.879)	(22.498)	-	(22.498)
Other operating income/(expense) - net	2.569.142	(7.229)	2.561.913	179.923	(11.316)	168.607
Interest in income of joint ventures	2.492.096	-	2.492.096	1.212.892	-	1.212.892
Operating profit	33.757.876	1.303.763	35.061.639	7.938.024	312.496	8.250.520
Income/(expense) from investing activities – net	4.918.652	(1.383.582)	3.535.070	475.673	(337.350)	138.323
Operating profit before financial expense	38.676.528	(79.819)	38.596.709	8.413.697	(24.854)	8.388.843
Financial income/(expense) – net	(658.450)	64.572	(593.878)	(542.363)	22.339	(520.024)
Income before tax	38.018.078	(15.247)	38.002.831	7.871.334	(2.515)	7.868.819
Tax	(7.928.232)	-	(7.928.232)	(1.651.390)	-	(1.651.390)
Profit/(loss) after tax from discontinued operations	(2.394)	-	(2.394)	(4.202)	-	(4.202)
Income for the period	30.087.452	(15.247)	30.072.205	6.215.742	(2.515)	6.213.227
Net income attributable to equity holders of the parent			16.342.113			3.464.320

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 4 - SEGMENT REPORTING (Continued)

f) The income statement items by segment:

i) Banking:

	Combined(*) 30 June 2022	Consolidated(**) 30 June 2022	Combined(*) 30 June 2021	Consolidated(**) 30 June 2021
Interest, commission, and other income	55.144.419	55.144.419	22.625.819	22.625.819
Interest, commission, and other expenses	(18.578.412)	(18.578.412)	(12.843.786)	(12.843.786)
General administration expenses	(8.407.756)	(8.407.756)	(4.319.432)	(4.319.432)
Other operating income/(expense) - net	417.443	417.443	142.303	142.303
Operating profit	28.575.694	28.575.694	5.604.904	5.604.904
Income/(expense) from investing activities - net	52.534	52.534	9.582	9.582
Income before tax	28.628.228	28.628.228	5.614.486	5.614.486
Tax	(7.461.040)	(7.461.040)	(1.468.829)	(1.468.829)
Net income	21.167.188	21.167.188	4.145.657	4.145.657
Net income attributable to equity holders of the parent		8.625.629		1.689.349
EBITDA (***)	29.096.478		5.980.450	

(*) Combined data reflects the total amounts of the Companies, which belong to the related segment.

(**) Consolidated data reflects the total amounts of the Companies by deducting the financial asset values of the Holding's subsidiaries, joint ventures and associations before elimination which belong to the related segment considering the Holding's portion of ownership.

(***) It is not defined by TFRS. The disclosed EBITDA amounts have been presented separately by the Group management for a better understanding and measurement of the Group's operating performance.

Akbank's net income attributable to non-controlling interest is TRY12.541.559 (30 June 2021: TRY2.456.302).

CONVENIENCE TRANSLATION INTO ENGLISH OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

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(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 4 - SEGMENT REPORTING (Continued)

f) The income statement items by segment (continued):

ii) Financial Services:

	Combined(*) 30 June 2022	Consolidated(**) 30 June 2022	Combined(*) 30 June 2021	Consolidated(**) 30 June 2021
Gross premiums	3.503.198	3.503.198	2.395.132	-
- Gross written premiums	7.087.764	7.087.764	3.860.632	-
- Unearned premiums reserves	(3.584.566)	(3.584.566)	(1.465.500)	-
Premiums, commission and other expenses	(4.742.765)	(4.742.765)	(2.423.396)	-
General administration expenses	(901.131)	(898.803)	(419.090)	-
Other operating income/(expense) - net	2.334.003	2.334.003	946.244	-
Interest in income of joint ventures (Note 9)	-	-	-	157.765
Operating profit	193.305	195.633	498.890	157.765
Income/(expense) from investing activities – net	245.504	245.504	79.937	-
Operating profit before financial expense	438.809	441.137	578.827	157.765
Financial income/(expense) – net	(54.098)	(54.098)	(40.247)	-
Profit before tax	384.711	387.039	538.580	157.765
Tax	(88.647)	(88.648)	(128.980)	-
Net income	296.064	298.391	409.600	157.765
Net income attributable to equity holders of the parent		124.167		157.765
EBITDA	348.804		534.244	

(*) Combined data reflects the total amounts of the Companies, which belong to the related segment.

(**) Consolidated data reflects the total amounts of the Companies by deducting the financial asset values of the Holding's subsidiaries, joint ventures and associations before elimination which belong to the related segment considering the Holding's portion of ownership.

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(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 4 - SEGMENT REPORTING (Continued)

f) The income statement items by segment (continued):

iii) Energy:

	Combined(*) 30 June 2022	Consolidated(**) 30 June 2022	Combined(*) 30 June 2021	Consolidated(**) 30 June 2021
Sales revenue (net)	62.056.979	-	17.725.392	-
Cost of sales	(51.701.824)	-	(13.070.652)	-
General administration expenses	(3.134.864)	(52)	(1.475.123)	-
Other operating income/(expense) - net	99.799	275	33.413	-
Interest in income of joint ventures (Note 9)	-	1.964.008	-	706.122
Operating profit/(loss)	7.320.090	1.964.231	3.213.030	706.122
Income / (expense) from investment activities –net	1.424	-	336	-
Finance income/(expense) –net	(2.167.283)	7.451	(1.235.129)	-
Operating profit before financial expense	5.154.231	1.971.682	1.978.237	706.122
Tax	(985.329)	(1.739)	(372.064)	-
Net income	4.168.902	1.969.943	1.606.173	706.122
Net income attributable to equity holders of the parent		1.969.943		706.122
EBITDA	9.008.139		3.819.581	

(*) Combined data reflects the total amounts of the Companies, which belong to the related segment.

(**) Consolidated data reflects the total amounts of the Companies by deducting the financial asset values of the Holding's subsidiaries, joint ventures and associations before elimination which belong to the related segment considering the Holding's portion of ownership.

CONVENIENCE TRANSLATION INTO ENGLISH OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

HACI ÖMER SABANCI HOLDİNG A.Ş.

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(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 4 - SEGMENT REPORTING (Continued)

f) The income statement items by segment (continued):

iv) Industry:

	Combined(*) 30 June 2022	Consolidated(**) 30 June 2022	Combined(*) 30 June 2021	Consolidated(**) 30 June 2021
Sales revenue (net)	14.750.972	8.799.012	6.175.137	3.202.897
Cost of sales	(10.987.168)	(6.891.799)	(4.493.523)	(2.465.376)
General administration expenses	(528.377)	(362.654)	(256.699)	(167.604)
Marketing expenses	(920.020)	(419.057)	(394.512)	(152.003)
Research and development expenses	(39.081)	(30.426)	(20.610)	(19.559)
Other operating income/(expense) - net	(302.666)	(7.455)	41.219	144.465
Interest in income of joint ventures (Note 9)	-	400.422	121.783	339.794
Operating profit	1.973.660	1.488.043	1.172.795	882.614
Income/(expense) from investing activities – net	15.650	4.140	3.790	3.075
Operating profit before financial expense	1.989.310	1.492.183	1.176.585	885.689
Financial income/(expense) – net	94.292	72.382	(133.812)	(101.104)
Income before tax	2.083.602	1.564.565	1.042.773	784.585
Tax	(266.051)	(250.596)	(24.524)	(48.007)
Profit after tax from discontinued operations	(2.394)	(2.394)	(4.202)	(4.202)
Net income	1.815.157	1.311.575	1.014.047	732.376
Net income attributable to equity holders of the parent		955.488		593.671
EBITDA	2.722.916		1.477.280	

(*) Combined data reflects the total amounts of the Companies, which belong to the related segment.

(**) Consolidated data reflects the total amounts of the Companies which belong to the related segment considering the Holding's portion of ownership.

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HACI ÖMER SABANCI HOLDİNG A.Ş.

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(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 4 - SEGMENT REPORTING (Continued)

f) The income statement items by segment (continued):

v) Retail:

	Combined(*) 30 June 2022	Consolidated(**) 30 June 2022	Combined(*) 30 June 2021	Consolidated(**) 30 June 2021
Sales revenue (net)	13.733.510	13.693.796	7.188.516	7.186.327
Cost of sales	(10.691.679)	(10.659.171)	(5.547.289)	(5.545.146)
General administration expenses	(250.570)	(250.311)	(135.918)	(135.666)
Marketing expenses	(2.025.842)	(2.019.041)	(1.203.300)	(1.203.300)
Other operating income/(expense) - net	(352.018)	(352.018)	(256.440)	(256.440)
Operating profit	413.401	413.255	45.569	45.775
Income/(expense) from investing activities – net	153.826	153.826	4.255	4.255
Operating profit before financial expense	567.227	567.081	49.824	50.030
Financial income/(expense) – net	(457.984)	(457.984)	(328.371)	(328.371)
Income before tax	109.243	109.097	(278.547)	(278.341)
Tax	16.332	16.332	71.279	71.279
Net income/(loss)	125.575	125.429	(207.268)	(207.062)
Net income/(loss) attributable to equity holders of the parent		58.073		(118.191)
EBITDA	1.033.972		527.020	

(*) Combined data reflects the total amounts of the Companies, which belong to the related segment.

(**) Consolidated data reflects the total amounts of the Companies by deducting the financial asset values of the Holding's subsidiaries, joint ventures and associations before elimination which belong to the related segment considering the Holding's portion of ownership.

CONVENIENCE TRANSLATION INTO ENGLISH OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

HACI ÖMER SABANCI HOLDİNG A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 4 - SEGMENT REPORTING (Continued)

f) The income statement items by segment (continued):

vi) Building materials:

	Combined(*) 30 June 2022	Consolidated(**) 30 June 2022	Combined(*) 30 June 2021	Consolidated(**) 30 June 2021
Sales revenue (net)	8.838.364	4.782.699	3.032.752	1.806.773
Cost of sales	(7.319.599)	(3.832.005)	(2.392.076)	(1.391.009)
General administration expenses	(331.418)	(255.096)	(154.571)	(105.834)
Research and development expenses	(4.490)	(4.490)	(2.939)	(2.939)
Marketing expenses	(22.506)	(7.010)	(16.181)	(7.742)
Other operating income/(expense) - net	92.105	120.977	46.547	71.531
Interest in income of joint ventures (Note 9)	-	125.429	-	37.066
Operating profit	1.252.456	930.504	513.532	407.846
Income/(expense) from investing activities - net	13.118	13.286	125.282	124.497
Operating profit before financial expense	1.265.574	943.790	638.814	532.343
Financial income/(expense) - net	(267.785)	(196.348)	(118.860)	(99.139)
Profit before tax	997.789	747.442	519.954	433.204
Tax	263.186	305.999	(129.788)	(99.851)
Net income	1.260.975	1.053.441	390.166	333.353
Net income attributable to equity holders of the parent		670.160		207.415
EBITDA	1.356.257		607.581	

(*) Combined data reflects the total amounts of the Companies, which belong to the related segment.

(**) Consolidated data reflects the total amounts of the Companies by deducting the financial asset values of the Holding's subsidiaries, joint ventures and associations before elimination which belong to the related segment considering the Holding's portion of ownership.

CONVENIENCE TRANSLATION INTO ENGLISH OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

HACI ÖMER SABANCI HOLDİNG A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 4 - SEGMENT REPORTING (Continued)

f) The income statement items by segment (continued):

vii) Other:

	Combined(*) 30 June 2022	Consolidated(**) 30 June 2022	Combined(*) 30 June 2021	Consolidated(**) 30 June 2021
Sales revenue (net)	3.342.934	1.246.194	2.445.978	879.221
Cost of sales	(912.546)	(911.172)	(679.410)	(678.200)
General administration expenses	(177.745)	(170.263)	(102.842)	(98.450)
Marketing expenses	(28.644)	(28.432)	(19.934)	(19.782)
Other operating income/(expense) - net	74.270	55.917	86.789	78.064
Interest in income of joint ventures (Note 9)	2.237	2.237	(27.855)	(27.855)
Operating profit	2.300.506	194.481	1.702.726	132.998
Income/(expense) from investing activities - net	4.440.028	4.449.362	342.624	334.264
Operating profit before financial expense	6.740.534	4.643.843	2.045.350	467.262
Financial income/(expense) - net	(29.853)	(29.853)	(13.749)	(13.749)
Profit before tax	6.710.681	4.613.990	2.031.601	453.513
Tax	(448.541)	(448.541)	(105.982)	(105.982)
Net income	6.262.140	4.165.449	1.925.619	347.531
Net income attributable to equity holders of the parent		3.938.765		228.189
EBITDA	2.267.403		1.703.418	

(*) Combined data reflects the total amounts of the Companies, which belong to the related segment.

(**) Consolidated data reflects the total amounts of the Companies by deducting the financial asset values of the Holding's subsidiaries, joint ventures and associations before elimination which belong to the related segment considering the Holding's portion of ownership

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 4 - SEGMENT REPORTING (Continued)**g) Detail of net income/(loss) attributable to equity holders of the parent**

One-off incomes and expenses that are not expected to be realized during routine course of business. Details of the net profit / (loss) attributable to equity holders of the parent with adjusted segments is as follows:

	30 June 2022	30 June 2021
Banking	8.625.629	1.689.349
Financial Services	190.930	159.464
Industry	970.333	546.808
Building Materials	396.513	164.019
Energy	2.028.125	730.824
Retail	(5.921)	(123.288)
Other	1.389.490	217.600
Total	13.595.099	3.384.776

A reconciliation of adjusted net income attributable to equity holders of the Parent is as follows:

	30 June 2022	30 June 2021
Adjusted net income for reported operating segments (Equity holders of the Parent)	13.595.099	3.384.776
One off income/(expenses) related to Carrefoursa – net	67.387	(516)
One off income/(expenses) related to Çimsa- net	254.355	(12.066)
One off income/(expenses) related to Holding - net	2.566.636	(4.845)
Other (*)	(141.364)	96.971
Net income (Equity holders of the Parent)	16.342.113	3.464.320

HACI ÖMER SABANCI HOLDİNG A.Ş.**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022**
(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)**NOTE 4 - SEGMENT REPORTING (Continued)****h) Combined EBITDA Detail**

30 June 2022	Profit Before Tax	Depreciation Expenses	Income/ (expenses) from Investing Activities - net	Financial income/ (expense) - net	Op
Banking	28.628.228	520.784	52.534	-	Dif
Industry	2.083.602	412.477	15.650	94.292	
Building Materials	997.789	197.064	13.118	(267.785)	
Retail	109.243	318.556	153.826	(457.984)	
Energy	5.154.231	572.466	1.424	(2.167.283)	
Financial Services	384.711	239.360	245.504	(54.098)	
Other	6.710.681	30.980	4.440.028	(29.853)	

30 June 2021	Profit Before Tax	Depreciation Expenses	Income/ (expenses) from Investing Activities - net	Financial income/ (expense) - net	Op
Banking	5.614.486	375.546	9.582	-	Dif
Industry	1.042.773	269.658	3.790	(133.812)	
Building Materials	519.954	136.641	125.282	(118.860)	
Retail	(278.547)	251.981	4.255	(328.371)	
Energy	1.978.237	483.926	336	(1.235.129)	
Financial Services	538.580	49.812	79.937	(40.247)	
Other	2.031.601	24.413	342.624	(13.749)	

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 4 - SEGMENT REPORTING (Continued)

i) Depreciation and amortization, impairment and investment expenditures (Consolidated):

1 January – 30 June 2022

	<u>Finance</u>	Financial	Industry	Building	Energy	Retail	Other	Total
	Banking	Services		Materials				
Depreciation and amortization expenses	520.784	239.360	274.451	137.075	-	318.556	31.922	1.522.148
Capital expenditure	1.539.690	157.742	150.536	635.529	-	200.215	108.665	2.792.377

1 January – 30 June 2021

	<u>Finance</u>	Financial	Industry	Building	Energy	Retail	Other	Total
	Banking	Service		Materials				
Depreciation and amortization expenses	375.546	-	154.418	82.231	-	251.981	24.413	888.589
Capital expenditure	242.874	-	73.447	58.840	-	103.426	21.048	499.635

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022
(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 4 - SEGMENT REPORTING (Continued)

j) Depreciation and amortization, impairment and investment expenses (Combined):

1 January – 30 June 2022

	<u>Finance</u>	Financial	Industry	Building	Energy	Retail	Other	Total
	Banking	Services		Materials				
Depreciation and amortization expenses	520.784	239.360	412.477	197.064	572.466	318.556	31.922	2.292.629
Capital expenditure	1.539.690	157.742	578.981	805.760	2.981.372	200.215	108.665	6.372.425

1 January – 30 June 2021

	<u>Finance</u>	Financial	Industry	Building	Energy	Retail	Other	Total
	Banking	Services		Materials				
Depreciation and amortization expenses	375.546	49.812	269.658	136.641	483.926	251.981	24.413	1.591.977
Capital expenditures	242.874	114.331	223.213	131.488	1.297.690	103.426	21.047	2.134.069

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 5 - FINANCIAL ASSETS

a) Financial assets at fair value through profit and loss:

The detail of financial assets at fair value through profit and loss is as follows:

	30 June 2022	31 December 2021
Marketable securities	1.449.997	1.073.896
Government bonds	1.060.535	452.316
Eurobonds	286.234	408.228
Other (*)	5.137.692	9.353.561
Total	7.934.458	11.288.001

(*) In the previous period, syndication loans extended to Ojer Telekomünikasyon A.Ş. were restructured. Within this scope, a pledge was established in favour of lenders to establish collateral for these loans. LYY Telekomünikasyon A.Ş., which was established as a special-purpose company in which 192.500.000.000 Group A shares, which constitute 55% of Türk Telekom's issued capital, are all direct or indirect partners. The acquisition of the company (formerly Levent Yapılandırma Yönetimi A.Ş.) was completed on 21 December 2018. The Bank has participated in LYY Telekomünikasyon A.Ş. with a 35.56% share in the receivables from OTAŞ.

Later, at the Ordinary General Assembly Meeting of LYY Telekomünikasyon A.Ş. which was held on 23 September 2019, it was decided to convert some of the loan into capital and add it to the capital of LYY Telekomünikasyon A.Ş. The nominal value of their shares in TRY increased from 18 TRY to 1.416.090 TRY. This amount is classified in the financial statements under the line "Assets for Sale and Discontinued Operations".

As of 10 March 2022, LYY Telekomünikasyon A.Ş signed a share transfer agreement with the Turkey Wealth Fund regarding the sale of all its shares within Türk Telekomünikasyon A.Ş. In this context, Türk Telekomünikasyon A.Ş. the sale and transfer of 192.500.000.000 Group A registered shares, corresponding to 55% of its capital, to the Turkish Wealth Fund for a price of 1.650.000.000 USD, was realized on 30 June 2022. In addition, pursuant to the Agreement, the amount corresponding to the 55% share to which LYY transferred from the dividend amount decided to be distributed by the General Assembly based on the independently audited 2021 consolidated financial statements of Türk Telekomünikasyon A.Ş. and will be paid to LYY Telekomünikasyon A.Ş.

LYY used the remaining amount from the sales amount, excluding the part required for its liabilities, to pay off its debts to the banks. Receivables amounting to TRY12.626.511, which was accounted for under "Other Financial Assets" under "Financial Assets at Fair Value Through Profit and Loss" after collection and fully provisioned, was classified as nonperforming loans as of 30 June 2022, since there is no reasonable expectation for its recovery, it has been deducted from the records together with the amount of special provisions set aside within the scope of TFRS 9.

The amount converted to capital, TRY1.416.090, continues to be accounted for under "Assets Held for Sale and Related to Discontinued Operations" until the liquidation process is completed (31 December 2021: TRY1.416.090).

TRY1.806.962 (31 December 2021: TRY1.313.971) of other financial assets consist of Fourth Real Estate Investment Fund of Ak Portföy Yönetimi A.Ş. established by Ak Portföy Yönetimi A.Ş. and the fund is followed at its fair value and the related valuation differences are recognized in profit or loss.

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(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 5 - FINANCIAL ASSETS (Continued)**a) Financial assets at fair value through profit and loss (Continued):**

The Group has made a foreign currency protected deposit amounting to equivalent of TRY 1.426.438. It is accounted for “Other” under “Financial Assets at fair value through profit and loss”.

Effective interest rates of TRY denominated securities at fair value through profit and loss are as follow:

	30 June 2022	31 December 2021
TRY	%19,97	%18,76

b) Financial assets at fair value through other comprehensive income:

	30 June 2022		31 December 2021	
	Banking	Other companies	Banking	Other companies
Debt securities				
- Government bonds	50.226.409	534.501	34.746.069	391.780
- Eurobonds	62.117.560	2.558.334	43.909.234	1.646.707
- Investment funds	1.149.222	7.664	822.416	-
- Other bonds denominated in foreign currency	22.228.639	499.707	20.817.824	533.790
Equity securities				
- Listed	-	59.948	-	27.648
- Unlisted	34.836	2.494	34.008	2.095
Financial assets at fair value through other comprehensive income	135.756.666	3.662.648	100.329.551	2.602.020

Effective interest rates of USD, EUR, JPY, and TRY denominated available-for-sale securities are 4,98% (31 December 2021: 5,32%), 2,94% (31 December 2021: 2,88%), 3,09% (31 December 2021: 3,09%) and 27,17 % (31 December 2021: 18,35%), respectively.

The Group's financial assets through other comprehensive income subject to funds provided from repo are TRY36.043.730 (31 December 2021: TRY40.231.789). Financial assets through other comprehensive income given as collateral because of the Group's financing activities amount is TRY27.662.840 (31 December 2021: TRY29.582.153).

There are bonds index-linked to consumer prices (“CPI”) in the securities portfolio of Akbank for which the fair value difference is reflected to other comprehensive income and which are measured by amortized cost. These securities are valued and recognised using the effective interest method and are based on the index calculated using real coupon rates, the reference inflation index on the date of issuance and estimated inflation rates. Reference indexes used to calculate the actual coupon payment amounts of the securities are created based on CPIs from two months prior. The bank sets the estimated inflation rate in line with the reference indexes. The estimated inflation rate used is updated during the year when necessary. The real inflation rate is used at %50 on 30 June 2022.

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(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 5 - FINANCIAL ASSETS (Continued)**c) Financial Assets at Amortized Cost:**

Details of financial investments valued over their amortized cost are presented below:

	30 June 2022			31 December 2021		
	Banking	Other companies	Total	Banking	Other companies	Total
Government bonds	55.537.490	371.088	55.908.578	42.169.862	421.783	42.591.645
Other debt securities	11.908.748	6.174.787	18.083.535	10.415.698	4.523.168	14.938.866
Total	67.446.238	6.545.875	73.992.113	52.585.560	4.944.951	57.530.511

Details of financial investments valued over their amortized cost are presented below:

	30 June 2022	31 December 2021
Balance, 1 January	57.530.511	41.873.322
Additions	10.452.293	20.409.817
Business combinations	-	2.440.708
Foreign exchange differences in monetary assets	2.337.329	4.555.125
Valuation effect	9.537.388	4.150.640
Disposals through sales and redemptions	(5.856.446)	(15.853.468)
Allowance for impairment (*)	(8.962)	(45.633)
Total	73.992.113	57.530.511

(*) Expected loss provision is included in the balance.

Effective interest rate of debt securities in USD and TRY are 6,02% and 45,07%. (31 December 2021: Effective interest rate of debt securities in USD and TRY are 5,89% and 20,90%).

d) Time deposit

Details of time deposit with a maturity more than 3 months are presented below:

	30 June 2022	31 December 2021
3 to 12 months	260.616	363.620
Total	260.616	363.620

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(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 6 - FINANCIAL LIABILITIES

Short term funds, bank loans and issued debt securities:

	30 June 2022	31 December 2021
Short term	31.702.029	26.193.026
Short-term portion of long term	37.793.842	27.179.115
Total short term	69.495.871	53.372.141
Long-term funds borrowed, bank borrowings and debt securities:		
Long term	68.452.809	64.396.093
Total	137.948.680	117.768.234

The maturity schedule of financial liabilities on 30 June 2022 and 31 December 2021 is summarized below:

	30 June 2022	31 December 2021
Up to 3 months	11.877.079	12.110.690
3 to 12 months	57.618.792	41.261.451
Short term financial liabilities and short-term portion of long-term financial liabilities	69.495.871	53.372.141
1 to 5 years	50.930.498	43.186.952
Over 5 years	17.522.311	21.209.141
Long term financial liabilities	68.452.809	64.396.093
Total financial liabilities	137.948.680	117.768.234

The repayment schedule of long-term financial liabilities on 30 June 2022 and 31 December 2021 is summarized below:

	30 June 2022	31 December 2021
1-2 years	13.173.921	11.806.626
2-3 years	20.842.048	10.308.406
3-4 years	14.172.489	13.128.423
4-5 years	2.742.040	7.943.497
5 years and above	17.522.311	21.209.141
Total	68.452.809	64.396.093

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(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 6 - FINANCIAL LIABILITIES (Continued)

As of 30 June 2022, and 31 December 2021, the remaining period until the repricing date of the loans determined by the contract:

	30 June 2022	31 December 2021
Up to 3 months	42.704.863	48.083.130
3 to 12 months	53.417.485	29.940.005
1 to 5 years	26.116.680	20.401.230
Over 5 years	15.709.652	19.343.869
Total	137.948.680	117.768.234

Financial liabilities movement as of 30 June 2022 and 2021 is as follows:

	2022	2021
1 January	117.768.234	72.261.198
Additions	27.475.461	13.454.422
Payments	(9.509.857)	(3.670.169)
Business combinations	45.309	-
Interest accruals	575.766	174.913
Foreign exchange effects	1.438.059	444.841
Capitalized interest	155.708	-
30 June	137.948.680	82.665.205

NOTE 7 – LEASE LIABILITIES

The maturity and currency breakdown of the Group's liabilities regarding leasing transactions in accordance with TFRS 16 are as follows:

Short-term lease liabilities as of 30 June 2022:

	Up to 3 months	Between 3 to 12 months	Total
TRY	231.133	233.952	465.085
USD	-	23.905	23.905
EUR	5.924	4.146	10.070
Total	237.057	262.003	499.060

Short-term lease liabilities as of 31 December 2021:

	Up to 3 months	Between 3 to 12 months	Total
TRY	160.764	194.281	355.045
USD	2.834	15.929	18.763
EUR	5.952	166	6.118
Other	508	2.173	2.681
Total	170.058	212.549	382.607

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(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 7 – LEASE LIABILITIES (Continued)

Long-term lease liabilities as of 30 June 2022:

	Between 1 to 2 years	Between 2 to 3 years	Between 3 to 4 years	Between 4 to 5 years	5 years and more	Total
TRY	226.239	277.351	387.252	487.074	598.041	1.975.957
USD	93.431	71.258	7.150	7.592	179.468	358.899
EUR	2.378	2.628	2.896	3.177	17.203	28.282
Total	322.048	351.237	397.298	497.843	794.712	2.363.138

Long-term lease liabilities as of 31 December 2021:

	Between 1 to 2 years	Between 2 to 3 years	Between 3 to 4 years	Between 4 to 5 years	5 years and more	Total
TRY	190.932	171.241	320.506	402.986	458.642	1.544.307
USD	16.263	56.988	18.206	16.609	155.196	263.262
EUR	2.007	2.207	2.423	2.564	22.506	31.707
Other	5.025	216	-	-	-	5.241
Total	214.227	230.652	341.135	422.159	636.344	1.844.517

Lease liabilities movement as of 30 June 2022 and 2021 is as follows:

	2022	2021
1 January	2.227.124	1.934.206
Additions	759.518	286.140
Payments	(479.869)	(377.399)
Business combinations	5.387	-
Interest accruals	217.783	185.819
Foreign exchange effects	125.144	5.056
Capitalized interest	7.111	-
30 June	2.862.198	2.033.822

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 8 - OTHER RECEIVABLES AND PAYABLES

Other short-term receivables:	30 June 2022	31 December 2021
Receivables from credit card payments	287.822	67.693
Other receivables (*)	6.210.674	3.685.595
Total	6.498.496	3.753.288

Other long-term receivables:	30 June 2022	31 December 2021
Deposits and guarantees given	102.010	82.920
Other receivables (*)	1.053.700	420.310
Total	1.155.710	503.230

(*) Other receivables mainly consist of the collaterals obtained by Akbank for derivative transactions.

Other short-term payables:	30 June 2022	31 December 2021
Payables related to credit card transactions	9.229.295	7.029.573
Taxes and funds payable	1.045.767	1.177.928
Export deposits and transfer orders	199.608	96.455
Payment orders to correspondent banks	290.109	72.763
Other (*)	16.902.530	8.615.648
Total	27.667.309	16.992.367

Other long-term payables:	30 June 2022	31 December 2021
Other (*)	10.915.708	7.145.569
Total	10.915.708	7.145.569

(*) Other payables mainly include the collaterals given by Akbank for derivative transactions.

NOTE 9 - INVESTMENTS ACCOUNTED THROUGH EQUITY METHOD

Book value of Associates and Joint Ventures is as follows:

	30 June 2022	Pay (%)	31 December 2021	Pay (%)
Brisa	1.085.503	43,63	1.007.457	43,63
Akçansa	567.180	39,72	471.118	39,72
Enerjisa Üretim Santralleri	4.394.119	50,00	3.282.124	50,00
Enerjisa Enerji	3.607.779	40,00	3.740.409	40,00
Temsa Ulaşım Araçları	272.257	50,00	262.461	50,00
Total	9.926.838		8.763.569	

HACI ÖMER SABANCI HOLDİNG A.Ş.**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022**

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 9 - INVESTMENTS ACCOUNTED THROUGH EQUITY METHOD (Continued)

Share of income from Associates and Joint Ventures included in Holding’s consolidated net income is as follows:

	1 January - 30 June 2022	1 January - 30 June 2021
Brisa	400.422	218.011
Akçansa	125.429	37.066
Enerjisa Üretim Santralleri	1.493.883	318.262
Enerjisa Enerji	470.125	387.860
Temsa Ulaşım Araçları	2.237	(27.855)
Aksigorta (*)	-	54.669
Agesa (*)	-	103.096
Philsa (**)	-	89.394
Philip Morrissa (**)	-	32.389
Total	2.492.096	1.212.892

(*) As of 1 July 2021, Agesa and Aksigorta accounted according to full consolidation method.

(**) As of 5 January 2022, all of the shares have been sold. (Note:18)

The summary financial information of Associates and Joint Ventures is as follows:

	30 June 2022		31 December 2021	
	Total assets	Total Liabilities	Total assets	Total liabilities
Brisa	13.600.844	11.112.871	10.796.966	8.487.874
Akçansa	4.232.717	2.791.854	3.186.569	1.987.554
Enerjisa Üretim Santralleri	23.685.293	14.897.054	18.541.284	11.977.035
Enerjisa Enerji	43.012.146	33.992.697	31.333.641	21.982.619
Temsa Ulaşım Araçları	3.708.738	2.959.183	2.876.959	2.146.995
Total	88.239.738	65.753.659	66.735.419	46.582.077

HACI ÖMER SABANCI HOLDİNG A.Ş.**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022**

(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 9 - INVESTMENTS ACCOUNTED THROUGH EQUITY METHOD (Continued)**Sales**

	1 January - 30 June 2022	1 January - 30 June 2021
Brisa	5.951.960	2.972.240
Akçansa	3.284.488	1.225.979
Enerjisa Üretim Santralleri	25.939.981	5.760.540
Enerjisa Enerji	36.116.998	11.964.852
Temsa Ulaşım Araçları	1.456.097	583.148
Aksigorta (*)	-	3.000.041
Agesa (*)	-	860.591
Philisa (**)	-	16.108.259
Philip Morrissa (**)	-	16.087.045

(*) As of 1 July 2021, Agesa and Aksigorta accounted according to full consolidation method.

(**) Reclassified to assets held for sale as of 31 December 2021. As of 5 January 2022, all of the shares have been sold.

Net profit/(loss)

	1 January - 30 June 2022	1 January - 30 June 2021
Brisa	917.767	499.681
Akçansa	333.743	93.878
Enerjisa Üretim Santralleri	2.987.766	636.523
Enerjisa Enerji	1.175.312	969.650
Temsa Ulaşım Araçları	4.475	(55.710)
Aksigorta (*)	-	151.858
Agesa (*)	-	257.741
Philisa (**)	-	357.577
Philip Morrissa (**)	-	130.863

(*) As of 1 July 2021, Agesa and Aksigorta accounted according to full consolidation method.

(**) Reclassified to assets held for sale as of 31 December 2021. As of 5 January 2022, all of the shares have been sold.

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(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 10 - PROPERTY, PLANT AND EQUIPMENT

The movement in property, plant and equipment for the year ended 30 June 2022 is as follows:

	1 January 2022	Currency translation differences	Additions	Disposals	Transfers (*)	Business combinations(**)	Transfers to assets held for sale (***)	Impairment	30 June 2022
Cost:									
Land and land improvements	609.974	66.509	585	(22.166)	(5.071)	-	-	-	649.831
Buildings	4.505.287	474.058	8.525	(42.308)	(38.443)	-	-	-	4.907.119
Machinery and equipment	9.497.996	1.840.733	92.365	(15.364)	275.626	-	(3.470)	-	11.687.886
Motor vehicles	93.937	5.767	4.929	(4.390)	567	-	-	-	100.810
Furniture and fixtures	4.561.495	68.871	943.726	(23.912)	15.655	1.983	(3)	(1.824)	5.565.991
Total	19.268.689	2.455.938	1.050.130	(108.140)	248.334	1.983	(3.473)	(1.824)	22.911.637
Construction in progress	386.855	60.821	274.116	(29.295)	(172.537)	-	-	-	519.960
Total	19.655.544	2.516.759	1.324.246	(137.435)	75.797	1.983	(3.473)	(1.824)	23.431.597
Accumulated depreciation:									
Land and land improvements	(253.437)	(10.647)	(4.977)	3	6.145	-	291	-	(262.622)
Buildings	(1.427.526)	(154.867)	(56.444)	3.643	439	-	548	-	(1.634.207)
Machinery and equipment	(4.697.298)	(978.664)	(260.834)	11.479	(94.447)	-	9.813	-	(6.009.951)
Motor vehicles	(88.585)	(1.328)	(4.069)	3.732	43	-	935	-	(89.272)
Furniture and fixtures	(2.618.826)	(48.154)	(342.439)	17.941	(2.613)	-	167	2.090	(2.991.834)
Total	(9.085.672)	(1.193.660)	(668.763)	36.798	(90.433)	-	11.754	2.090	(10.987.886)
Net Book Value	10.569.872								12.443.711

(*) TRY14.636 of the transfers from construction in progress in the current period is recognized in intangible assets.

(**) Sem and Radiflow's assets purchased by DxBV.

(***) Property, plant and equipments at Çimsa's Niğde Integrated Cement Factory, Kayseri Integrated Cement Factory, Ankara Cement Grinding Facility and Başakpınar, Ambar, Nevşehir, Cırgalan, Aksaray, Ereğli and Kahramanmaraş Ready Mixed Concrete Facilities classified as asset held for sales.

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(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 10 - PROPERTY, PLANT AND EQUIPMENT (Continued)

The movement in property, plant and equipment for the year ended 30 June 2021 is as follows:

	1 January 2021	Currency translation differences	Additions	Disposals	Transfers (*)	Impairment	30 June 2021
Cost:							
Land and land improvements	504.541	2.880	1.830	(135)	638	-	590.754
Buildings	3.808.279	168.959	11.075	(86.520)	12.891	-	3.914.684
Machinery and equipment	6.415.087	599.324	23.652	(46.477)	80.907	-	7.072.493
Motor vehicles	92.543	3.727	1.265	(954)	-	-	96.581
Furniture and fixtures	4.064.338	35.302	149.291	(104.207)	6.732	313	4.151.769
Total	14.884.788	810.192	187.113	(238.293)	101.168		15.745.281
Construction in progress	242.522	12.933	140.132	-	(120.710)	-	274.877
Total	15.127.310	823.125	327.245	(238.293)	(19.542)	313	16.020.158
Accumulated depreciation:							
Land and land improvements	(243.402)	221	(4.949)	-	-	-	(248.130)
Buildings	(1.174.766)	(54.013)	(42.025)	10.346	-	-	(1.260.458)
Machinery and equipment	(3.352.999)	(316.368)	(156.922)	25.569	-	-	(3.800.720)
Motor vehicles	(92.543)	(630)	(4.079)	671	-	-	(96.581)
Furniture and fixtures	(2.303.979)	(25.236)	(253.944)	88.636	-	4	(2.494.519)
Total	(7.167.689)	(396.026)	(461.919)	125.222	-	4	(7.900.408)
Net Book Value	7.959.621						8.119.750

(*) TRY19.542 of the transfers from construction in progress in the current period is recognized in intangible assets.

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(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 11 - INTANGIBLE ASSETS

The movement in intangible assets for the years ended 30 June 2022 is as follows:

	1 January 2022	Currency Translation Differences	Additions	Business Combinations	Disposal	Transfers	30 June 2022
Cost							
Rights	859.175	187.098	531.008	-	(280.109)	10.313	1.307.485
Customer contracts	482.352	73.005	-	-	-	-	555.357
Licenses and softwares	43.724	546	-	-	(197)	-	44.073
Development investments	50.238	-	25.316	-	-	(5.992)	69.562
Mineral rights	23.175	3.507	-	-	-	-	26.682
Trademark	803.435	-	-	-	-	-	803.435
Bancassurance channel	918.714	-	-	-	-	-	918.714
Contractual rights	1.451.335	-	-	-	-	-	1.451.335
Agency channel	354.553	-	-	-	-	-	354.553
Other intangible assets	5.112.068	397.372	911.807	391	(1.204)	12.436	6.432.870
Total	10.098.769	661.528	1.468.131	391	(281.510)	16.757	11.964.066
Accumulated depreciation							
Rights	(302.909)	(74.460)	(28.015)	-	19.060	(2.088)	(388.412)
Customer contracts	(15.418)	(3.577)	(17.116)	-	-	-	(36.111)
Licenses and software	(4.167)	(352)	(215)	-	-	-	(4.734)
Development investments	(3.171)	(358)	(2.325)	-	-	-	(5.854)
Mineral rights	(1.560)	-	(1.675)	-	-	-	(3.235)
Bancassurance channel	(30.531)	-	(30.364)	-	-	-	(60.895)
Contractual rights	(97.291)	-	(24.588)	-	-	-	(121.879)
Agency channel	(13.000)	-	(12.929)	-	-	-	(25.929)
Other intangible assets	(1.673.078)	(56.495)	(427.057)	-	2.281	(33)	(2.154.382)
Total	(2.141.125)	(135.242)	(544.284)	-	21.341	(2.121)	(2.801.431)
Net book value	7.957.644						9.162.635

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NOTE 11 - INTANGIBLE ASSETS (Continued)

The movement in intangible assets for the years ended 30 June 2021 is as follows:

	1 January 2021	Currency Translation Differences	Additions	Disposal	Transfers	30 June 2021
Cost						
Rights	467.772	41.110	604	(1.659)	15.569	523.396
Licenses and softwares	17.221	-	58	-	-	17.279
Development investments	8.696	-	-	-	-	8.696
Other intangible assets	3.139.233	163.973	171.727	(4.962)	3.973	3.473.944
Total	3.632.922	205.083	172.389	(6.621)	19.542	4.023.315
Accumulated depreciation						
Rights	(234.042)	(18.252)	(18.103)	1.072	-	(269.325)
Licenses and software	(1.755)	-	(79)	-	-	(1.834)
Development investments	(1.245)	-	(870)	-	-	(2.115)
Other intangible assets	(1.120.600)	(16.482)	(175.758)	3.426	-	(1.309.414)
Total	(1.357.642)	(34.734)	(194.810)	4.498	-	(1.582.688)
Net book value	2.275.280					2.440.627

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(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 12 - RIGHT OF USE ASSETS

Movement table of right of use assets as of 30 June 2022 is as follows:

	1 January 2022	Addition	Disposals	Impairment	Currency translation differences	30 June 2022
Cost						
Real estates	2.742.721	730.469	(104.152)	(2.387)	36.916	3.403.567
Fixtures	462	-	-	-	-	462
Motor vehicles	76.868	40.870	(23.247)	-	18.499	112.990
Other	212.636	15.924	(737)	-	94.995	322.818
Total	3.032.687	787.263	(128.136)	(2.387)	150.410	3.839.837
Accumulated depreciation:						
Real estates	(953.399)	(269.620)	65.740	1.464	(2.911)	(1.158.726)
Fixtures	(157)	(45)	-	-	-	(202)
Motor vehicles	(47.233)	(18.772)	13.342	-	(1.176)	(53.839)
Other	(51.574)	(19.946)	2.059	-	(19.722)	(89.183)
Total	(1.052.363)	(308.383)	81.141	1.464	(23.809)	(1.301.950)
Net book value	1.980.324					2.537.887

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(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 12 - RIGHT OF USE ASSETS (Continued)

Movement table of right of use assets as of 30 June 2021 is as follows:

	1 January 2021	Addition	Disposals	Currency translation differences	30 June 2021
Cost					
Property	2.317.656	330.864	(91.357)	64.980	2.622.143
Vehicles	68.441	2.622	(4.996)	(10.777)	55.290
Other	19.722	1.915	-	2.464	24.101
Total	2.405.819	335.401	(96.353)	56.667	2.701.534
Accumulated depreciation					
Property	(630.543)	(217.612)	27.320	(10.454)	(831.289)
Vehicles	(36.338)	(10.749)	4.410	6.208	(36.469)
Other	(7.361)	(2.786)	-	1.087	(9.060)
Total	(674.242)	(231.147)	31.730	(3.159)	(876.818)
Net book value	1.731.577	104.254	(64.623)	53.508	1.824.716

HACI ÖMER SABANCI HOLDİNG A.Ş.**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022**

(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 13 - GOODWILL

The movements in goodwill for the years ended 30 June 2022 and 2021 are as follows:

	2022	2021
1 January	2.522.764	1.600.690
Business combinations (Note 3)	705.626	-
Currency translation differences	430.667	163.194
30 June	3.659.057	1.763.884

NOTE 14 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Other short-term provisions	30 June 2022	31 December 2021
Insurance technical provisions	12.417.381	9.328.281
Provision for liabilities	858.960	816.672
<i>Credit bonus provision</i>	<i>131.726</i>	<i>87.120</i>
<i>Provisions for litigation</i>	<i>101.119</i>	<i>88.517</i>
<i>Uncompensated and not encashed non-cash loans</i>	<i>626.115</i>	<i>641.035</i>
Other debt provisions	285.831	238.370
Total	13.562.172	10.383.323

Other long-term provisions	30 June 2022	31 December 2021
Insurance technical provisions	6.569.627	4.766.880
Provision for liabilities	1.362.042	562.474
<i>Provisions for litigation</i>	<i>233.111</i>	<i>161.020</i>
<i>Other long-term provisions</i>	<i>1.128.931</i>	<i>401.454</i>
Total	7.931.669	5.329.354

Commitments - banking segment	30 June 2022	31 December 2021
Letters of guarantee given	80.174.514	56.987.517
Letters of credit	20.368.437	14.929.427
Foreign currency acceptance	257.799	159.525
Other guarantees given	17.363.852	13.479.998
Total	118.164.602	85.556.467

Commitments - other companies	30 June 2022	31 December 2021
Letters of guarantee given	2.220.170	1.439.769
Other guarantees given	1.834.260	1.856.238
Total	4.054.430	3.296.007

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NOTE 14 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

Commitments for resale and repurchase of debt securities:

Commitments for the resale and repurchase of debt securities (government bonds, treasury bills and Eurobonds) on 30 June 2022 and 31 December 2021 are as follows:

	30 June 2022	31 December 2021
Repurchase commitments	50.971.516	62.277.199
Transactions for held for trading		
	30 June 2022	31 December 2021
Foreign currency purchases	41.934.027	17.229.702
Foreign currency sales	41.298.612	18.190.714
Total	83.232.639	35.420.416
	30 June 2022	31 December 2021
Currency swap purchases	256.364.264	210.418.016
Currency swap sales	278.061.949	224.443.589
Interest swap purchases	151.528.986	133.544.605
Interest swap sales	151.528.986	133.544.605
Total	837.484.185	701.950.815
	30 June 2022	31 December 2021
Spot purchases	9.536.446	10.674.780
Spot sales	9.464.358	10.697.859
Total	19.000.804	21.372.639
	30 June 2022	31 December 2021
Currency, interest, and securities options purchases	27.622.718	26.311.953
Currency, interest, and securities options sales	28.745.299	27.980.081
Total	56.368.017	54.292.034
	30 June 2022	31 December 2021
Other purchase transactions	53.409.074	40.968.571
Other sales transactions	19.248.055	14.431.941
Total	72.657.129	55.400.512
	30 June 2022	31 December 2021
Future purchase transactions	16.097.801	8.206.775
Future sales transactions	15.416.824	8.114.789
Total	31.514.625	16.321.564

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NOTE 14 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

Types of derivative transactions held for hedges:

	30 June 2022	31 December 2021
Interest swap purchases	85.627.931	65.310.465
Interest swap sales	85.627.931	65.310.465
Total	171.255.862	130.620.930

	30 June 2022	31 December 2021
Money swap purchases	22.308.657	21.781.486
Money swap sales	7.868.017	8.752.970
Total	30.176.674	30.534.456

The maturity analysis of the off-balance sheet assets of the Banking segment on 30 June 2022 is as follows:

	Up to 1 year	Over 1 year	Total
Letters of guarantees given	41.476.847	38.697.667	80.174.514
Letters of credits	18.154.475	2.213.962	20.368.437
Acceptance credits	257.799	--	257.799
Other guarantees	6.992.209	10.371.643	17.363.852
Total	66.881.330	51.283.272	118.164.602

The maturity analysis of the off-balance sheet assets of the Banking segment on 31 December 2021 is as follows:

	Up to 1 year	Over 1 year	Total
Letters of guarantees given	28.440.110	28.547.407	56.987.517
Letters of credits	12.630.838	2.298.589	14.929.427
Acceptance credits	159.525	-	159.525
Other guarantees	5.827.888	7.652.110	13.479.998
Total	47.058.361	38.498.106	85.556.467

HACI ÖMER SABANCI HOLDİNG A.Ş.**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022**

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 14 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

The economic sector risk concentrations of the commitments of the Banking segment on 30 June 2022 and 31 December 2021 are as follows:

	30 June 2022	31 December 2021
Construction	23.042.342	15.066.387
Wholesale	21.512.709	15.867.126
Other manufacturing	15.270.537	9.901.798
Financial institutions	11.819.516	8.124.805
Steel and mining	8.484.616	5.875.656
Small-scale retailers	8.357.500	5.187.378
Transportation	5.076.371	2.806.224
Textile	4.259.948	3.971.143
Electricity, gas, and water	3.865.187	3.187.106
Food and beverage	2.700.957	1.674.154
Automotive	2.555.757	1.934.944
Chemicals	1.450.787	3.960.757
Tourism	1.205.734	878.035
Telecommunications	755.997	625.893
Agriculture and forestry	690.424	639.844
Electronics	476.250	463.228
Other	6.639.970	5.391.989
Total	118.164.602	85.556.467

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NOTE 15 - COMMITMENTS

Collaterals, pledges and mortgages (“CRM”) given by the Subsidiaries on 30 June 2022 is as follows:

	30 June 2022				
	Total TL Equivalent	TL	USD	EUR	Other
A, Total amount of the Collaterals					
given for its own legal entity	2.613.701	1.484.657	40.114	22.559	68.825
B, Collaterals given on behalf of fully consolidated companies	5.612.108	2.043.183	150.840	59.784	17.267
C, Collaterals given on behalf of the third parties' debt for continuation of their economic activities	118.168.217	49.914.316	2.156.653	1.685.968	3.032.128
D, Total amount of other Collaterals					
i, Given on behalf of majority shareholder	-	-	-	-	-
ii, Given on behalf of other group companies which are not in the scope of B and C	-	-	-	-	-
iii, Given on behalf of third parties which are not in scope of C	-	-	-	-	-
Total Collaterals	126.394.026	53.442.156	2.347.607	1.768.311	3.118.220
A, Total amount of the mortgages	-	-	-	-	-
given for its own legal entity	-	-	-	-	-
B, Mortgages given on behalf of fully consolidated companies	-	-	-	-	-
C, Mortgages given on behalf of third parties' debt for continuation of their economic activities	-	-	-	-	-
D, Total amount of other Mortgages	-	-	-	-	-
i, Given on behalf of majority shareholder	-	-	-	-	-
ii, Given on behalf of other group companies which are not in the scope of B and C	-	-	-	-	-
iii, Given on behalf of third parties which are not in scope of C	-	-	-	-	-
Total Mortgages	-	-	-	-	-
A, Total amount of the pledges					
given for its own legal entity	-	-	-	-	-
B, Pledges given on behalf of fully consolidated companies	-	-	-	-	-
C, Pledges given on behalf of third parties' debt for continuation of their economic activities	-	-	-	-	-
D, Total amount of other Pledges					
i, Given on behalf of majority shareholder	-	-	-	-	-
ii, Given on behalf of other group companies which are not in the scope of B and C	-	-	-	-	-
iii, Given on behalf of third parties which are not in scope of C	-	-	-	-	-
Total Pledges	-	-	-	-	-

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(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 15 – COMMITMENTS (Continued)

As of 30 June 2022, the collateral / pledge / mortgage (“TRI”) position of the Joint Ventures is as follows;

	30 June 2022				
	Total TL Equivalent	TL	USD	EUR	Other
A, Total amount of the Collaterals					
given for its own legal entity	1.019.331	376.111	34.211	4.215	-
B, Collaterals given on behalf of fully consolidated companies	1.729.430	1.555.441	10.347	92	-
C, Collaterals given on behalf of the third parties' debt for continuation of their economic activities	5.982	5.982	-	-	-
D, Total amount of other Collaterals					
i, Given on behalf of majority shareholder					
ii, Given on behalf of other group companies which are not in the scope of B and C	-	-	-	-	-
iii, Given on behalf of third parties which are not in scope of C	-	-	-	-	-
Total Collaterals	2.754.743	1.937.534	44.558	4.307	-
A, Total amount of the mortgages					
given for its own legal entity	-	-	-	-	-
B, Mortgages given on behalf of fully consolidated companies	-	-	-	-	-
C, Mortgages given on behalf of third parties' debt for continuation of their economic activities	-	-	-	-	-
D, Total amount of other Mortgages					
i, Given on behalf of majority shareholder	-	-	-	-	-
ii, Given on behalf of other group companies which are not in the scope of B and C	-	-	-	-	-
iii, Given on behalf of third parties which are not in scope of C	-	-	-	-	-
Total Mortgages	-	-	-	-	-
A, Total amount of the pledges					
given for its own legal entity	-	-	-	-	-
B, Pledges given on behalf of fully consolidated companies	-	-	-	-	-
C, Pledges given on behalf of third parties' debt for continuation of their economic activities	-	-	-	-	-
D, Total amount of other Pledges					
i, Given on behalf of majority shareholder	-	-	-	-	-
ii, Given on behalf of other group companies which are not in the scope of B and C	-	-	-	-	-
iii, Given on behalf of third parties which are not in scope of C	-	-	-	-	-
Total Pledges	-	-	-	-	-

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NOTE 15 – COMMITMENTS (Continued)

Collaterals, pledges and mortgages (“TRI”) given by the Subsidiaries on 31 December 2021 is as follows:

	31 December 2021				
	Total TL Equivalent	TL	USD	EUR	Other
A, Total amount of the Collaterals given for its own legal entity	2.417.476	1.263.747	60.627	22.836	-
B, Collaterals given on behalf of fully consolidated companies	4.231.028	838.684	164.533	79.159	5.036
C, Collaterals given on behalf of the third parties’ debt for continuation of their economic activities	85.560.208	31.928.141	2.215.302	1.472.671	1.886.563
D, Total amount of other Collaterals					
i, Given on behalf of majority shareholder	-	-	-	-	-
ii, Given on behalf of other group companies which are not in the scope of B and C	-	-	-	-	-
iii, Given on behalf of third parties which are not in scope of C	-	-	-	-	-
Total Collaterals	92.208.712	34.030.572	2.440.462	1.574.666	1.891.599
A, Total amount of the mortgages given for its own legal entity	-	-	-	-	-
B, Mortgages given on behalf of fully consolidated companies	-	-	-	-	-
C, Mortgages given on behalf of third parties’ debt for continuation of their economic activities	-	-	-	-	-
D, Total amount of other Mortgages	-	-	-	-	-
i, Given on behalf of majority shareholder	-	-	-	-	-
ii, Given on behalf of other group companies which are not in the scope of B and C	-	-	-	-	-
iii, Given on behalf of third parties which are not in scope of C	-	-	-	-	-
Total Mortgages	-	-	-	-	-
A, Total amount of the pledges given for its own legal entity	-	-	-	-	-
B, Pledges given on behalf of fully consolidated companies	-	-	-	-	-
C, Pledges given on behalf of third parties’ debt for continuation of their economic activities	-	-	-	-	-
D, Total amount of other Pledges	-	-	-	-	-
i, Given on behalf of majority shareholder	-	-	-	-	-
ii, Given on behalf of other group companies which are not in the scope of B and C	-	-	-	-	-
iii, Given on behalf of third parties which are not in scope of C	-	-	-	-	-
Total Pledges	-	-	-	-	-

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NOTE 15 – COMMITMENTS (Continued)

As of 31 December 2021, the collateral / pledge / mortgage (“TRI”) position of the Joint Ventures is as follows;

	31 December 2021				
	Total TL Equivalent	TL	USD	EUR	Other
A, Total amount of the Collaterals					
given for its own legal entity	715.907	283.296	27.359	4.504	-
B, Collaterals given on behalf of fully consolidated companies	1.266.337	1.123.324	10.535	172	-
C, Collaterals given on behalf of the third parties’ debt for continuation of their economic activities	5.982	5.982	-	-	-
D, Total amount of other Collaterals					
i, Given on behalf of majority shareholder	-	-	-	-	-
ii, Given on behalf of other group companies which are not in the scope of B and C	-	-	-	-	-
iii, Given on behalf of third parties which are not in scope of C	-	-	-	-	-
Total Collaterals	1.988.226	1.412.602	37.894	4.676	-
A, Total amount of the mortgages					
given for its own legal entity	-	-	-	-	-
B, Mortgages given on behalf of fully consolidated companies	-	-	-	-	-
C, Mortgages given on behalf of third parties’ debt for continuation of their economic activities	-	-	-	-	-
D, Total amount of other Mortgages					
i, Given on behalf of majority shareholder	-	-	-	-	-
ii, Given on behalf of other group companies which are not in the scope of B and C	-	-	-	-	-
iii, Given on behalf of third parties which are not in scope of C	-	-	-	-	-
Total Mortgages	-	-	-	-	-
A, Total amount of the pledges					
given for its own legal entity	-	-	-	-	-
B, Pledges given on behalf of fully consolidated companies	-	-	-	-	-
C, Pledges given on behalf of third parties’ debt for continuation of their economic activities	-	-	-	-	-
D, Total amount of other Pledges					
i, Given on behalf of majority shareholder	-	-	-	-	-
ii, Given on behalf of other group companies which are not in the scope of B and C	-	-	-	-	-
iii, Given on behalf of third parties which are not in scope of C	-	-	-	-	-
Total Pledges	-	-	-	-	-

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(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 16 - OTHER ASSETS AND LIABILITIES

Other Current Assets	30 June 2022	31 December 2021
Interbank cheque clearing accounts	2.576.805	1.370.281
Deductible, deferred and other VAT	563.653	335.344
Other Current Assets	6.340.819	3.727.479
Total	9.481.277	5.433.104

Other Non-Current Assets	30 June 2022	31 December 2021
Long term tax claims and other legal receivables	511	13.024
Deductible, deferred and other VAT	7.224	2.798
<i>Other non-current assets</i>	189.549	157.018
Total	197.284	172.840

Other Short-Term Liabilities	30 June 2022	31 December 2021
Interbank cheque clearing accounts	5.105.060	2.579.106
Saving deposits insurance	184.590	134.234
Other short-term liabilities	1.482.433	799.902
Total	6.772.083	3.513.242

Other Long Term Liabilities	30 June 2022	31 December 2021
Other long term liabilities	41.126	24.738
Total	41.126	24.738

NOTE 17 - EQUITY

Holding's authorized and issued capital consists of 204.040.393.100 (31 December 2021: 204.040.393.100) shares of Kr 1 each.

The Holding's authorized and paid-in share capital and shareholding structure on 30 June 2022 and 31 December 2021 is as follows:

Shareholders:	Share (%)	30 June 2022	Pay (%)	31 December 2021
Sakıp Sabancı Holding A.Ş.	14,07	287.100	14,07	287.100
Serra Sabancı	7,22	147.371	7,22	147.371
Suzan Sabancı Dinçer	6,94	141.567	6,94	141.567
Çiğdem Sabancı Bilen	6,94	141.567	6,94	141.567
Diğer	64,83	1.322.799	64,83	1.322.799
Share capital	100,00	2.040.404	100,00	2.040.404
Capital adjustments due to cross-ownership (-)		(76.854)		(31.897)
Share Premium		22.237		22.237

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(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 17 - EQUITY (Continued)

According to Exsa Export Sanayi Mamulleri Satış ve Araştırma A.Ş. (Exsa)'s Board of Director decision on 22 December 2015, company has started to make share buyback at BİST. In the scope of the relevant decision, considering matching orders as of 30 June 2022, equivalent to 1,172% of the company capital, were repurchased for TRY190.464, including transaction costs. These shares are shown in consolidated equity as capital adjustments due to treasury shares.

The Board of Directors of Sabancı Holding have adopted the resolutions in its meeting dated November 9, 2021, for the purposes of supporting price performance of SAHOL shares in the equity market, and hence reducing the net asset value discount by bringing SAHOL shares closer to its fair value, and providing shareholders with a more attractive long-term investment opportunity. Shares buy-back shall be initiated pursuant to the Capital Markets Board's Communiqué on Share Buy-Back No. II-22.1 and the related announcements dated July 21, 2016 and July 25, 2016. In the scope of the relevant decision, considering matching orders as of 30 June 2022, shares with TRY52.957 of nominal value, equivalent to 2,5954% of the company capital, were repurchased for TRY878.867, including transaction costs. As of the date of the report, the repurchased shares have not been sold.

Restricted Reserves

The legal reserves consist of first and second reserves, appropriated in accordance with the Turkish Commercial Code (TCC). The Company reserves 5% of the historical statutory profit as first legal reserve, until the total reserve reaches 20% of the historical paid in share capital. Under the TCC, the legal reserves can only be used to offset losses and are not available for any other usage unless they exceed 50% of paid-in share capital.

Furthermore, to be entitled to the exemption for sale of participation shares and property, 75% of related gain is required to be held in a fund account in the liabilities and it must not be withdrawn from the entity for a period of five years. Based on the exemption for sale of participation shares and property, 75% of the related gain is required to be held in account "gain on sale of subsidiaries". In 2012, related to the initial public offering of Teknosa, Holding accounted for 75% of this gain in this account.

The details of restricted reserves mentioned above are as follows:

	30 June 2022	31 December 2021
Reserves for treasury shares(*)	878.861	108.176
Legal reserves	1.424.784	1.080.824
Subsidiary sales profit	343.498	343.498
Total	2.647.143	1.532.498

(*) As per TCC and CMB regulations, a legal reserve equivalent to acquisition value is allocated for treasury shares. Accordingly, under the limited reserve allocated from profits in the consolidated financial statements as of 30 June 2022, a legal reserve in the amount of TRY878.861 (31 December 2021: TRY108.176) was allocated for repurchased shares.

Dividend Distribution

Listed companies process their profit distributions according to the II-19.1 numbered CMB profit distribution declaration become effective on or after 1 February 2014.

Group companies distribute their profits within the frame of profit distribution policies determined by general assembly and according to the related declaration by the approval of general assembly. Within the mentioned declaration, minimum rate of distribution is not determined. Companies distribute their profits according to the predetermined terms in their articles of incorporation or profit distribution policies.

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NOTE 17 - EQUITY (Continued)

Accumulated Other Comprehensive Income or Loss to be Reclassified to Profit or Loss

	Fair Value Revaluation Fund	Cash Flow Hedge Fund	Net Investment Hedge Fund	Currency Translation Effect
Balance as of 1 January 2022	(719.033)	(144)	(2.450.004)	6.690.649
Increases/(decreases) during the period)	2.434.728	1.472.189	(732.283)	2.060.971
Gains transferred to income statement	(1.105.063)	109.791	-	-
Net gains & losses included in the ..income statement due to transfer of available for sale financial assets into held to maturity assets	279.011	-	-	-
Tax effect	(321.735)	(316.395)	146.457	-
Balance as of 30 June 2022	567.908	1.265.441	(3.035.830)	8.751.620

	Fair Value Revaluation Fund	Cash Flow Hedge Fund	Net Investment Hedge Fund	Currency Translation Effect
Balance as of 1 January 2021	207.135	(824.534)	(931.208)	2.684.551
Increases/(decreases) during the period)	(70.315)	269.646	(387.564)	878.134
Gains transferred to income statement	(118.032)	300.998	-	-
Net gains & losses included in the ..income statement due to transfer of available for sale financial assets into held to maturity assets	(118.221)	-	-	-
Tax effect	61.314	(114.129)	77.513	-
Balance as of 30 June 2021	(38.119)	(368.019)	(1.241.259)	3.562.685

NOTE 18 - ASSETS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS

1 January – 30 June 2022

Nile Kordsa Company for Industrial Fabrics S.A.E., a subsidiary of Kordsa, which is a subsidiary of the Group, had a full period loss amounting to TRY2.394 as of 30 June 2022 (30 June 2021: TRY4.202). For the period ended 30 June 2022 and 30 June 2021, operating results of this company reclassified as income/expense from the discontinued operations in consolidated financial statements.

The amount recognised under “Assets Held for Sale” is none as of 30 June 2022 (31 December 2021: TRY4.142). The amount recognised under “Liabilities Held for Sale” is TRY6.397 as of 30 June 2022 (31 December 2021: None).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 18 - ASSETS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS (Continued)

An Asset Deal Agreement was signed on 15 June 2022 related to the transfer of Niğde Integrated Cement Factory, Kayseri Inregrated Cement Factory, Ankara Cement Grinding Facility and the Başakpınar, Ambar, Nevşehir, Cırgalan, Aksaray, Ereğli and Kahramanmaraş Ready Mixed Concrete Plant, the fixed assets in these plants and other related assets to Ferpa İnşaat Sanayi Petrol Ürünleri Tic. ve Paz. Ltd. Şti. for EUR110 million (VAT is not included), provided relevant legal approvals including Competition Authority approval are acquired. As of 28 July 2022, transfer transactions was completed with collecting transfer fee.

The asset were classified from property, plant and equipment and intangible assets to assets held for sales amounted by TRY175.906 (31 December 2021: TRY180.248)

Akbank’s asset were classified from property, plant and equipment and intangible assets to assets held for sales amounted by TRY332.521 (31 December 2021: TRY232.296)

Group shares in Philsa Philip Morris Sabancı Sigara ve Tütüncülük Sanayi ve Ticaret A.Ş. and Philip Morris SA Philip Morris Sabancı Pazarlama ve Satış A.Ş. have been sold on 5 January 2022 to Philip Morris Products S.A. (PM).

Information on assets held for sale:

	30 June 2022	31 December 2021
Beginning, net book value	694.573	262.226
Acquired	195.692	200.398
Disposed of (-), net	(373.129)	(217.363)
Impairment (-)	(225)	(1.517)
Other	(15.537)	450.829
Closing, net book value	501.374	694.573

Remaining part of the assets held for sale includes the real estates that the bank has acquired due to its receivables.

1 January – 30 June 2021

Nile Kordsa Company for Industrial Fabrics S.A.E., a subsidiary of Kordsa, which is a subsidiary of the Group, had a full period loss amounting to Total TRY4.201.941 as of 30 June 2021 (30 June 2020: TRY5.957). In 30 June 2021 and 30 June 2020, operating results of this company reclassified as income/expense from the discontinued operations in consolidated financial statements.

About Nile Kordsa Company for Industrial Fabric, the amount recognised under “Assets Held for Sale” is Total TRY2.488.602 as of 30 June 2021 (31 December 2020: Total TRY2.925.808). The amount recognised under “Liabilities Held for Sale” is Total TRY3.814.144 as of 30 June 2021 (31 December 2020: Total TRY4.026.883).

The sale of the lands which are not used actively of Çimsa, one of the subsidiaries of the Group, continues and the remaining part amounting to Total TRY344.295 has been classified as fixed assets held for sale (31 December 2020: Total TRY8.522.648)

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NOTE 19 - OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES

The details of other income from operating activities for the periods ended 30 June 2022 and 2021 are as follows:

	1 January- 30 June 2022	1 January- 30 June 2021	1 April- 30 June 2022	1 April- 30 June 2021
Foreign currency gains resulting from operations	2.019.151	650.722	1.338.096	289.531
Due date income from trade receivables	160.637	54.004	88.840	33.013
Other income	2.745.479	382.357	2.059.278	234.768
Total	4.925.267	1.087.083	3.486.214	557.312

(*) Other incomes are related to Financial Services’s investment income transferred to technical profit.

The details of other expenses from operating activities for the periods ended 30 June 2022 and 2021 are as follows:

	1 January- 30 June 2022	1 January- 30 June 2021	1 April- 30 June 2022	1 April- 30 June 2021
Foreign currency losses resulting from operations	(1.709.823)	(426.966)	(1.077.699)	(202.323)
Due date expense from trade receivables	(359.122)	(255.604)	(195.395)	(127.268)
Provision expense	(16.483)	(11.385)	(10.937)	(6.716)
Other expenses	(277.926)	(224.521)	(115.811)	(114.377)
Total	(2.363.354)	(918.476)	(1.399.842)	(450.684)

NOTE 20 - INCOME AND EXPENSES FROM INVESTING ACTIVITIES**Income from investing activities**

The details of other income from investing activities for the periods ended 30 Periods 2022 and 2021 are as follows:

	1 January- 30 June 2022	1 January- 30 June 2021	1 April- 30 June 2022	1 April- 30 June 2021
Gain on sale of associates	2.766.445	-	(51.277)	-
Fair value gain (*)	324.399	-	132.267	-
Profit from sales on property, plant and equipment	240.735	10.731	89.214	4.191
Interest income on time deposits	153.527	126.742	6.937	101.196
Dividend income	53.048	2.629	24.146	226
Total	3.538.154	140.102	201.287	105.613

(*) It is the foreign currency protected deposit option value.

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NOTE 20 - INCOME AND EXPENSES FROM INVESTING ACTIVITIES (Continued)

Expenses from investment activities

The details of other expenses from investing activities for the periods ended 30 June 2022 and 2021 are as follows:

	1 January- 30 June 2022	1 January- 30 June 2021	1 April- 30 June 2022	1 April- 30 June 2021
Loss on sale of fixed assets	(3.084)	(1.779)	(119)	(25)
Total	(3.084)	(1.779)	(119)	(25)

NOTE 21 - FINANCIAL INCOME AND EXPENSE

	1 January- 30 June 2022	1 January- 30 June 2021	1 April- 30 June 2022	1 April- 30 June 2021
Financial income				
Foreign currency gains	433.759	60.416	272.380	18.355
Interest Income	6.154	8.931	2.936	6.161
Other financial income	40.132	-	24.182	-
Total	480.045	69.347	299.498	24.516
	1 January- 30 June 2022	1 January- 30 June 2021	1 April- 30 June 2022	1 April- 30 June 2021
Financial expenses				
Foreign currency losses	(216.881)	(140.380)	(78.228)	(116.749)
Interest expense	(559.301)	(338.886)	(302.179)	(160.967)
Other financial expenses	(297.741)	(110.105)	(175.657)	(62.656)
Total	(1.073.923)	(589.371)	(556.064)	(340.372)

Financial income and financial expenses relate to segments outside of banking.

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(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 22 - TAX ASSETS AND LIABILITIES

	30 June 2022	31 December 2021
Corporate and income taxes payable	5.061.228	4.186.070
Less: prepaid taxes	(10.172.370)	(2.566.388)
Total taxes payable	(5.111.142)	1.619.682

Turkish tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provisions for taxes, as reflected in these consolidated financial statements, have been calculated on a separate-entity basis.

The Corporate Tax Law was amended as of 13 June 2006 with Law No 5520. Most of the clauses of Law No 5520 are effective as of 1 January 2006.

The effective tax rate of the fiscal year 2022 is 23% (2021: 25%). According to the Law No. 7316, published in the Official Gazette dated April 22, 2021, tax rate has been increased to 25% for the taxation period of 2021 that will start on 1/7/2021. This rate will be applied as 23% for the 2022 taxation period.

Corporation tax is payable for the Holding after adjusting for certain disallowable expenses, corporate income tax exemptions (participation exemption, and investment allowance, etc. and corporate income tax deductions (like research and development expenditures deduction). No further tax is payable unless the profit is distributed.

Dividends paid to non-resident corporations, which have a place of business in Turkey, or resident corporations are not subject to withholding tax. Otherwise, except from these corporations' dividends subject to withholding tax at the rate of 15%. An increase in capital via issuing bonus shares is not considered as a profit distribution and thus does not incur withholding tax.

Corporations calculate corporate tax quarterly on their corporate income and declare it until the 10th day and pay it on the 17th day of the second month following each calendar quarter end. Advance tax paid by corporations is credited against the annual corporation tax liability. The balance of the advance tax paid may be refunded or used to set off against other liabilities to the government.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns by the 25th of the fourth month following the close of the financial 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 re-assessments based on their findings.

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

The conditions sought for inflation adjustment in the calculation of corporate tax have been fulfilled, within the framework of the repeated provision of Article 298/A of the Tax Procedure Law. However, with the regulation made with the Law No. 7352 dated 20 January 2022, the application of inflation adjustment in the calculation of corporate tax was postponed to 2023. According to this; TPL financial statements for the 2021 and 2022 accounting periods, including the provisional tax periods, will not be subject to inflation adjustment, and for the 2023 accounting period; will not be subject to inflation adjustment as of the provisional tax periods, and the TPL financial statements dated 31 December 2023 will be subject to inflation adjustment regardless of whether the inflation adjustment conditions are met or not. Profit/loss difference arising from inflation adjustment in VUK financial statements will be shown in previous years' profit/loss accounts and will not affect the corporate tax base.

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NOTE 22 - TAX ASSETS AND LIABILITIES (Continued)

There are numerous exemptions in the Corporate Tax Law concerning the corporations. Those related to Group are as follows:

Affiliation Privilege

Dividend income from participation in shares of capital of another full-fledged taxpayer corporation (except for dividends from investment funds participation certificates and investment partnerships shares) are exempt from corporate tax

Emission premiums exemption

Gains from issued premiums derived from the disposal of sales at nominal values during incorporations and the capital increase of joint stock companies are exempt from corporate tax.

Exemption for participation into foreign subsidiaries

The participation income of corporations participating in 10% or more of the capital of a limited liability or joint stock company which does not have its legal or business center in Turkey (except for corporations whose principal activity is financial leasing or by investment of marketable securities) for at least one year until the date of the income is generated and transferred to Turkey until the date of the filing of the corporate income tax return of the fiscal year in which the income is generated is exempt from corporation tax subject to those subsidiaries being subject to corporate income tax, or alike, in their country of legal residence or business center at the rate of at least 15% (the corporate income tax rate applicable in Turkey for those companies whose principal activity is financial assurance or insurance).

Exemption for sale of participation shares and property

75% of the gains derived from the sale of preferential rights, usufruct shares and founding shares from investment equity and real property which have remained in assets for more than two full years are exempt from corporate tax. As of 1 January 2019, the exemption for real estate has been revised to 50%. To be entitled to the exemption, the relevant gain is required to be held in a fund account in the liabilities and it must not be withdrawn from the entity for a period of five years.

The proceed related to the sale transaction must be collected up until the end of the second calendar year following the year the sale was realized. Brokerage houses and real estate companies who are dealing with the trading and the leasing of the real estate cannot benefit from this exemption.

Investment incentives

The corporate tax rate in Turkey is 20%. However, there is a reduced corporate tax application for investments related to incentive certificate. The two factors that are important in calculating the discounted corporate tax in the Investment Incentive System are the contribution rate to investment and the rate of tax reduction. The amount of contribution of the investments to be met by Government through the tax is defined as the amount of contribution to the investment and dividing this amount by the total amount invested is defined as the rate of contribution to the investment. These rates are determined by the President according to the sectors and regions. Regulations on Reduced Corporate Tax are included in the Decree No: 2012/3305 of the Council of Ministers and 1 Serial Number of Corporate Tax.

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NOTE 22 - TAX ASSETS AND LIABILITIES (Continued)

Tax amounts related to comprehensive income items in the consolidated statement of other comprehensive profit or loss for the period ended 30 June 2022 and 2021 are as follows:

	30 June 2022			30 June 2021		
	Before Tax	Tax Expense	After tax	Before Tax	Tax Expense	After tax
Fair value gains/(losses) from financial assets through other comprehensive income	3.917.261	(783.452)	3.133.809	(721.827)	144.366	(577.461)
Cash flow hedges, after tax	3.793.879	(758.776)	3.035.103	1.463.251	(292.650)	1.170.601
Financial assets related to the hedging of net investment in a foreign operation, after tax	(1.797.009)	359.402	(1.437.607)	(950.845)	190.169	(760.676)
Currency translation differences	3.986.486	-	3.986.486	1.668.745	-	1.668.745
Actuarial (losses)/gains	(351.052)	70.212	(280.840)	(47.757)	9.551	(38.206)
Other comprehensive income	9.549.565	(1.112.614)	8.436.951	1.411.567	51.436	1.463.003

Deferred tax

The Group recognises deferred income tax assets and liabilities based upon temporary differences arising between their financial statements as reported under TAS and their statutory tax financial statements. These differences usually result from the recognition of revenue and expenses in different reporting periods for TAS and tax purposes, carry forward tax losses and investment incentive exceptions. Deferred income taxes are calculated on temporary differences that are expected to be realized or settled based on the taxable income in coming years under the liability method using a principal tax rate of 20% in Turkey. Law no. 7316 promulgated in the Official Gazette dated 22 April 2021 raised corporate income tax to 25% for the 2021 taxation period and 23% for the 2022 taxation period, beginning with statements that should be submitted by 1 July 2021 and effective for the taxation period starting on 1 January 2021.

Since the subsidiaries and joint ventures which are separately taxpayers presented their deferred tax assets and liabilities as net values in their financial statements, the effect of the presentation of the net amounts has been reflected to the Group's consolidated balance sheet. Temporary differences and deferred tax assets and liabilities presented in the table below are based on the gross values. As of the period ending on 30 June 2022, provisional tax of 23% (2021: 25%) is calculated and paid on quarterly earnings in accordance with the tax legislation, and the amounts paid in this way are deducted from the tax calculated on the annual income.

The Group has no previous year loss which was not used to calculate deferred tax assets. On 30 June 2022, the Group has not recognized deferred income tax assets over carry forward tax losses in the amount of TRY793.726 which can be offset against future taxable profits for a period of five years (31 December 2021: TRY811.459). As of 30 June 2022, and 31 December 2021 carry forward tax losses and the latest annual periods are as follows:

	30 June 2022	31 December 2021
2022	345.260	410.171
2023	154.997	154.997
2024	215.214	246.291
2025	78.255	-
Total	793.726	811.459

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NOTE 22 - TAX ASSETS AND LIABILITIES (Continued)

Deferred tax (continued)

Deferred tax assets/(liabilities) for the period ended on 30 June 2022 and 31 December 2021 are as follows:

	30 June 2022	31 December 2021
Deferred tax assets	1.170.014	660.696
Deferred tax liabilities	(5.904.893)	(1.382.161)
Net Deferred Tax Assets	(4.734.879)	(721.465)

The movements in deferred income tax assets/(liabilities) for the six-month periods ended 30 June 2022 and 2021 are as follows:

	2022	2021
1 January	(721.465)	400.998
Charged to equity	(1.242.666)	21.974
Change in foreign currency translation differences	(76.461)	(43.688)
Charged to statement of profit or loss	(2.867.004)	(345.476)
Other	172.717	(596)
30 June	(4.734.879)	33.212

The deferred tax assets and liabilities calculated using the accumulated temporary differences and the applicable tax rates are as follows:

	Total temporary differences		Deferred tax assets/(liabilities)	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
Tangible and intangible assets	5.439.922	6.989.159	(1.245.583)	(1.397.832)
Inventories	(441.468)	(391.626)	104.274	87.550
Expected credit losses for loans	(21.157.124)	(19.014.505)	4.231.425	3.802.901
Provision for severance pay	(1.575.266)	(780.450)	364.244	162.038
Litigation provisions	(46.122)	28.196	10.210	(7.049)
Carry forward tax losses	(942.655)	(785.334)	198.277	187.154
Investment incentives	(300.433)	(275.527)	55.240	43.509
Doubtful receivables provisions	(76.313)	(44.424)	17.552	9.644
Derivative instruments	28.087.487	23.118.838	(7.032.204)	(4.907.561)
Financial lease liabilities	(1.306.295)	(1.041.629)	267.809	213.029
Securities valuation differences	(1.520.075)	(7.079.850)	380.280	1.412.735
Fair value differences of financial assets and liabilities	401.568	296.650	(80.314)	(59.352)
Geographical region risk provision cancellation	870.936	1.047.522	(238.636)	(282.831)
Other temporary differences	7.024.595	58.400	(1.767.453)	14.600
Deferred tax assets/liabilities (net)			(4.734.879)	(721.465)

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NOTE 23 - DERIVATIVE FINANCIAL INSTRUMENTS

30 June 2022	Fair Value	
	Assets	Liabilities
Derivative instruments held for trading:		
Foreign exchange derivative instruments		
Currency and interest rate swaps purchases and sales transactions	25.503.817	19.373.422
Forward currency purchases and sales transactions	1.677.997	2.346.990
Currency purchases and sales options	412.791	414.639
Other purchases and sales transactions	5.579.109	-
Total derivative instruments held for trading	33.173.714	22.135.051
Derivative instruments held for hedging:		
Currency and interest rate swaps purchases and sales transactions	22.715.860	350.710
Forward currency purchases and sales transactions	25.753	-
Currency purchases and sales options	-	730
Other purchases and sales transactions	15.723	-
Total derivative instruments held for hedging	22.757.336	351.440
Total derivative instruments	55.931.050	22.486.491
31 December 2021	Fair Value	
Derivative instruments held for trading:	Assets	Liabilities
Foreign exchange derivative instruments		
Currency and interest rate swaps purchases and sales transactions	27.782.362	20.177.837
Forward currency purchases and sales transactions	1.974.291	4.155.666
Currency purchases and sales options	296.503	567.852
Other purchases and sales transactions	4.699.540	-
Total derivative instruments held for trading	34.752.696	24.901.355
Derivative instruments held for hedging:		
Currency and interest rate swaps purchases and sales transactions	16.189.565	1.026.204
Forward currency purchases and sales transactions	53.854	-
Currency purchases and sales options	-	6.178
Total derivative instruments held for hedging	16.243.419	1.032.382
Total derivative instruments	50.996.115	25.933.737

Akbank hedges against cash flow risk using interest rate swaps against the cash flow risk arising from its financial debts.

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NOTE 24 - RECEIVABLES FROM FINANCE SECTOR OPERATIONS**Banking**

Loans and advances to customers	30 June 2022	31 December 2021
Consumer loans and credit cards receivables	115.243.016	92.939.761
Project finance loans	78.971.493	84.151.374
Construction	46.703.744	30.982.020
Other manufacturing industries	37.258.016	18.315.985
Financial institutions	27.905.949	24.640.404
Small-scale enterprises	23.838.313	14.806.603
Textile	19.151.761	10.944.313
Mining	19.379.125	12.807.071
Food and beverage, wholesale, and retail	11.973.337	9.962.603
Automotive	11.521.504	8.502.001
Chemicals	8.923.220	11.615.425
Telecommunication	1.430.264	1.205.127
Other	112.962.607	74.907.707
Total loans and advances to customers	515.262.349	395.780.394
Leasing receivables	9.387.391	8.038.101
Provision for loan losses	(21.157.124)	(19.014.505)
Receivables from insurance activities	2.518.638	1.808.721
Net loans and advances to customers	506.011.254	386.612.711

The above table includes the total live and follow-up lending of the bank, and the credit risk reserve is set because of the bank evaluation considering the whole credit risk.

Annual effective interest rates of loans and advances granted to clients in USD, EUR, TRY are as follows respectively 6,29% (31 December 2021: 4,97%), 4,30% (31 December 2021: 3,86%) and 20,28% (31 December 2021: 17,62%).

The movement of loan loss provision of banking segment as of 30 June 2022 by class is as follows:

	Corporate	Consumer	Rental Receivables	Total
1 January 2022	14.847.739	3.849.495	317.271	19.014.505
Gross provisions	14.503.632	1.778.743	81.018	16.363.393
Recoveries	(858.141)	(533.082)	(94.443)	(1.485.666)
Extracted from financial statements	(12.700.864)	(28.591)	(5.653)	(12.735.108)
30 June 2022	15.792.366	5.066.565	298.193	21.157.124

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NOTE 24 - RECEIVABLES FROM FINANCE SECTOR OPERATIONS (Continued)

Banking (Continued)

The movement of loan loss provision of banking segment as of 30 June 2021 by class is as follows:

	Corporate	Consumer	Rental Receivables	Total
1 January 2021	13.773.709	2.801.353	394.453	16.969.515
Gross provisions	1.509.457	652.189	65.902	2.227.548
Recoveries	(682.160)	(213.054)	(60.471)	(955.685)
Extracted from financial statements	(44.920)	(20.677)	(73.923)	(139.520)
30 June 2021	14.556.086	3.219.811	325.961	18.101.858

The maturity schedule of loans and advances to customers on 30 June 2022 and 31 December 2021 are summarized below:

	30 June 2022	31 December 2021
Up to 3 months	189.032.193	127.580.232
3 to 12 months	129.749.500	93.836.550
Current	318.781.693	221.416.782
1 to 5 years	127.360.455	114.749.045
Over 5 years	47.963.077	40.600.062
Non-current	175.323.532	155.349.107
Total	494.105.225	376.765.889

The repricing schedule of loans and advances to customers on 30 June 2022 and 31 December 2021 are summarized below:

	30 June 2022	31 December 2021
Up to 3 months	246.220.584	179.073.625
3 to 12 months	151.120.743	98.603.836
1 to 5 years	89.063.633	85.074.285
Over 5 years	7.700.265	14.014.143
Total	494.105.225	376.765.889

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NOTE 25 - PAYABLES FROM FINANCE SECTOR OPERATIONS

Banking

	30 June 2022			31 December 2021		
	Demand	Time	Total	Demand	Time	Total
Saving deposits	118.531.350	230.230.855	348.762.205	97.492.447	177.658.897	275.151.344
Commercial deposits	79.956.977	133.046.707	213.003.684	61.300.106	90.569.061	151.869.167
Bank deposits	3.261.546	38.146.659	41.408.205	1.776.500	12.060.042	13.836.542
Funds provided from						
repo transactions	-	52.509.258	52.509.258	-	63.256.050	63.256.050
Other	3.171.035	6.469.067	9.640.102	1.838.712	5.622.797	7.461.509
Total	204.920.908	460.402.546	665.323.454	162.407.765	349.166.847	511.574.612

Foreign exchange-protected deposit instrument, the operating rules of which are determined by the Ministry of Treasury and Finance and the CBRT, and which ensures that TL deposits are valued with interest rates and are protected against foreign exchange rates, is offered to Akbank customers. As of 30 June 2022, TL deposit amount includes TRY79.125.475 (31 December 2021: TRY4.875.953) thousand TRY deposits within this scope.

Annual effective interest rate of deposit accounts in USD, Euro and TRY are 3,63% (31 December 2021: 1,16%), 1,11% (31 December 2021: 0,20%) and 23,86% (31 December 2021 17,60%).

The following is the analysis of remaining time of debts to deposit and money markets for term and repricing in the agreement as of 30 June 2022 and 31 December 2021:

	30 June 2022	31 December 2021
No maturity	204.920.908	162.407.765
Up to 3 months	413.648.896	306.842.022
3 to 12 months	38.390.113	30.950.347
1 to 5 years	6.947.350	10.034.533
Over 5 years	1.416.187	1.339.945
Total	665.323.454	511.574.612

Financial services

	30 June 2022	31 December 2021
Payables from insurance sector operations	1.449.144	955.091
Total	1.449.144	955.091

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022

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NOTE 26 - RELATED PARTY DISCLOSURES

Related party balances

	30 June 2022	31 December 2021
Receivables from finance sector activities	8.691.636	6.621.682
Trade receivables	215.372	203.792
Trade payables	207.091	109.484
Other receivables	4.567	1.826
Other payables	479.829	177.732
Receivables from finance sector activities	5.297.026	3.577.126

Related party transactions

	30 June 2022	30 June 2021
Goods and services sales	353.709	138.565
Goods and services purchases	(768.436)	(245.821)
Interest income	(463.153)	226.413
Interest expense	(109.484)	(101.819)

The Group's joint ventures are recognised in the consolidated financial statements using the equity method. Accordingly, transactions between Group subsidiaries and joint ventures and balances from joint ventures may not be eliminated.

As of 30 June 2022, TRY186.322 (31 December 2021: TRY156.574) was the balance of trade receivables arising from the sales relationship between Kordsa and Brisa. TRY138.539 of trade payables (31 December 2021: TRY72.371) arose from the balance related to the purchasing relationship of Çimsa with Enerjisa Üretim.

The receivables and payables from finance industry operations consist of credit and deposit transactions between Akbank and the Group joint ventures and other related parties.

Key management personnel compensation:

The Group defined its key management as board of directors, general manager, general secretary, group chiefs, head of departments and group directors. Short term benefits include wages, bonuses, social security, health insurance, unused vacation, premium bonuses and incentive premiums. Other long-term benefits include private pension system payments. Benefits resulted from discharge include severance pay and unused vacation payments for executive management who is discharged because of transfer or retirement.

The detailed schedule of compensation paid or payable to key management for the periods ended 30 June 2022 and 2021 are as follows:

	30 June 2022	30 June 2021
Short term benefits	76.907	41.333
Benefits resulted from discharge	363	1.015
Other long-term benefits	435	295
Total	77.705	42.643

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NOTE 27 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS**27.1 Financial Instruments and Financial Risk Management****27.1.1 Financial Risk Management**

The Group is exposed to a variety of financial risks due to its operations. These risks are market risk (including exchange risk, fair value interest rate risk, price risk and cash flow interest rate risk), credit risk and liquidity risk. The Group’s overall risk management program focuses on minimizing the effects of the unpredictability of financial markets and their possible adverse effects on the Group’s financial performance. The Group uses financial derivative instruments to hedge from various risks.

Financial risk management is carried out within the context of policies approved by their Board of Directors for each Subsidiary and Jointly Controlled Entity.

27.1.1.1 Foreign Exchange Risk

The Group is exposed to foreign exchange risk through the impact of rate changes on the translation of foreign currency assets and liabilities to local currency. These risks are monitored and limited by analyzing foreign currency position. The Group aims to lower foreign exchange risk arising from assets and liabilities by using swap and forward derivative instruments.

The difference between the assets and liabilities of Akbank both denominated in foreign currency is defined as the “Net Foreign Currency (“FC”) position” and is the exposure to foreign currency risk. Another dimension of the foreign exchange risk is the change in the value of the foreign currencies themselves within the net FC position (cross rate risk). The Bank keeps the amount exposed to foreign exchange risk within the limits determined by the Risk Management Committee. The Risk Management Committee monitors the general economic conditions and developments in the markets and sets new limits when necessary. These limits are set and monitored separately for the net FC position and for the cross-rate risk. When necessary, swap and forward contracts are used as a tool to hedge the foreign exchange risk.

The Group is exposed to foreign exchange risk arising primarily from the EUR, USD and GBP.

Foreign currency denominated assets and liabilities held by the Group before consolidation eliminations as of 30 June 2022 and 31 December 2021 in terms of TRY are as follows:

	30 June 2022	31 December 2021
Assets	492.394.054	402.476.037
Liabilities	(565.196.993)	(458.478.627)
Net foreign currency balance sheet position	(72.802.939)	(56.002.590)
Off-balance sheet derivative financial instruments position	78.601.917	68.955.303
Net foreign currency balance sheet and off-balance sheet position	5.798.978	12.952.713

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NOTE 27 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

27.1.1.1 Foreign Exchange Risk (Continued)

30 June 2022	Total TRY Equivalent	TRY Equivalent	USD TRY Equivalent	EUR TRY Equivalent	GBP TRY Equivalent	Other TRY Equivalent
Assets:						
Cash and Cash Equivalents	61.132.348	21.164	34.464.399	20.441.698	1.603.184	4.601.903
Financial Assets	105.172.349	-	95.397.843	7.955.694	-	1.818.812
Receivables from Financial Operations	196.465.381	-	83.204.121	113.199.838	4.007	57.415
Reserve Deposits at Central Bank	109.657.864	-	67.830.631	39.482.151	-	2.345.082
Trade Receivables	3.294.975	420.193	1.107.745	1.217.793	37.651	511.593
Other Current Assets	16.671.137	92.605	10.735.271	4.796.705	223	1.046.333
Total assets	492.394.054	533.962	292.740.010	187.093.879	1.645.065	10.381.138
Liabilities:						
Funds Borrowed and Debt						
Securities in Issue	117.033.059	702.754	98.214.880	18.035.054	-	80.371
Customer Deposits	408.423.392	-	245.841.270	119.602.210	8.255.707	34.724.205
Trade Payables	2.269.365	312.105	1.434.519	375.500	22.049	125.192
Other Payables and Provisions	37.471.177	98.777	33.216.992	3.774.014	40.407	340.987
Total liabilities	565.196.993	1.113.636	378.707.661	141.786.778	8.318.163	35.270.755
Net foreign currency asset/ (liability) position of off-balance sheet derivative						
	78.601.917	-	87.026.804	(41.030.146)	6.821.814	25.783.445
Net foreign currency asset/ (liability) position						
	5.798.978	(579.674)	1.059.153	4.276.955	148.716	893.828

Net profit effect of the consolidated to the total net foreign currency position is TRY5.897.076 in the long term as of 30 June 2022 (Akbank excluded).

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NOTE 27 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

27.1.1.1 Foreign Exchange Risk (Continued)

31 December 2021	Total TRY Equivalent	USD TRY Equivalent	EUR TRY Equivalent	GBP TRY Equivalent	Other TRY Equivalent
Assets:					
Cash and Cash Equivalents	65.341.654	42.618.054	16.941.312	321.612	5.460.676
Financial Assets	88.591.843	78.781.422	7.576.496	-	2.233.925
Receivables from Financial Operations	164.188.839	61.084.183	103.072.115	8.717	23.824
Reserve Deposits at Central Bank	71.850.576	43.192.745	26.656.138	-	2.001.693
Trade Receivables	2.091.945	1.004.496	866.948	9.369	211.132
Other Current Assets	10.411.180	8.486.472	1.442.873	175	481.660
Total assets	402.476.037	235.167.372	156.555.882	339.873	10.412.910
Liabilities:					
Funds Borrowed and Debt					
Securities in Issue	101.537.186	86.026.151	15.455.491	-	55.544
Customer Deposits	333.054.179	195.720.896	101.014.944	7.202.675	29.115.664
Trade Payables	1.234.301	913.705	259.694	3.786	57.116
Other Payables and Provisions	22.652.961	20.034.090	2.308.638	119.758	190.475
Total liabilities	458.478.627	302.694.842	119.038.767	7.326.219	29.418.799
Net foreign currency asset/ (liability) position of off-balance sheet derivative					
	68.955.303	78.883.798	(36.698.038)	7.081.888	19.687.655
Net foreign currency asset/ (liability) Position					
	12.952.713	11.356.328	819.077	95.542	681.766

Net profit effect of the consolidated to the total net foreign currency position is TRY7.504.205 as of 31 December 2021 (Akbank and Philsa-Philip Morrissa excluded).

Change of foreign currency has no material effect on financial statements because foreign exchange risk of the Bank is not material.

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NOTE 28 - FINANCIAL INSTRUMENTS

Fair value of financial instruments

The estimated fair values of financial instruments have been determined by the Holding, its Subsidiaries and Joint Ventures using available market information and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Group could realize in a current market exchange.

The following methods and assumptions were used to estimate the fair value of the Group's financial instruments for which it is practicable to estimate fair value.

Financial Assets

The fair values of balances denominated in foreign currencies, which are translated at period-end exchange rates, are considered to approximate their carrying values.

The fair values of certain financial assets carried at cost, including cash and due from banks and banks, are considered to approximate their respective carrying values due to their short-term nature and negligible credit losses. The fair values of marketable securities have been estimated based on market prices at the balance sheet date.

Trade receivables are measured at amortized cost using the effective interest method, and it is recognized that the carrying value of the trade receivables along with the related expected credit losses approximate their fair values.

Financial Liabilities

The fair values of bank borrowings and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature.

Long-term borrowings, which are denominated in foreign currencies, are translated at period-end exchange rates and accordingly their fair values approximate their carrying values.

Trade payables are measured at amortized cost using the effective yield method, and hence are considered to approximate their fair values.

Derivative instruments

The fair values of foreign currency and interest rate swaps and forward foreign exchange contracts are estimated based on the market prices at the balance sheet date.

As of 30 June 2022, and 31 December 2021, the fair values of financial assets and liabilities of the banking industrial segment are as follows:

Fair value hierarchy of the financial assets and liabilities of the Group carried at fair value is as state below:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices);
- Level 3: Inputs for the asset or liability that are not based on observable market data.

HACI ÖMER SABANCI HOLDİNG A.Ş.**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022**

(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 28 - FINANCIAL INSTRUMENTS (Continued)**Fair value of financial instruments (continued)*****Banking***

Fair values of the financial assets and liabilities of the Group's banking segment as of 30 June 2022 and 31 December 2021 are as follows:

30 June 2022	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value Through Profit or Loss				
- Government Debt Securities	229.649	177.635	-	407.284
- Marketable Securities Representing Capital Share	1.449.997	-	-	1.449.997
- Other Financial Assets *	991.035	1.923.978	-	2.915.013
Financial Assets at Fair Value Through Other Comprehensive Income				
- Government Debt Securities	50.226.409	-	-	50.226.409
- Other Financial Assets	82.759.070	2.771.187	-	85.530.257
Time Deposit	-	-	-	-
Derivative Financial Assets at				
- Fair Value Through Other Comprehensive Income	-	35.790.007	-	35.790.007
- Fair Value Through Profit or Loss	-	20.090.257	-	20.090.257
Borrowings	-	505.142.691	-	505.142.691
Financial Assets measured at amortized cost (Net)				
- Government Debt Securities	66.308.787	-	-	66.308.787
- Other Financial Assets	1.106.933	-	-	1.106.933
Total Assets	203.071.880	565.895.755	-	768.967.635
Derivative Financial Liabilities				
- Reflected on Other Comprehensive Income	-	22.020.275	-	22.020.275
- Reflected on Profit or Loss	-	231.606	-	231.606
Financial Liabilities at Fair Value				
- Customer Deposit	-	542.532.876	-	542.532.876
- Interbank money market deposits, fund borrowed and debt securities in issue	-	124.239.722	-	124.239.722
Total Liabilities	-	689.024.479	-	689.024.479

(*)The fair value of the loan, which is considered as Level 3, is determined based on the results of the study, which includes various valuation methods. Possible changes in the underlying assumptions included in the valuation study may affect the carrying value of the loan.

Share certificates classified as available for sale that are not traded in an active market and whose fair value cannot be reliably determined are stated at cost less any impairment losses on the consolidated financial statements.

There are no transfers between the levels in the prior year.

HACI ÖMER SABANCI HOLDİNG A.Ş.**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022**

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 28 - FINANCIAL INSTRUMENTS (Continued)**Fair value of financial instruments (continued)*****Banking (continued)***

31 December 2021	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value Through Profit or Loss				
- Government Debt Securities	510.166	68.564	-	578.730
- Marketable Securities Representing Capital Share	1.073.896	-	-	1.073.896
- Other Financial Assets *	427.561	1.386.279	7.342.909	9.156.749
Financial Assets at Fair Value Through Other Comprehensive Income				
- Government Debt Securities	78.655.303	-	-	78.655.303
- Other Financial Assets	18.560.951	3.113.297	-	21.674.248
Time Deposit	363.620	-	-	363.620
Derivative Financial Assets at				
- Fair Value Through Other Comprehensive Income	-	13.432.561	-	13.432.561
- Fair Value Through Profit or Loss	-	37.563.554	-	37.563.554
Borrowings	-	386.612.711	-	386.612.711
Financial Assets measured at amortized cost (Net)				
- Government Debt Securities	51.659.629	-	-	51.659.629
- Other Financial Assets	906.940	-	-	906.940
Total Assets	152.158.066	442.176.966	7.342.909	601.677.941
Derivative Financial Liabilities				
- Reflected on Other Comprehensive Income	-	489.271	-	489.271
- Reflected on Profit or Loss	-	25.444.466	-	25.444.466
Financial Liabilities at Fair Value				
- Customer Deposit	-	512.529.703	-	512.529.703
- Interbank money market deposits, fund borrowed and debt securities in issue	-	-	-	-
Total Liabilities	-	538.463.440	-	538.463.440

(*)The fair value of the loan, which is considered as Level 3, is determined based on the results of the study, which includes various valuation methods. Possible changes in the underlying assumptions included in the valuation study may affect the carrying value of the loan.

Share certificates classified as available for sale that are not traded in an active market and whose fair value cannot be reliably determined are stated at cost less any impairment losses on the consolidated financial statements.

There are no transfers between the levels in the prior year.

HACI ÖMER SABANCI HOLDİNG A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022
(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 28 - FINANCIAL INSTRUMENTS (Continued)

Classification of financial instruments

30 June 2022	Note	Financial Investments Valued at Amortized Cost	Loans and Receivables (Including cash and cash equivalents)	Fair Value Differences Projected to Other Comprehensive Income	Financial Liabilities At Amortized Cost	Book Value	Fair Value
Financial assets							
Cash and cash equivalents		-	63.164.647	-	-	63.164.647	63.164.647
Trade receivables		-	61.585.534	-	-	61.585.534	61.585.534
Other financial assets (*)	5	73.992.113	7.914.822	139.419.314	-	221.326.249	254.508.287
Receivables from financial operations	24	-	506.011.254	-	-	506.011.254	511.805.448
Financial liabilities							
Financial payables	6	-	-	-	140.810.878	140.810.878	140.810.878
Trade payables		-	-	-	11.322.171	11.322.171	11.322.171
Other financial liabilities (**)	8	-	-	-	49.513.090	49.513.090	49.513.090
Payables from financial operations	25	-	-	-	666.772.598	666.772.598	666.686.416
31 December 2021							
Financial assets							
Cash and cash equivalents		-	69.417.883	-	-	69.417.883	69.417.883
Trade receivables		-	4.260.967	-	-	4.260.967	4.260.967
Other financial assets (*)	5	57.530.511	4.620.138	102.931.571	-	165.082.220	170.913.582
Receivables from financial operations	24	-	386.612.711	-	-	386.612.711	397.664.424
Financial liabilities							
Financial payables	6	-	-	-	117.768.234	117.768.234	117.768.234
Trade payables		-	-	-	8.739.683	8.739.683	8.739.683
Other financial liabilities (**)	8	-	-	-	24.137.936	24.137.936	24.137.936
Payables from financial operations	25	-	-	-	512.529.703	512.529.703	513.764.677

(*) Other financial assets consist of other receivables, available-for-sale securities, time deposits and securities held to maturity.

(**) Other financial liabilities consist of other payables.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

NOTE 29 – EVENTS AFTER THE BALANCE SHEET DATE

According to an asset deal agreement related to the transfer of Niğde Integrated Cement Factory, Kayseri Inregrated Cement Factory, Ankara Cement Grinding Facility and the Başakpınar, Ambar, Nevşehir, Cırgalan, Aksaray, Ereğli and Kahramanmaraş Ready Mixed Concrete Plant, the fixed assets in these plants and other related assets from Çimsa to Ferpa İnşaat Sanayi Petrol Ürünleri Tic. ve Paz. Ltd. Şti, completed by performing the transfer transactions and collecting transfer fee on 28 July 2022.

In the scope of the share buy-back program started by the Board of Directors on 9 November 2021 based on the settlement transactions fulfilled after 30 June 2022 as of the report date, shares worth full TRY7.597, representing 0,37% of the Sabancı Holding Capital, were bought back for TRY149.826, including transaction costs.

At the Extraordinary General Assembly meeting of Aksigorta dated 04.08.2022, it was resolved, inter alia, to increase Aksigorta's current share capital from TRY 612,000,000 to TRY 1,612,000,000 in cash by issuing shares with TRY 1,000,000,000 nominal value without restricting pre-emptive rights of existing shareholders for the capital increase by allowing the use of pre-emptive rights for a consideration of TRY 1 for each batch of 100 shares with TRY 1 nominal value in total.

Pursuant to Articles 12/3 and 25/3 of the Communiqué on Shares numbered VII-128.1 and as per the resolutions the Board of Directors of both Sabancı Holding and Ageas Insurance International NV (Ageas) dated 4 August 2022;

- i. Both Sabancı Holding and Ageas hereby agree, represent, and warrant to exercise their rights to subscribe for new shares up to their pro-rata entitlement all in cash, in the paid capital increase that Aksigorta plans to perform;
- ii. If there are any remaining shares after the existing shareholders of Aksigorta exercising their pre-emption rights to subscribe for new shares, and if such shares couldn't be sold on Borsa Istanbul Primary Market, these shares shall be purchased equally by Sabancı Holding and Ageas, fully in cash, within three working days following the end of the sale period, for a price not less than the average of the sale prices on Borsa Istanbul Primary Market.

It is projected that a total of TRY 720 million cash will be injected to Aksigorta by both Sabancı Holding and Ageas (TRY 360 million each), and that shares of Sabancı Holding and Ageas within the issued share capital of Aksigorta will remain as 36% after the completion of capital increase.

Our subsidiary Kordsa's subsidiary Kordsa Inc. has been finalized to purchase 60% shares of Italian company Microtex Composites S.r.l. which specializes in the weaving of carbon fiber and producing prepreps mainly for super-luxury automotive and motorsports in Europe. With its investment in the Microtex Composites S.r.l., our Company increases its competencies in composites and aims to provide industry-based and product-based diversity.