

**HACI ÖMER SABANCI HOLDİNG A.Ş.**

**CONVENIENCE TRANSLATION INTO ENGLISH OF  
CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE INTERIM PERIOD 1 JANUARY - 30 JUNE 2021  
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 2021 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 of Hacı Ömer Sabancı Holding A.Ş. is not prepared, in all material respects, in accordance with TAS 34.

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

Burak Özpoyraz, SMMM  
Partner

Istanbul, 11 August 2021

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**HACI ÖMER SABANCI HOLDİNG A.Ş.****CONDENSED CONSOLIDATED BALANCE SHEET AT 30 JUNE 2021 AND 31 DECEMBER 2020**

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

	<b>Note References</b>	<b>Reviewed 30 June 2021</b>	<b>Audited 31 December 2020</b>
<b>ASSETS</b>			
<b>Current Assets</b>			
<b>296.443.011</b>			
<b>269.491.344</b>			
Cash and Cash Equivalents		39.803.225	19.828.118
Financial Investments		27.940.481	35.799.568
- Fair Value Through Profit or Loss	5.a	9.404.432	9.214.502
- Fair Value Through Other Comprehensive Income	5.b	10.489.498	9.837.424
- At Amortized Cost	5.c	8.025.946	16.731.294
- Time Deposit	5.d	20.605	16.348
Trade Receivables		2.581.895	1.845.555
Receivables From Finance Sector Operations	24	163.791.361	150.108.617
Reserve Deposits with the Central Bank of Republic of Turkey		45.972.997	42.604.370
Other Receivables	8	2.166.615	4.497.536
Derivative Financial Instruments	23	5.959.176	8.463.520
Inventories		4.574.290	3.761.354
Prepaid Expenses		1.712.626	1.204.269
Current Tax Assets	22	2.920	6.788
Other Current Assets	16	1.656.662	1.109.423
		<b>296.162.248</b>	<b>269.229.118</b>
Assets Classified as Held for Sale	18	280.763	262.226
<b>Non-Current Assets</b>			
<b>266.267.729</b>			
<b>231.767.030</b>			
Financial Investments		94.525.180	73.524.030
- Fair Value through Other Comprehensive Income	5.b	62.031.705	48.382.002
- At Amortized Cost	5.c	32.493.475	25.142.028
Trade Receivables		669	566
Receivables from Finance Sector Operations	24	130.613.637	116.970.690
Other Receivables	8	444.298	3.869.631
Derivative Financial Instruments	23	17.333.076	14.455.362
Investments Accounted Through Equity Method	9	8.373.683	8.298.372
Investment Property		266.880	235.062
Property, Plant and Equipment	10	8.119.750	7.959.621
Right of Use Assets	12	1.824.716	1.731.577
Intangible Assets		4.204.511	3.875.970
- Goodwill	13	1.763.884	1.600.690
- Other Intangible Assets	11	2.440.627	2.275.280
Prepaid Expenses		23.160	17.368
Deferred Tax Assets	22	412.092	719.275
Other Non-Current Assets	16	126.077	109.506
		<b>562.710.740</b>	<b>501.258.374</b>
<b>TOTAL ASSETS</b>		<b>562.710.740</b>	<b>501.258.374</b>

These consolidated financial statements have been approved for issue by the Board of Directors on 11 August 2021. The General Assembly has the authority to change the 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 2021 AND 31 DECEMBER 2020**

(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 30 June 2021	Audited 31 December 2020
<b>LIABILITIES</b>			
<b>Short Term Liabilities</b>		<b>394.625.299</b>	<b>351.320.596</b>
Short Term Borrowings	6	15.166.583	13.713.590
Current Portion of Long Term Borrowings	6	20.898.488	20.053.065
Liabilities From Leasing Transactions	7	383.228	334.423
Trade Payables		4.938.495	5.023.674
Payables From Finance Sector Operations	25	336.805.565	292.375.186
Payables Related with Employee Benefits		153.473	119.126
Other Payables	8	7.958.617	9.088.626
Derivative Financial Instruments	23	2.038.054	5.795.534
Deferred Income		213.166	209.063
Income Taxes Payable	22	1.234.331	1.171.845
Short Term Provisions		1.293.628	1.209.636
- Short Term Provisions for Employee Benefits		514.782	522.275
- Other Short Term Provisions	14	778.846	687.361
Other Short Term Liabilities	16	3.537.857	2.222.801
		<b>394.621.485</b>	<b>351.316.569</b>
Liabilities Classified as Held for Sale	18	3.814	4.027
<b>Long Term Liabilities</b>		<b>84.634.726</b>	<b>73.154.884</b>
Long Term Borrowings	6	46.600.134	38.494.543
Liabilities From Leasing Transactions	7	1.650.594	1.599.783
Payables from Finance Sector Operations	25	18.721.466	18.066.046
Other Payables	8	6.423.619	4.431.151
Derivative Financial Instruments	23	9.612.690	9.108.320
Deferred Income		158.028	137.410
Long Term Provisions		1.026.744	946.430
- Long Term Provisions for Employee Benefits		786.135	704.926
- Other Long Term Provisions	14	240.609	241.504
Deferred Tax Liabilities	22	378.880	318.277
Other Long Term Liabilities	16	62.571	52.924
<b>EQUITY</b>		<b>83.450.715</b>	<b>76.782.894</b>
<b>Equity Attributable To The Parent</b>	<b>17</b>	<b>41.476.142</b>	<b>37.996.499</b>
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	(190.470)	(190.470)
Accumulated Profits or Losses			
Will Not Be Reclassified to Profit or Loss		(169.235)	(150.921)
- Actuarial Gain/(Loss)		(169.235)	(150.921)
Accumulated Profits or Losses		1.915.288	1.135.944
Will Be Reclassified to Profit or Loss			
- Currency Translation Reserve	17	3.562.685	2.684.551
- Gains/Losses on Hedge	17	(1.609.278)	(1.755.742)
- Revaluation Reserve	17	(38.119)	207.135
Restricted Reserves	17	1.370.269	1.223.543
Retained Earnings		29.596.568	25.721.428
Net Income for the Period		3.464.320	4.767.573
<b>Non-controlling Interests</b>		<b>41.974.573</b>	<b>38.786.395</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>562.710.740</b>	<b>501.258.374</b>

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 2021 AND 2020**

(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 2021	Reviewed 1 January - 30 June 2020	Not audited 1 April- 30 June 2021	Not audited 1 April- 30 June 2020
<b>CONTINUING OPERATIONS</b>					
Sales (net)	4	13.009.450	8.951.048	6.806.316	4.398.412
Cost of Sales (-)	4	(10.056.791)	(7.147.496)	(5.285.189)	(3.524.396)
<b>Gross Profit from Non-Financial Operations</b>		<b>2.952.659</b>	<b>1.803.552</b>	<b>1.521.127</b>	<b>874.016</b>
Interest, Premium, Commission and Other Income	4	22.591.481	18.538.692	11.980.438	9.462.577
Interest, Premium, Commission and Other Expense (-)	4	(12.487.751)	(10.276.915)	(6.620.155)	(5.328.242)
<b>Gross Profit from Financial Operations</b>		<b>10.103.730</b>	<b>8.261.777</b>	<b>5.360.283</b>	<b>4.134.335</b>
<b>GROSS PROFIT</b>		<b>13.056.389</b>	<b>10.065.329</b>	<b>6.881.410</b>	<b>5.008.351</b>
General and Administrative Expenses (-)		(4.782.043)	(4.432.012)	(2.483.281)	(2.166.209)
Marketing Expenses (-)		(1.382.827)	(1.135.038)	(698.285)	(548.547)
Research and Development Expenses (-)		(22.498)	(12.385)	(12.717)	(6.233)
Other Income from Operating Activities	19	1.087.083	1.662.443	557.312	751.109
Other Expense from Operating Activities (-)	19	(918.476)	(1.481.450)	(450.684)	(662.941)
Share of Profit of Investments Accounted for Using the Equity Method	9	1.212.892	828.291	562.010	339.020
<b>OPERATING PROFIT</b>		<b>8.250.520</b>	<b>5.495.178</b>	<b>4.355.765</b>	<b>2.714.550</b>
Income from Investing Activities	20	140.102	25.592	105.613	20.148
Expense from Investing Activities (-)	20	(1.779)	(1.970)	(25)	(1.473)
<b>OPERATING PROFIT BEFORE FINANCIAL EXPENSES</b>		<b>8.388.843</b>	<b>5.518.800</b>	<b>4.461.353</b>	<b>2.733.225</b>
Financial Income	21	69.347	53.921	24.516	27.990
Financial Expenses (-)	21	(589.371)	(526.978)	(340.372)	(273.383)
<b>INCOME BEFORE TAX FROM CONTINUING OPERATIONS</b>		<b>7.868.819</b>	<b>5.045.743</b>	<b>4.145.497</b>	<b>2.487.832</b>
<b>Tax Expense from Continuing Operations</b>					
Current Tax Expense		(1.305.914)	(1.309.479)	(1.119.517)	(989.084)
Deferred Tax Income/(Expense)	22	(345.476)	311.319	97.142	468.587
<b>PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS</b>		<b>6.217.429</b>	<b>4.047.583</b>	<b>3.123.122</b>	<b>1.967.335</b>
<b>DISCONTINUED OPERATIONS</b>					
Profit After Tax From Discontinued Operations		(4.202)	(6)	(1.753)	17
<b>PROFIT FOR THE PERIOD</b>		<b>6.213.227</b>	<b>4.047.577</b>	<b>3.121.369</b>	<b>1.967.352</b>
<b>ALLOCATION OF PROFIT</b>					
- Non-controlling Interests		2.748.907	1.818.205	1.409.395	931.186
- Equity Holders of the Parent		3.464.320	2.229.372	1.711.974	1.036.166
Earnings per share					
- hundreds of ordinary shares (TRY)		1,70	1,09	0,84	0,51
Earnings per share from continuing operations					
- hundreds of ordinary shares (TRY)		1,70	1,09	0,84	0,51

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

**HACI ÖMER SABANCI HOLDİNG A.Ş.**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2021 AND 2020**

(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 2021	Reviewed 1 January - 30 June 2020	Not audited 1 April- 30 June 2021	Not audited 1 April- 30 June 2020
<b>INCOME FOR THE PERIOD</b>	<b>6.213.227</b>	<b>4.047.577</b>	<b>3.121.369</b>	<b>1.967.352</b>
<b>Other Comprehensive Income / (Loss):</b>				
<b>Items that will not be Reclassified</b>				
<b>To Profit or Loss</b>	<b>(38.206)</b>	<b>(15.771)</b>	<b>(32.778)</b>	<b>(16.830)</b>
Actuarial (losses) / gains	(36.161)	(17.195)	(29.395)	(13.339)
Other comprehensive income/(expense) shares of investments accounted by equity method, after tax	(2.045)	1.424	(3.383)	(3.491)
<b>Items that will be Reclassified</b>				
<b>To Profit or Loss</b>	<b>1.501.209</b>	<b>108.452</b>	<b>2.533.468</b>	<b>2.050.010</b>
Gains/(losses) on available for sale financial assets transferred to the income statement, after tax	(560.740)	(337.841)	1.387.674	1.761.417
Currency translation differences	1.668.369	992.133	725.485	521.120
Cash flow hedges, after tax	1.200.347	(74.028)	700.195	(144.329)
Profit/(loss) from the derivative financial assets related to the hedging of net investment in a foreign operation, after tax	(760.677)	(257.662)	(349.932)	(123.252)
Other comprehensive income/(expense) shares of investments accounted by equity method, after tax	(46.090)	(214.150)	70.046	35.054
<b>OTHER COMPREHENSIVE INCOME (AFTER TAX)</b>	<b>1.463.003</b>	<b>92.681</b>	<b>2.500.690</b>	<b>2.033.180</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>7.676.230</b>	<b>4.140.258</b>	<b>5.622.059</b>	<b>4.000.532</b>
<b>ALLOCATION OF TOTAL COMPREHENSIVE INCOME</b>				
- Non-controlling interests	3.480.215	1.996.411	2.750.363	2.097.730
- Equity holders of the parent	4.196.015	2.143.847	2.871.696	1.902.802

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

# HACI ÖMER SABANCI HOLDİNG A.Ş.

## INTERİM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD 1 JANUARY - 30 JUNE 2021 AND 2020

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

	Accumulated Other Comprehensive Income or Loss That Will														Total
	Not be reclassified													Be reclassified	
	Share capital	Adjustment to share capital	Treasury shares	Share premium	Acturial 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	
Profit or Loss					Profit or Loss	Profit or Loss	Profit or Loss	Profit or Loss	Profit or Loss	Profit or Loss	Profit or Loss	Profit or Loss	Profit or Loss	Profit or Loss	
<b>Balance at 1 January 2020</b>	<b>2.040.404</b>	<b>3.426.761</b>	<b>(190.470)</b>	<b>22.237</b>	<b>(116.253)</b>	<b>1.688.674</b>	<b>(1.213.290)</b>	<b>56.439</b>	<b>1.173.886</b>	<b>22.590.193</b>	<b>3.779.736</b>	<b>33.258.317</b>	<b>33.219.126</b>	<b>66.477.443</b>	
Transfers	-	-	-	-	-	-	-	-	49.657	3.730.079	(3.779.736)	-	-	-	
Dividends	-	-	-	-	-	-	-	-	-	(684.346)	-	(684.346)	(14.423)	(698.769)	
Capital increase	-	-	-	-	-	-	-	-	-	-	-	-	147.000	147.000	
Total comprehensive income	-	-	-	-	(6.075)	409.704	(345.957)	(143.197)	-	-	2.229.372	2.143.847	1.996.411	4.140.258	
<b>Balances at 30 June 2020</b>	<b>2.040.404</b>	<b>3.426.761</b>	<b>(190.470)</b>	<b>22.237</b>	<b>(122.328)</b>	<b>2.098.378</b>	<b>(1.559.247)</b>	<b>(86.758)</b>	<b>1.223.543</b>	<b>25.635.926</b>	<b>2.229.372</b>	<b>34.717.818</b>	<b>35.348.114</b>	<b>70.065.932</b>	
<b>Balance at 1 January 2021</b>	<b>2.040.404</b>	<b>3.426.761</b>	<b>(190.470)</b>	<b>22.237</b>	<b>(150.921)</b>	<b>2.684.551</b>	<b>(1.755.742)</b>	<b>207.135</b>	<b>1.223.543</b>	<b>25.721.428</b>	<b>4.767.573</b>	<b>37.996.499</b>	<b>38.786.395</b>	<b>76.782.894</b>	
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	
<b>Balances at 30 June 2021</b>	<b>2.040.404</b>	<b>3.426.761</b>	<b>(190.470)</b>	<b>22.237</b>	<b>(169.235)</b>	<b>3.562.685</b>	<b>(1.609.278)</b>	<b>(38.119)</b>	<b>1.370.269</b>	<b>29.596.568</b>	<b>3.464.320</b>	<b>41.476.142</b>	<b>41.974.573</b>	<b>83.450.715</b>	

(\*) Dividends paid by the Holding per share with a TRY 1 nominal value is TRY 0.35 (2020: TRY 0.33).

(\*\*) Teknosa İç ve Dış Ticaret A.Ş., a subsidiary of the Group, increased its issued capital of TRY110.000.000 (full) by TRY91.000.000 (full), to TRY201.000.000, with contributions composed entirely of cash. The capital contribution ended on 18 June 2021 with the registration of capital.

(\*\*\*) Subsidiary shares which operates the foreign white cement operations of Çimsa Çimento Sanayi ve Ticaret A.Ş. were sold to CSC BV, and the Holding's effective ownership interest proportion ratio in these subsidiaries increased from 58,10% to 83,24%.

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



# HACI ÖMER SABANCI HOLDİNG A.Ş.

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIOD 1 JANUARY - 30 JUNE 2021 AND 2020

(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 30 June 2021	Reviewed 1 30 June 2020
Net income before tax from continuing operations		7.868.819	5.045.743
Net income before tax from discontinued operations		(4.202)	(6)
<b>Adjustments to reconcile income before taxation to net cash provided by</b>			
Depreciation and amortization expenses	4	888.589	793.754
Provision for loan losses		2.227.549	3.361.630
Changes in the fair value of derivative instruments		(3.985.835)	(1.329.004)
Interest income and foreign currency gains		(3.670.332)	(3.635.754)
Interest expense		1.242.801	526.438
Provision for employment termination benefits		80.105	89.321
Impairment charge on property, plant and equipment, intangible assets and		317	1.272
Impairment an assets held for sale		477	477.421
Income from sale of property, plant and equipment, intangible assets and		(124.963)	(13.485)
Income from associates and joint ventures		(1.212.892)	(828.291)
Provision for /(reversal of) inventory impairment		17.017	13.539
Provision for /(reversal of) doubtful receivables		4.907	2.626
Unrealized foreign currency translation differences		(78.445)	207.481
<b>Net cash provided by operation activities before changes in operating assets</b>		<b>3.253.912</b>	<b>4.712.685</b>
Changes in trade receivables		(741.350)	228.348
Changes in inventories		829.892	(535.866)
Changes in other receivables and other current assets		4.828.295	(3.278.100)
Changes in trade payables		(85.179)	(82.624)
Changes in other liabilities and other payables		3.147.218	3.274.879
Net cash provided in operating activities of assets classified as held for sale		88.273	24.510
<b>Changes in assets and liabilities in finance segment:</b>			
Changes in securities held for trading		(193.087)	(908.225)
Changes in receivables from finance sector operations		(28.067.860)	(26.067.836)
Changes in payables from finance sector operations		45.094.376	38.574.941
Changes in Central Bank of the Republic of Turkey account		(9.349.796)	(12.882.541)
Income taxes paid	20	(1.189.988)	(751.407)
Employment termination benefits paid		(50.598)	(52.256)
<b>Net cash provided from operating activities</b>		<b>15.904.324</b>	<b>2.256.508</b>
Capital expenditures	4	(499.635)	(882.515)
Sale/(purchase) of available for sale and held to maturity financial assets		(13.182.836)	(16.480.628)
Proceeds from sale of noncurrent assets held for sale, property, plant and		304.779	99.979
Cash outflows from acquisitions or capital increases in associates and/or joint		(150.000)	-
ventures			
Dividends received		1.186.775	428.922
<b>Net cash provided from / (used in) investing activities</b>		<b>(12.340.917)</b>	<b>(16.834.242)</b>
Cash inflow from financial liabilities		13.463.353	14.125.549
Financial liability repayments		(4.047.568)	(4.853.553)
Dividends paid		(733.591)	(684.346)
Share capital increase of subsidiaries		139.339	147.000
Dividends paid to noncontrolling interests		(414.157)	(14.423)
<b>Net cash provided from / (used in) financing activities</b>		<b>8.407.376</b>	<b>8.720.227</b>
Effect of change in foreign currency rates on cash and cash equivalents		2.022.025	2.178.962
Net increase / (decrease) in cash and cash equivalents		13.992.808	(3.678.545)
Cash and cash equivalents in the beginning of the period		15.485.011	18.525.274
<b>Cash and cash equivalents at the end of the period</b>		<b>29.477.819</b>	<b>14.846.729</b>

(\*) Cash and cash equivalents comprise interest rediscount of TRY1.462 (31 December 2020: TRY332) in the current period. The blocked deposit was by TRY4.342.775 at the beginning of the current period, and it was TRY10.323.944 at the end of the period (30 June 2020: respectively TRY3.916.739 and TRY4.513.208).

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

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021

(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 in 2021 is 64.243 (31 December 2020: 63.412). 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”) (previously known as the Istanbul Stock Exchange (“ISE”)) since 1997. As of 30 June 2021, the principal shareholders and their respective shareholding rates in the Holding 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
Other	64,83
	<b>100,00</b>

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 2021, 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	Traded Stock Market	Type of Activity	Business Segment	Number of Employees	Registered Country
Akbank T.A.Ş. (“Akbank”)	BİST	Banking	Banking	16.369	Turkey
Carrefoursa Carrefour Sabancı Ticaret Merkezi A.Ş. (“Carrefoursa”)	BİST	Trade	Retailing	13.552	Turkey
Teknosa İç ve Dış Ticaret A.Ş. (“Teknosa”)	BİST	Trade	Retailing	2.489	Turkey
Çimsa Çimento Sanayi ve Ticaret A.Ş. (“Çimsa”)	BİST	Cement	Building Materials	2.398	Turkey
Kordsa Teknik Tekstil Anonim Şirketi (“Kordsa”)	BİST	Clinker tire	Industry	4.614	Turkey
Exsa Export Sanayi Mamulleri Satış ve Araştırma A.Ş. (“Exsa”)	-	Trade	Other	47	Turkey
Ankara Enternasyonal Otelcilik A.Ş. (“AEO”)	-	Tourism	Other	2	Turkey
Tursa Sabancı Turizm ve Yatırım İşletmeleri A.Ş. (“Tursa”)	-	Tourism	Other	3	Turkey
Sabancı Dijital Teknoloji Hizmetleri A.Ş. (“SabancıDX”)	-	Information Technologies	Other	256	Turkey
Çimsa Sabancı Cement BV (“CSC BV”)	-	Cement	Building Materials	68	Holland

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021

(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 (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. (Note 4)

#### Joint Ventures

As at 30 June 2021, the type of activity and business segments of the Joint Ventures which are accounted through equity method in the condensed consolidated financial statements for the interim period are as follows:

Joint ventures	Traded Stock Market	Type of Activity	Business Segment	Ventures	Number of Employees
Aksigorta A.Ş. (“Aksigorta”)	BİST	Insurance	Insurance	Ageas	662
Agesa Emeklilik ve Hayat A.Ş. (“Agesa”)	BİST	Pension	Insurance	Ageas	1.875
Brisa Bridgestone Sabancı Lastik Sanayi ve Ticaret A.Ş. (“Brisa”)	BİST	Tire	Industry	Bridgestone	3.063
Akçansa Çimento Sanayi ve Ticaret A.Ş. (“Akçansa”)	BİST	Cement and clinker	Cement	Heidelberg	2.118
Enerjisa Enerji A.Ş. (“Enerjisa Enerji”)	BİST	Energy	Energy	E.ON SE	11.324
Enerjisa Üretim Santralleri A.Ş. (“Enerjisa Üretim”)	-	Energy	Energy	E.ON SE	823
Temsa Ulaşım Araçları Sanayi ve Ticaret A.Ş. (“Temsa Ulaşım Araçları”)	-	Automotive	Other	PPF Industry CO. B.V.	1.435

All joint ventures are registered in Turkey.

#### Associates

As at 30 June 2021, the type of activity and business segments of the affiliates which are accounted through equity method in the condensed consolidated financial statements for the interim period are as follows:

Affiliates	Traded Stock Market	Type of Activity	Business Segment	Ventures	Number of Employees
Philsa Philip Morris Sabancı Sigara ve Tütün San. ve Tic. A.Ş. (Philsa)	-	Tobacco products Production	Industry	Philip Morris	2.655
Philip Morris Sabancı Pazarlama Satış A.Ş. (“Philip Morrissa”)	-	Tobacco products Marketing and Sales	Industry	Philip Morris	

Number of employees represent the total number of employees of Philsa and Philip Morrissa.

All affiliates are registered in Turkey.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

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

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**NOTE 1 - ORGANIZATION AND OPERATIONS OF THE GROUP (Continued)**

**1.1 Effects of COVID-19 pandemic**

The COVID-19 pandemic caused serious effects on health systems and the economy as the virus spread to the world in the first quarter of 2020, widespread closure of businesses and unprecedented constraints in social interactions have significantly affected economic activity. Countries have taken precautions to slow the spread of the pandemic, such as testing and treating patients, applying travel restrictions, quarantining citizens and cancelling large meetings. Along with these social measures, comprehensive financial measures were taken simultaneously to reduce the negative effects on the economic outlook. Similarly, Turkey has implemented health and safety measures to support the households; fiscal and monetary measures to support the companies and regulators. Additional measures are being announced to tackle adverse impacts on companies and certain sectors. The Group management closely monitors all developments and takes the necessary measures to effectively manage the negative effects of the COVID-19 outbreak on the Group's consolidated financial position, consolidated financial performance and consolidated cash flows. The Group management believes that despite the uncertain economic outlook, it can successfully manage its commercial risks and liquidity reserves.

**NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS**

**2.1 Basis of Presentation**

**2.1.1 Financial reporting standards**

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 interim condensed 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 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 2020.

The interim condensed consolidated financial statements are presented in accordance with the “Announcement regarding to TAS Taxonomy” which was published on 15 April 2019 by POA and the format and mandatory information recommended by CMB. The consolidated financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair values. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

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

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

**2.1 Basis of Presentation (Continued)**

**2.1.1 Financial reporting standards (Continued)**

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.

**2.1.2 New and Revised Turkish Accounting Standards**

The accounting policies applied in the preparation of the interim condensed consolidated financial statements as of 1 January - 30 June 2021 are consistent with those applied in the preparation of the consolidated financial statements as of 31 December 2020, except for the new and amended TFRS standards which are valid as of 1 January 2021 and Turkey Financial Reporting Interpretations Committee’s (“TFRIC”) interpretations summarised below.

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

- Amendments to IFRS 16 - Covid-19-Related Rent Concessions
- Interest Rate Benchmark Reform - Phase 2 - Amendments to TFRS 9, TAS 39, TFRS 7, TFRS 4 and TFRS 16

The Group expects no significant impact on its financial assessments and performance.

**b) Standards issued but not yet effective and not early adopted as of 1 January 2021**

- Amendments to TFRS 10 and TAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to TFRS 3 - Reference to the Conceptual Framework
- Amendments to TAS 16 - Proceeds before intended use
- Amendments to TAS 37 - Onerous contracts – Costs of Fulfilling a Contract
- TFRS 17 - The new Standard for insurance contracts
- Amendments to TAS 1 - Classification of Liabilities as Current and Non-Current Liabilities
- Amendments to IAS 8 - Definition of Accounting Estimates
- Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies
- Amendments to IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

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

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**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 as a result 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

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

(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 the Joint Ventures and shows the proportion of ownership interest and effective interest of the Holding in these Joint Ventures at 30 June 2021 and 31 December 2020:

	30 June 2021		31 December 2020	
	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
Akbank	40,75	40,75	40,75	40,75
SabancıDX	100,00	100,00	100,00	100,00
Çimsa	63,52	58,10	63,52	58,10
Exsa	61,68	47,90	61,68	47,90
Kordsa	71,11	71,11	71,11	71,11
Teknosa	50,00	50,00	50,00	50,00
Tursa	100,00	100,00	100,00	100,00
Carrefoursa	57,12	57,12	57,12	57,12
CSC BV	100,00	83,24	100,00	83,24

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 subsequent to 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.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

(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 at 30 June 2021 and 31 December 2020:

	30 June 2021		31 December 2020	
	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 (%)
<b>Joint Ventures</b>				
Akçansa	39,72	39,72	39,72	39,72
Aksigorta	36,00	36,00	36,00	36,00
Agesa	40,00	40,00	40,00	40,00
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.

f) Investments in Associates are accounted for by the equity method. These are companies where the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Unrealized gains that result from intercompany transactions between the Group and its Associates are adjusted to the extent of the Group's share in the associate and unrealized losses are restated if the transaction does not address an impairment on transferred asset. In this respect, the Group does not undertake any obligation or make commitment about its Subsidiaries.

The table below sets out all Associates and shows the total interest of the Holding in these associates at 30 June 2021 and 31 December 2020:

	Proportion of effective interest by the Holding (%)
<b>Associates</b>	
Philsa Philip Morris Sabancı Sigara ve Tütün San. ve Tic. A.Ş. (“Philsa”)	25.00
Philip Morris Sabancı Pazarlama Satış A.Ş. (“Philip Morrissa”)	24.75

Sabancı family members do not have any interest in the share capital of Associates.



**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

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

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**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 2021, the Group prepared its financial statements in accordance with TAS 34 Interim Financial Reporting Standard. The interim condensed 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 2020.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

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

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**NOTE 3 - BUSINESS COMBINATIONS**

**The business combinations between the period 1 January and 30 June 2021 are as follows:**

None.

**The business combinations between the period 1 January and 31 December 2020 are as follows:**

As of 22 October 2020, Exsa Export Sanayi Mamülleri Satış ve Araştırma A.Ş. (Exsa), a subsidiary of the Group, acquired %50 of the shares (representing its capital of TRY 210.000) of bus and midibus producing company Temsa Ulaşım Araçları Sanayi ve Ticaret A.Ş (Temsal Ulaşım Araçları)

As of 16 December 2020, a new company named Çimsa Sabancı Cement BV (CSC BV) has been established in the Netherlands with a capital of 87.000.000 Full Euro, in which Group has a 60% and Çimsa has a 40% shareholding. By participating in CSC BV as a founding partner, a capital of 52.200.000 Full Euro has been allocated for 52.200.000 shares.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

(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**

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 amortization). 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):**

	<b>1 January- 30 June 2021</b>	<b>1 January- 30 June 2020</b>
Banking	22.591.481	18.538.692
Industry	3.202.897	2.006.534
Retail	7.180.311	5.622.376
Building materials	1.806.749	971.496
Other	819.493	350.642
<b>Total (*)</b>	<b>35.600.931</b>	<b>27.489.740</b>

(\*) The distribution of total revenue refers to revenue and interest, premium, commission and other income in the condensed consolidated income statement.

**b) Segment Assets (Consolidated):**

	<b>30 June 2021</b>	<b>31 December 2020</b>
Banking	534.815.775	475.309.693
Industry	9.132.180	7.691.684
Retail	6.480.870	6.597.362
Building materials	5.258.721	4.962.682
Other	3.384.469	2.642.860
<b>Segment assets</b>	<b>559.072.015</b>	<b>497.204.281</b>
Assets classified as held for sale	280.763	262.226
Investments accounted through equity method (Note 9)	8.373.683	8.298.372
Unallocated assets	(719.341)	(463.260)
Less: intersegment eliminations	(4.296.380)	(4.043.245)
<b>Total assets as per consolidated financial statements</b>	<b>562.710.740</b>	<b>501.258.374</b>

**c) Segment Liabilities (Consolidated):**

	<b>30 June 2021</b>	<b>31 December 2020</b>
Banking	469.378.010	414.242.517
Industry	4.963.214	4.402.207
Retail	6.725.928	6.903.104
Building materials	2.875.518	2.990.595
Other	425.639	463.413
<b>Segment liabilities</b>	<b>484.368.309</b>	<b>429.001.836</b>
Assets classified as held for sale	3.814	4.027
Unallocated liabilities	(821.868)	(495.219)
Less: intersegment eliminations	(4.290.230)	(4.035.164)
<b>Total liabilities as per consolidated financial statements</b>	<b>479.260.025</b>	<b>424.475.480</b>

HACI ÖMER SABANCI HOLDİNG A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021

(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 2021	Consolidated(**) 30 June 2021	Combined(*) 31 December 2020	Consolidated(**) 31 December 2020
Cash and cash equivalents	38.345.696	38.345.696	17.971.434	17.971.434
Financial assets	122.399.912	122.399.912	109.271.030	109.271.030
Derivative financial instruments	23.242.334	23.242.334	22.858.366	22.858.366
Reserve deposits with the Central Bank of Republic of Turkey	45.972.997	45.972.997	42.604.370	42.604.370
Receivables from finance sector operations	295.226.454	295.226.454	267.846.568	267.846.568
Property, plant and equipment	2.164.002	2.164.002	2.326.451	2.326.451
Right of use assets	568.016	568.016	546.620	546.620
Intangible assets	1.204.381	1.204.381	1.190.909	1.190.909
Other receivables and other assets	5.969.913	5.969.913	10.944.723	10.944.723
<b>Total segment assets</b>	<b>535.093.705</b>	<b>535.093.705</b>	<b>475.560.471</b>	<b>475.560.471</b>
Financial liabilities	77.766.466	77.766.466	67.258.898	67.258.898
Payables from finance sector operations	358.909.352	358.909.352	313.617.634	313.617.634
Derivative financial instruments	11.592.028	11.592.028	14.840.973	14.840.973
Other payables and other liabilities	21.110.164	21.110.164	18.525.012	18.525.012
<b>Total segment liabilities</b>	<b>469.378.010</b>	<b>469.378.010</b>	<b>414.242.517</b>	<b>414.242.517</b>

(\*) 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 2021, the cash flows from operating activities of the Bank is TRY17.950.348 (30 June 2020: TRY(1.710.118)).

As of 30 June 2021, the cash flows from investing activities of the Bank is TRY(11.347.164) (30 June 2020: TRY(11.710.940)).

As of 30 June 2021, the cash flows from financing activities of the Bank is TRY5.853.493 (30 June 2020: TRY6.247.577).

Banking segment consists of Akbank. Akbank’s accumulated non-controlling interests calculated from its financial statements amount to TRY38.936.549 as of 30 June 2021 (31 December 2020: TRY36.330.888).

HACI ÖMER SABANCI HOLDİNG A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021

(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 2021	Consolidated(**) 30 June 2021	Combined(*) 31 December 2020	Consolidated(**) 31 December 2020
Cash and cash equivalents	3.143.370	-	3.250.898	-
Financial investments	5.329.188	-	4.019.101	-
Receivables from finance sector operations	1.287.428	-	1.327.774	-
Investments accounted through equity method (Note 9)	-	741.438	-	776.475
Property, plant and equipment	68.304	-	45.857	-
Right of use assets	36.056	-	49.680	-
Intangible assets	203.092	-	151.021	-
Other receivables and other assets	5.293.267	-	4.543.064	-
<b>Total segment assets</b>	<b>15.360.705</b>	<b>741.438</b>	<b>13.387.395</b>	<b>776.475</b>
Payables from finance sector operations	12.427.698	-	10.654.364	-
Other payables and other liabilities	1.026.612	-	721.771	-
<b>Total segment liabilities</b>	<b>13.454.310</b>	<b>-</b>	<b>11.376.135</b>	<b>-</b>

(\*) 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.

The insurance section includes the results of Aksigorta and Agesa companies.

HACI ÖMER SABANCI HOLDİNG A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021

(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 2021	Consolidated(**) 30 June 2021	Combined(*) 31 December 2020	Consolidated(**) 31 December 2020
Cash and cash equivalents	2.096.812	-	2.215.534	-
Financial investments	268.497	-	428.955	-
Trade receivables	4.439.798	-	3.967.365	-
Inventories	494.640	-	365.300	-
Investments accounted through equity method (Note 9)	-	6.078.355	-	6.157.834
Property, plant and equipment	10.270.630	-	10.431.824	-
Right of use assets	297.113	-	243.615	-
Intangible assets	4.787.721	-	4.899.073	-
Other receivables and other assets	16.888.093	-	16.697.609	-
<b>Total segment assets</b>	<b>39.543.304</b>	<b>6.078.355</b>	<b>39.249.275</b>	<b>6.157.834</b>
Financial liabilities	16.661.224	-	16.657.255	-
Trade payables	2.736.505	-	2.720.039	-
Other payables and other liabilities	6.566.495	-	6.125.647	-
<b>Total segment liabilities</b>	<b>25.964.224</b>	<b>-</b>	<b>25.502.941</b>	<b>-</b>

(\*) 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 A.Ş. and Enerjisa Üretim Santralleri A.Ş.

HACI ÖMER SABANCI HOLDİNG A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021

(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:

	<b>Combined(*) 30 June 2021</b>	<b>Consolidated(**) 30 June 2021</b>	<b>Combined(*) 31 December 2020</b>	<b>Consolidated(**) 31 December 2020</b>
Cash and cash equivalents	2.315.866	354.040	1.935.371	449.893
Financial investments	587	587	52.130	645
Trade receivables	2.553.591	1.436.838	1.854.034	1.091.112
Inventories	2.418.613	1.554.241	1.842.962	1.225.313
Investments accounted through equity method (Note 9)	418.785	951.374	339.158	883.093
Property, plant and equipment	4.695.378	2.810.690	4.381.708	2.533.463
Right of use assets	155.602	140.098	111.574	95.429
Intangible assets	1.210.751	1.105.199	1.058.349	951.037
Other receivables and other assets	3.369.492	1.732.976	2.780.635	1.347.718
<b>Total segment assets</b>	<b>17.138.665</b>	<b>10.086.043</b>	<b>14.355.921</b>	<b>8.577.703</b>
Financial liabilities	6.841.856	3.124.852	6.144.229	2.978.692
Trade payables	2.435.254	876.817	1.864.121	664.286
Other payables and other liabilities	1.765.029	965.359	1.346.668	763.256
<b>Total segment liabilities</b>	<b>11.042.139</b>	<b>4.967.028</b>	<b>9.355.018</b>	<b>4.406.234</b>

(\*) 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, Brisa, Philsa and Philip Morrissa.

HACI ÖMER SABANCI HOLDİNG A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021

(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 2021	Consolidated(**) 30 June 2021	Combined(*) 31 December 2020	Consolidated(**) 31 December 2020
Cash and cash equivalents	558.788	558.788	1.297.782	1.297.782
Trade receivables	236.980	236.980	180.567	180.567
Inventories	2.479.252	2.479.252	2.108.143	2.108.143
Investment property	29.222	29.222	29.222	29.222
Property, plant and equipment	708.223	708.223	705.223	705.223
Right of use assets	1.042.007	1.042.007	1.017.773	1.017.773
Intangible assets	87.431	87.431	91.768	91.768
Other receivables and other assets	1.278.132	1.338.967	1.106.050	1.166.884
<b>Total segment assets</b>	<b>6.420.035</b>	<b>6.480.870</b>	<b>6.536.528</b>	<b>6.597.362</b>
Financial liabilities(***)	2.754.629	2.754.629	2.681.937	2.681.937
Trade payables	3.283.975	3.283.975	3.569.076	3.569.076
Other payables and other liabilities	687.324	687.324	652.091	652.091
<b>Total segment liabilities</b>	<b>6.725.928</b>	<b>6.725.928</b>	<b>6.903.104</b>	<b>6.903.104</b>

(\*) 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.

Retail segment consists of Teknosa and Carrefoursa.



HACI ÖMER SABANCI HOLDİNG A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021

(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 2021	Consolidated(**) 30 June 2021	Combined(*) 31 December 2020	Consolidated(**) 31 December 2020
Cash and cash equivalents	1.491.189	1.331.903	1.751.992	1.433.619
Financial investments	499.031	84	185.224	64
Trade receivables	1.475.812	795.217	950.153	507.869
Inventories	755.330	422.343	465.336	285.260
Investments accounted through equity method (Note 9)	-	392.929	-	397.334
Property, plant and equipment	3.075.791	2.193.554	3.008.741	2.155.891
Right of use assets	148.482	56.565	144.165	53.285
Intangible assets	62.996	19.335	61.335	16.967
Other receivables and other assets	748.659	440.064	779.587	518.249
<b>Total segment assets</b>	<b>8.257.290</b>	<b>5.651.994</b>	<b>7.346.533</b>	<b>5.368.538</b>
Financial liabilities	2.476.546	1.873.640	2.646.567	2.039.083
Trade payables	1.370.125	625.117	1.079.271	635.366
Other payables and other liabilities	591.521	376.761	507.232	316.146
<b>Total segment liabilities</b>	<b>4.438.192</b>	<b>2.875.518</b>	<b>4.233.070</b>	<b>2.990.595</b>

(\*) 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.

Building materials segment consists of Çimsa, Akçansa and CSC BV.

HACI ÖMER SABANCI HOLDİNG A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021

(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 2021	Consolidated(**) 30 June 2021	Combined(*) 31 December 2020	Consolidated(**) 31 December 2020
Cash and cash equivalents	2.595.075	2.595.075	1.851.658	1.851.658
Financial investments	13.883.494	20.264	13.733.773	7.043
Trade receivables	158.954	158.919	102.381	101.105
Inventories	118.454	118.454	142.639	142.639
Property, plant and equipment	253.209	217.145	251.346	215.282
Right of use assets	18.031	18.031	18.470	18.470
Intangible assets	24.316	24.316	24.635	24.635
Investments accounted through equity method (Note 9)	209.587	209.587	83.636	83.636
Other receivables and other assets	382.471	232.265	282.473	282.028
<b>Total segment assets</b>	<b>17.643.591</b>	<b>3.594.056</b>	<b>16.491.011</b>	<b>2.726.496</b>
Financial liabilities	19.633	19.633	19.141	19.141
Trade payables	189.723	189.600	199.952	198.177
Other payables and other liabilities	227.443	216.406	255.479	246.095
<b>Total segment liabilities</b>	<b>436.799</b>	<b>425.639</b>	<b>474.572</b>	<b>463.413</b>

(\*) 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 Sabancı Holding A.Ş., Exsa, Tursa, AEO and Sabancı Dx.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

(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 2021			1 January- 30 June 2020		
	Total Consolidation of Segments Before Elimination	Elimination Consolidation Adjustments	Consolidated	Total Consolidation of Segments Before Elimination	Elimination Consolidation Adjustments	Consolidated
<b>Total revenue</b>	<b>35.701.037</b>	<b>(100.106)</b>	<b>35.600.931</b>	<b>27.655.825</b>	<b>(166.085)</b>	<b>27.489.740</b>
Cost of sales and interest, premiums, commissions and other expenses	(22.923.517)	378.975	(22.544.542)	(17.775.895)	351.484	(17.424.411)
General administration expenses	(4.826.986)	44.943	(4.782.043)	(4.475.617)	43.605	(4.432.012)
Sales, marketing and distribution expenses	(1.382.827)	-	(1.382.827)	(1.135.038)	-	(1.135.038)
Research and development expenses	(22.498)	-	(22.498)	(12.385)	-	(12.385)
Other operating income/(expense) - net	179.923	(11.316)	168.607	181.007	(14)	180.993
Interest in income of joint ventures	1.212.892	-	1.212.892	828.291	-	828.291
<b>Operating profit</b>	<b>7.938.024</b>	<b>312.496</b>	<b>8.250.520</b>	<b>5.266.188</b>	<b>228.990</b>	<b>5.495.178</b>
Income/(expense) from investing activities - net	475.673	(337.350)	138.323	339.990	(316.368)	23.622
<b>Operating profit before financial expense</b>	<b>8.413.697</b>	<b>(24.854)</b>	<b>8.388.843</b>	<b>5.606.178</b>	<b>(87.378)</b>	<b>5.518.800</b>
Financial income/(expense) – net	(542.363)	22.339	(520.024)	(565.095)	92.038	(473.057)
<b>Income before tax</b>	<b>7.871.334</b>	<b>(2.515)</b>	<b>7.868.819</b>	<b>5.041.083</b>	<b>4.660</b>	<b>5.045.743</b>
Tax	(1.651.390)	-	(1.651.390)	(998.160)	-	(998.160)
Profit/(loss) after tax from discontinued operations	(4.202)	-	(4.202)	(6)	-	(6)
<b>Income for the period</b>	<b>6.215.742</b>	<b>(2.515)</b>	<b>6.213.227</b>	<b>4.042.917</b>	<b>4.660</b>	<b>4.047.577</b>
<b>Net income attributable to equity holders of the parent</b>			<b>3.464.320</b>			<b>2.229.372</b>

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021

(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 2021	Consolidated(**) 30 June 2021	Combined(*) 30 June 2020	Consolidated(**) 30 June 2020
Interest, commission and other income	22.625.819	22.625.819	18.641.115	18.641.115
Interest, commission and other expenses	(12.843.786)	(12.843.786)	(10.605.496)	(10.605.496)
General administration expenses	(4.319.432)	(4.319.432)	(4.047.113)	(4.047.113)
Other operating income/(expense) - net	142.303	142.303	126.028	126.028
<b>Operating profit</b>	<b>5.604.904</b>	<b>5.604.904</b>	<b>4.114.534</b>	<b>4.114.534</b>
Income/(expense) from investing activities - net	9.582	9.582	3.813	3.813
<b>Income before tax</b>	<b>5.614.486</b>	<b>5.614.486</b>	<b>4.118.347</b>	<b>4.118.347</b>
Tax	(1.468.829)	(1.468.829)	(977.155)	(977.155)
<b>Net income</b>	<b>4.145.657</b>	<b>4.145.657</b>	<b>3.141.192</b>	<b>3.141.192</b>
<b>Net income attributable to equity holders of the parent</b>		<b>1.689.349</b>		<b>1.280.032</b>
EBITDA	5.980.450		4.430.775	

(\*) 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.

Akbank's net income attributable to non-controlling interest is TRY2.456.302 (30 June 2020: TRY1.861.156).

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

(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:**

	<b>Combined(*)</b>	<b>Consolidated(**)</b>	<b>Combined(*)</b>	<b>Consolidated(**)</b>
	<b>30 June 2021</b>	<b>30 June 2021</b>	<b>30 June 2020</b>	<b>30 June 2020</b>
Gross premiums	2.395.132	-	1.946.673	-
- Gross written premiums	3.860.632	-	2.923.113	-
- Unearned premiums reserves	(1.465.500)	-	(976.440)	-
Premiums, commission and other expenses	(2.423.396)	-	(1.645.230)	-
General administration expenses	(419.090)	-	(328.826)	-
Other operating income/(expense) - net	946.244	-	557.385	-
Interest in income of joint ventures (Note 9)	-	157.765	-	156.293
<b>Operating profit</b>	<b>498.890</b>	<b>157.765</b>	<b>530.002</b>	<b>156.293</b>
Income/(expense) from investing activities - net	79.937	-	23.992	-
<b>Operating profit before financial expense</b>	<b>578.827</b>	<b>157.765</b>	<b>553.994</b>	<b>156.293</b>
Financial income/(expense) - net	(40.247)	-	(30.367)	-
<b>Profit before tax</b>	<b>538.580</b>	<b>157.765</b>	<b>523.627</b>	<b>156.293</b>
Tax	(128.980)	-	(109.295)	-
<b>Net income</b>	<b>409.600</b>	<b>157.765</b>	<b>414.332</b>	<b>156.293</b>
<b>Net income attributable to equity holders of the parent</b>		<b>157.765</b>		<b>156.293</b>
EBITDA	534.244		553.702	

(\*) 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.

HACI ÖMER SABANCI HOLDİNG A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021

(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 2021	Consolidated(**) 30 June 2021	Combined(*) 30 June 2020	Consolidated(**) 30 June 2020
Sales revenue (net)	17.725.392	-	15.140.071	-
Cost of sales	(13.070.652)	-	(10.714.389)	-
General administration expenses	(1.475.123)	-	(1.232.896)	-
Other operating income/(expense) - net	33.413	-	(425.045)	-
Interest in income of joint ventures (Note 9)	-	706.122	-	578.247
<b>Operating profit/(loss)</b>	<b>3.213.030</b>	<b>706.122</b>	<b>2.767.741</b>	<b>578.247</b>
Income from investment activities -net	336	-	158	-
Financial income/(expense) - net	(1.235.129)	-	(1.188.080)	-
<b>Profit before tax</b>	<b>1.978.237</b>	<b>706.122</b>	<b>1.579.819</b>	<b>578.247</b>
Tax	(372.064)	-	(281.662)	-
<b>Net income</b>	<b>1.606.173</b>	<b>706.122</b>	<b>1.298.157</b>	<b>578.247</b>
<b>Net income attributable to equity holders of the parent</b>		<b>706.122</b>		<b>578.247</b>
EBITDA	3.819.581		3.271.209	

(\*) 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.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021

(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 2021	Consolidated(**) 30 June 2021	Combined(*) 30 June 2020	Consolidated(**) 30 June 2020
Sales revenue (net)	6.175.137	3.202.897	3.740.456	2.006.534
Cost of sales	(4.493.523)	(2.465.376)	(2.922.779)	(1.644.593)
General administration expenses	(256.699)	(167.604)	(187.056)	(132.870)
Marketing expenses	(394.512)	(152.003)	(267.947)	(86.998)
Research and development expenses	(20.610)	(19.559)	(10.967)	(9.719)
Other operating income/(expense) - net	41.219	144.465	(1.520)	59.137
Interest in income of joint ventures (Note 9)	121.783	339.794	48.004	90.291
<b>Operating profit</b>	<b>1.172.795</b>	<b>882.614</b>	<b>398.191</b>	<b>281.782</b>
Income/(expense) from investing activities - net	3.790	3.075	5.760	6.083
<b>Operating profit before financial expense</b>	<b>1.176.585</b>	<b>885.689</b>	<b>403.951</b>	<b>287.865</b>
Financial income/(expense) – net	(133.812)	(101.104)	(177.798)	(110.473)
<b>Income before tax</b>	<b>1.042.773</b>	<b>784.585</b>	<b>226.153</b>	<b>177.392</b>
Tax	(24.524)	(48.007)	(6.192)	(12.067)
Profit after tax from discontinued operations	(4.202)	(4.202)	(6)	(6)
<b>Net income</b>	<b>1.014.047</b>	<b>732.376</b>	<b>219.955</b>	<b>165.319</b>
<b>Net income attributable to equity holders of the parent</b>		<b>593.671</b>		<b>143.146</b>
EBITDA	1.477.280		656.631	

(\*) 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.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

(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:**

	<b>Combined(*) 30 June 2021</b>	<b>Consolidated(**) 30 June 2021</b>	<b>Combined(*) 31 December 2020</b>	<b>Consolidated(**) 31 December 2020</b>
Sales revenue (net)	7.188.516	7.186.327	5.629.121	5.626.568
Cost of sales	(5.547.289)	(5.545.146)	(4.382.890)	(4.380.337)
General administration expenses	(135.918)	(135.666)	(118.338)	(117.691)
Marketing expenses	(1.203.300)	(1.203.300)	(1.025.872)	(1.025.872)
Other operating income/(expense) - net	(256.440)	(256.440)	(87.636)	(87.636)
<b>Operating profit</b>	<b>45.569</b>	<b>45.775</b>	<b>14.385</b>	<b>15.032</b>
Income/(expense) from investing activities – net	4.255	4.255	482	482
<b>Operating profit before financial expense</b>	<b>49.824</b>	<b>50.030</b>	<b>14.867</b>	<b>15.514</b>
Financial income/(expense) – net	(328.371)	(328.371)	(293.341)	(293.341)
<b>Income before tax</b>	<b>(278.547)</b>	<b>(278.341)</b>	<b>(278.474)</b>	<b>(277.827)</b>
Tax	71.279	71.279	50.619	50.619
<b>Net income</b>	<b>(207.268)</b>	<b>(207.062)</b>	<b>(227.855)</b>	<b>(227.208)</b>
<b>Net income attributable to equity holders of the parent</b>		<b>(118.191)</b>		<b>(119.836)</b>
EBITDA	527.020		351.567	

(\*) 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.



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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):**

**vi) Building materials:**

	<b>Combined(*)</b>	<b>Consolidated(**)</b>	<b>Combined(*)</b>	<b>Consolidated(**)</b>
	<b>30 June 2021</b>	<b>30 June 2021</b>	<b>30 June 2020</b>	<b>30 June 2020</b>
Sales revenue (net)	3.032.752	1.806.773	1.812.055	971.793
Cost of sales	(2.392.076)	(1.391.009)	(1.531.436)	(799.669)
General administration expenses	(154.571)	(105.834)	(134.371)	(90.089)
Research and development expenses	(2.939)	(2.939)	(2.666)	(2.666)
Marketing expenses	(16.181)	(7.742)	(18.067)	(9.583)
Other operating income/(expense) - net	46.547	71.531	55.075	69.486
Interest in income of joint ventures (Note 9)	-	37.066	-	3.460
<b>Operating profit</b>	<b>513.532</b>	<b>407.846</b>	<b>180.590</b>	<b>142.732</b>
Income/(expense) from investing activities - net	125.282	124.497	15.914	14.322
<b>Operating profit before financial expense</b>	<b>638.814</b>	<b>532.343</b>	<b>196.504</b>	<b>157.054</b>
Financial income/(expense) - net	(118.860)	(99.139)	(184.608)	(153.746)
<b>Profit before tax</b>	<b>519.954</b>	<b>433.204</b>	<b>11.896</b>	<b>3.308</b>
Tax	(129.788)	(99.851)	(223)	3.225
<b>Net income</b>	<b>390.166</b>	<b>333.353</b>	<b>11.673</b>	<b>6.533</b>
<b>Net income attributable to equity holders of the parent</b>		<b>207.415</b>		<b>7.331</b>
EBITDA	607.581		243.870	

(\*) 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.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

(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:**

	<b>Combined(*) 30 June 2021</b>	<b>Consolidated(**) 30 June 2021</b>	<b>Combined(*) 30 June 2020</b>	<b>Consolidated(**) 30 June 2020</b>
Sales revenue (net)	2.445.978	879.221	905.476	409.815
Cost of sales	(679.410)	(678.200)	(346.880)	(345.800)
General administration expenses	(102.842)	(98.450)	(90.404)	(87.854)
Marketing expenses	(19.934)	(19.782)	(12.726)	(12.585)
Other operating income/(expense) - net	86.789	78.064	22.204	13.978
Shares in profits of joint ventures (Note 9)	(27.855)	(27.855)	-	-
<b>Operating profit</b>	<b>1.702.726</b>	<b>132.998</b>	<b>477.670</b>	<b>(22.446)</b>
Income/(expense) from investing activities - net	342.624	334.264	323.174	315.290
<b>Operating profit before financial expense</b>	<b>2.045.350</b>	<b>467.262</b>	<b>800.844</b>	<b>292.844</b>
Financial income/(expense) - net	(13.749)	(13.749)	(7.535)	(7.535)
<b>Profit before tax</b>	<b>2.031.601</b>	<b>453.513</b>	<b>793.309</b>	<b>285.309</b>
Tax	(105.982)	(105.982)	(62.782)	(62.782)
<b>Net income</b>	<b>1.925.619</b>	<b>347.531</b>	<b>730.527</b>	<b>222.527</b>
<b>Net income attributable to equity holders of the parent</b>		<b>228.189</b>		<b>184.159</b>
EBITDA	1.703.418		483.744	

(\*) 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.

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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)**

**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:

	<b>30 June 2021</b>	<b>30 June 2020</b>
Banking	1.819.342	1.280.032
Insurance	162.868	137.410
Industry	546.808	143.597
Building materials	164.018	6.762
Energy	730.824	730.069
Retail	(123.287)	(119.320)
Other	217.597	188.853
<b>Total</b>	<b>3.518.170</b>	<b>2.367.403</b>

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

	<b>30 June 2021</b>	<b>30 June 2020</b>
Adjusted net income for reported operating segments (Equity holders of the Parent)	3.518.170	2.367.403
One off income/(expenses) related to Enejisa - net	(24.702)	(151.822)
One off income/(expenses) related to Agesa - net	(8.876)	18.883
One off income/(expenses) related to Kordsa - net	51.657	3.658
One off income/(expenses) related to CSBV - net	57.057	-
Other (*)	(128.986)	(8.751)
<b>Net income (Equity holders of the Parent)</b>	<b>3.464.320</b>	<b>2.229.372</b>

(\*) It is mainly the effect of increase at tax rate to 25% as of 2021, and is defined as one off income/(expense) to compare figures with the previous year.

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NOTE 4 - SEGMENT REPORTING (Continued)

h) Combined EBITDA Detail

30 June 2021	Profit Before Tax	Depreciation Expenses	Income/ (expenses) from Investing Activities - net	Financial income/ (expense) - net	Operational Foreign Exchange Differences/ Interests	EBITDA
Banking	5.614.486	375.546	9.582	-	-	5.980.450
Industry	1.042.773	269.658	3.790	(133.812)	(34.827)	1.477.280
Building materials	519.954	136.641	125.282	(118.860)	42.592	607.581
Retail	(278.547)	251.981	4.255	(328.371)	(229.470)	527.020
Energy	1.978.237	483.926	336	(1.235.129)	(122.625)	3.819.581
Financial services	538.580	49.812	79.937	(40.247)	14.458	534.244
Other	2.031.601	24.413	342.624	(13.749)	23.721	1.703.418
30 June 2020	Profit Before Tax	Depreciation Expenses	Income/ (expenses) from Investing Activities - net	Financial income/ (expense) - net	Operational Foreign Exchange Differences/ Interests	EBITDA
Banking	4.118.348	316.240	3.813	-	-	4.430.775
Industry	226.153	245.077	5.760	(177.798)	(13.363)	656.631
Building materials	11.896	128.109	15.914	(184.608)	64.829	243.870
Retail	(278.474)	241.387	482	(293.341)	(95.795)	351.567
Energy	1.579.819	451.073	158	(1.188.080)	(52.395)	3.271.209
Financial services	523.627	41.779	23.992	(30.367)	18.079	553.702
Other	793.309	21.289	323.174	(7.535)	15.215	483.744

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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)

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

1 January - 30 June 2021

	<u>Finance</u>							
	Banking	Financial services	Industry	Building materials	Energy	Retail	Other	Total
Depreciation and amortisation 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

1 January - 30 June 2020

	<u>Finance</u>							
	Banking	Financial services	Industry	Building materials	Energy	Retail	Other	Total
Depreciation and amortisation expenses	316.240	-	135.119	79.719	-	241.387	21.289	793.754
Capital expenditure	612.515	-	144.409	20.078	-	81.220	24.293	882.515

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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)

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

1 January - 30 June 2021

	Finance							
	Banking	Financial services	Industry	Building materials	Energy	Retail	Other	Total
Depreciation and amortisation expenses	375.546	49.812	269.658	136.641	483.926	251.981	24.413	1.591.977
Capital expenditure	242.874	114.331	223.213	131.488	1.297.690	103.426	21.047	2.134.069

1 January - 30 June 2020

	Finance							
	Banking	Financial services	Industry	Building materials	Energy	Retail	Other	Total
Depreciation and amortisation expenses	316.240	41.779	245.077	128.109	451.073	241.387	21.289	1.444.954
Capital expenditure	612.515	39.828	218.599	81.991	1.220.945	81.220	24.294	2.279.392

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

(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 INVESTMENTS**

**a) Financial assets at fair value through profit or loss**

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

	<b>30 June 2021</b>	<b>31 December 2020</b>
Share notes	376.329	464.346
Government bonds	18.188	45.063
Eurobonds	146.072	144.874
Other (*)	8.863.843	8.560.219
<b>Total</b>	<b>9.404.432</b>	<b>9.214.502</b>

(\*) In the previous period, the syndication loans provided to Ojer Telekomünikasyon A.Ş. (OTAŞ) were restructured. Within this scope, a pledge was established in favor of lenders in order 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. Akbank has participated in LYY Telekomünikasyon A.Ş. with a %35,56 share in the receivables from OTAŞ.

Later on, 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 Sales and Discontinued Operations”. As of 30 June 2021, the value of the part pursued as loan is TRY10.719.641 (31 December 2020: TRY8.968.855) and it is classified under “Other Financial Assets” under “Financial Assets at Fair Value through Profit Loss”. The total fair value impairment accounted for the total amount turned into credit and capital is TRY4.792.821 (31 December 2020: TRY3.042.035) and the amount of TRY1.416.090 (31 December 2020: TRY1.416.090) of this amount is accounted under the “Assets Held for Sale and Discontinued Operations” and TRY3.376.731 (31 December 2020: TRY1.625.945) is accounted under “Other Financial Assets” which is the sub-item of “Financial Assets at Fair Value through Profit Loss”.

If the growth rate and risk-free return rate on investment used in the discounted cash flow method in the valuation report are increased or decreased by 0.25%, provided that all other variables are constant, the total value of assets recognized in the financial statements and profit before tax will increase by about TRY170 million or will decrease by TRY 150 million.

The main purpose of the creditor banks is to transfer the mentioned Türk Telekom shares to an expert investor by providing the necessary conditions as quickly as possible. An international investment bank has been assigned as consultant for the sale of LYY Telekomünikasyon A.Ş.’s 55% shares in Türk Telekomünikasyon A.Ş. on 19 September 2019. Within this context, necessary work and discussions with potential investors have been initiated.

TRY1.122.068 (31 December 2020: TRY1.094.617) of other financial assets consist 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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NOTE 5 - FINANCIAL INVESTMENTS (Continued)

a) Financial assets at fair value through profit or loss (Continued)

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

	30 June 2021	31 December 2020
TRY	%20.25	%14,92

The Group's activities in the finance sector as collateral for the purchase and sale of financial assets is TRY10,117 (31 December 2020: TRY9.995).

The maturity analysis of financial assets at fair value through profit and loss as of 30 June 2021 and 31 December 2020 are as follows:

	30 June 2021	31 December 2020
0 to 3 months	1.753.317	1.595.411
3 to 12 months	7.409.723	7.461.253
1 to 5 years	175.844	109.435
Over 5 years	65.548	48.403
<b>Total</b>	<b>9.404.432</b>	<b>9.214.502</b>

Period remaining to contractual repricing dates:

	30 June 2021	31 December 2020
No maturity	1.753.317	1.595.411
Up to 3 months	61.484	37.064
3 to 12 months	7.388.900	7.426.015
1 to 5 years	135.183	107.609
Over 5 years	65.548	48.403
<b>Total</b>	<b>9.404.432</b>	<b>9.214.502</b>



**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

(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 INVESTMENTS (Continued)**

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

	<b>30 June 2021</b>	<b>31 December 2020</b>
Debt securities		
- Government bonds	27.030.314	23.067.782
- Eurobonds	28.720.484	21.352.442
- Investment funds	530.511	490.329
- Other bonds denominated in foreign currency	16.205.394	13.277.208
<b>Sub-total</b>	<b>72.486.703</b>	<b>58.187.761</b>
Share notes		
- Traded in organized markets	138	138
- Not traded in organized markets	34.362	31.527
<b>Sub-total</b>	<b>34.500</b>	<b>31.665</b>
<b>Financial investments at fair value through other comprehensive income</b>	<b>72.521.203</b>	<b>58.219.426</b>

Effective interest rates of USD, EUR, JPY and TRY denominated available-for-sale securities are 4,99% (31 December 2020: 5,20%), %3,36 (31 December 2020: 2,92%), %3,09 (31 December 2020: %3,09) and 16,54% respectively. (31 December 2020: 12,75%).

The Group's financial assets at fair value through other comprehensive income subject to funds provided from repo are TRY16.688.120 (31 December 2020: TRY16.984.050). Financial assets at fair value through other comprehensive income that are given as collateral because of the Group's financing activities are amounting to TRY9.422.290 (31 December 2020: TRY18.374.196).

Akban has bonds indexed to consumer prices ("CPI") in the securities portfolios of the Bank whose fair value difference is reflected to other comprehensive income and measured with their amortized cost. The mentioned securities are valued and accounted for according to the effective interest method based on the index calculated based on the real coupon rates and the reference inflation index on the issue date and the estimated inflation rate. The reference indices used in the calculation of the actual coupon payment amounts of these securities are created according to the CPI of two months ago. Estimated inflation rate is updated during the year accordingly.

The maturity analysis in accordance with expiring date as at 30 June 2021 and 31 December 2020 is as follows:

	<b>30 June 2021</b>			<b>31 December 2020</b>		
	<b>Banking</b>	<b>Other Companies</b>	<b>Total</b>	<b>Banking</b>	<b>companies</b>	<b>Total</b>
0 to 3 months	324.674	-	324.674	4.503.116	-	4.503.116
3 to 12 months	9.634.313	-	9.634.313	4.843.979	-	4.843.979
1 to 5 years	46.924.255	-	46.924.255	38.802.077	-	38.802.077
Over 5 years	15.107.450	-	15.107.450	9.579.925	-	9.579.925
No maturity	530.511	-	530.511	490.329	-	490.329
<b>Total</b>	<b>72.521.203</b>	<b>-</b>	<b>72.521.203</b>	<b>58.219.426</b>	<b>-</b>	<b>58.219.426</b>

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

(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 INVESTMENTS (Continued)**

**b) Financial assets at fair value through other comprehensive income (Continued)**

The maturity analysis in accordance with expiring date as at 30 June 2021 and 31 December 2020 is as follows:

	30 June 2021			31 December 2020		
	Banking	Other companies	Total	Banking	Other companies	Total
0 to 3 months	14.796.911	-	14.796.911	14.823.787	-	14.823.787
3 to 12 months	13.630.254	-	13.630.254	10.414.147	-	10.414.147
1 to 5 years	32.175.564	-	32.175.564	24.195.511	-	24.195.511
Over 5 years	11.387.963	-	11.387.963	8.295.652	-	8.295.652
No maturity	530.511	-	530.511	490.329	-	490.329
<b>Total</b>	<b>72.521.203</b>	<b>-</b>	<b>72.521.203</b>	<b>58.219.426</b>	<b>-</b>	<b>58.219.426</b>

**c) Financial assets carried at amortized cost:**

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

	30 June 2021	31 December 2020
Government bonds	40.519.421	41.873.322
<b>Total</b>	<b>40.519.421</b>	<b>41.873.322</b>

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

	30 June 2021	30 June 2020
<b>Balance, 1 January</b>	<b>41.873.322</b>	<b>15.566.111</b>
Additions	10.055.158	23.934.207
Foreign exchange differences in monetary assets	996.565	4.035.303
Valuation effect	540.846	795.473
Disposals through sales and redemptions (*)	(12.925.076)	(1.985.038)
Allowance for impairment	(21.394)	(412)
<b>Total</b>	<b>40.519.421</b>	<b>42.345.644</b>

(\*) Including expected loss provision.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

(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 INVESTMENTS (Continued)**

**c) Financial assets carried at amortized cost (Continued)**

Effective interest rate of debt securities in USD, EUR and TRY are 5,93% 4,29% ve 15,18%. (31 December 2020: Effective interest rate of debt securities in USD, EUR and TRY are 5,86%, 1,70% and 12,18%).

For financial investments valued at amortized cost as of 30 June 2021 and 31 December 2020, the remaining time to maturity dates specified in the contract on the basis of banking and other sectors is as follows:

	30 June 2021			31 December 2020		
	Banking	Other companies	Total	Banking	Other companies	Total
3 to 12 months	8.025.946	-	8.025.946	16.731.294	-	16.731.294
1 to 5 years	17.682.738	605	17.683.343	18.779.765	644	18.780.409
Over 5 years	14.810.132	-	14.810.132	6.361.619	-	6.361.619
<b>Total</b>	<b>40.518.816</b>	<b>605</b>	<b>40.519.421</b>	<b>41.872.678</b>	<b>644</b>	<b>41.873.322</b>

For financial investments valued at amortized cost as of 30 June 2021 and 31 December 2020, the period remaining until the re-pricing date determined by the contract is as follows:

	30 June 2021			31 December 2020		
	Banking	Other companies	Total	Banking	Other companies	Total
Up to 3 months	15.706.013	-	15.706.013	11.113.691	-	11.113.691
3 to 12 months	16.607.949	-	16.607.949	19.059.290	-	19.059.290
1 to 5 years	7.855.751	605	7.856.356	10.522.797	644	10.523.441
Over 5 years	349.103	-	349.103	1.176.900	-	1.176.900
<b>Total</b>	<b>40.518.816</b>	<b>605</b>	<b>40.519.421</b>	<b>41.872.678</b>	<b>644</b>	<b>41.873.322</b>

**d) Time Deposit:**

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

	30 June 2021	31 December 2020
3 to 12 months	20.605	16.348
<b>Total</b>	<b>20.605</b>	<b>16.348</b>

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

(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**

	<b>30 June 2021</b>	<b>31 December 2020</b>
Short term	15.166.583	13.713.590
Short-term portion of long term	20.898.488	20.053.065
<b>Total short term</b>	<b>36.065.071</b>	<b>33.766.655</b>
<b>Long-term funds borrowed, bank borrowings and debt securities:</b>		
Long term	46.600.134	38.494.543
<b>Total</b>	<b>82.665.205</b>	<b>72.261.198</b>

Maturity analysis as of 30 June 2021 and 31 December 2020 is presented below:

	<b>30 June 2021</b>	<b>31 December 2020</b>
Up to 3 months	11.736.924	9.274.318
3 to 12 months	24.328.147	24.492.337
<b>Short term financial liabilities and short term portion of long term financial liabilities</b>	<b>36.065.071</b>	<b>33.766.655</b>
1 to 5 years	33.406.226	26.954.881
Over 5 years	13.193.908	11.539.662
<b>Long term financial liabilities</b>	<b>46.600.134</b>	<b>38.494.543</b>
<b>Total financial liabilities</b>	<b>82.665.205</b>	<b>72.261.198</b>

The repayment schedule of long term financial liabilities at 30 June 2021 and 31 December 2020 is summarized below:

	<b>30 June 2021</b>	<b>31 December 2020</b>
1-2 years	10.847.618	8.902.970
2-3 years	6.887.300	6.286.796
3-4 years	9.018.484	4.715.311
4-5 years	6.652.824	7.049.804
Over 5 years	13.193.908	11.539.662
<b>Total</b>	<b>46.600.134</b>	<b>38.494.543</b>

The repayment schedule of long term financial liabilities at 30 June 2021 and 31 December 2020 is summarized below:

	<b>30 June 2021</b>	<b>31 December 2020</b>
Up to 3 months	44.280.318	41.602.470
3 to 12 months	8.505.419	8.523.325
1 to 5 years	17.736.854	11.745.294
Over 5 years	12.142.614	10.390.109
<b>Total</b>	<b>82.665.205</b>	<b>72.261.198</b>

## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021

(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)

Financial liabilities movement as of 30 June 2021 and 2020 is as follows:

	<b>2021</b>	<b>2020</b>
1 January	72.261.198	58.084.781
Loan principal inflows during the period	13.463.353	14.125.549
Interest and principal payments during the period	(4.047.568)	(4.853.553)
Interest accruals during the period	174.913	46.541
Foreign exchange effects	813.309	1.041.488
<b>30 June</b>	<b>82.665.205</b>	<b>68.444.806</b>

The transactions related with the funds and loans as of 30 June 2021 are as follows:

#### **Akbank - Syndicated Loan**

As of 30 June 2021, there are two syndicated loans. The syndication credit with a one-year (EUR279 million and USD344.5 million) maturity was signed on 9 April 2021. The cost of the credit is Euribor + 225 bps and Libor + 250 bps. The syndication credit with a one-year (EUR348.5 million and USD388 million) maturity was signed on 13 October 2020. The cost of the credit is Euribor + 225 bps and Libor + 250 bps.

#### **Issued securities:**

Securities issued consist of USD and TRY assets.

The repayment plan for USD securities issued is summarized below:

	<b>30 June 2021</b>		<b>31 December 2020</b>	
	<b>USD</b>	<b>TRY</b>	<b>USD</b>	<b>TRY</b>
2021	331.741	2.879.611	630.546	4.678.273
2022	1.115.050	9.678.966	1.068.575	7.928.186
2023	601.860	5.224.325	571.133	4.237.464
2024	628.147	5.452.504	599.240	4.446.001
2025	947.028	8.220.487	911.404	6.762.071
2026	472.544	4.101.824	428.422	3.178.634
2027	405.516	3.520.001	370.994	2.752.553
2028	287.116	2.492.253	257.937	1.913.738
2029	19.273	167.295	-	-
2030	18.003	156.271	-	-
2031	264.546	2.296.339	-	-
<b>Total</b>	<b>5.090.824</b>	<b>44.189.876</b>	<b>4.838.251</b>	<b>35.896.920</b>

The balance amounting to USD5.090.824 consists of securitization deals and USD denominated securities issued by the Bank.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

(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)**

**Issued securities: (Continued)**

	30 June 2021		31 December 2020	
	EUR	TRY	EUR	TRY
2021	198	2.044	23.131	210.872
2022	385	3.975	377	3.438
2023	370	3.820	362	3.301
2024	355	3.665	348	3.173
2025	342	3.531	335	3.055
2026	328	3.387	322	2.936
2027	316	3.263	309	2.818
2028	303	3.128	297	2.708
2029	7.516	77.603	7.370	67.179
<b>Total</b>	<b>10.113</b>	<b>104.416</b>	<b>32.851</b>	<b>299.480</b>

The balance amounting to EUR10.113 consists of securitization deals and EUR denominated securities issued by the Group.

Additionally, as of 30 June 2021, there are bonds issued by the Bank amounting to TRY2.290.810 with 1-3 months maturity, TRY2.048.454 with 3-6 months maturity, TRY380.035 with 6-12 months maturity, TRY877.108 with 1-5 years maturity and TRY1.353.647 with 5 years over maturity. (31 December 2020: TRY 933.926 with 1-3 months maturity, TRY 123.854 with 3-6 months maturity TRY4.229.049 with 6-12 months maturity, TRY1.062.073 with 1-5 years maturity and TRY1.364.024 with 5 years and over maturity).

**NOTE 7 - OBLIGATIONS FROM LEASING TRANSACTIONS**

The breakdown of the Group's obligations with respect to the lease transactions in accordance with IFRS 16 is as follows:

**Liabilities arising from short term lease transactions as of 30 June 2021:**

	Up to 3 months	Between 3-12 months	Total
TRY	164.346	193.879	358.225
USD	4.425	9.644	14.069
EUR	4.155	4.820	8.975
Other	332	1.627	1.959
<b>Total</b>	<b>173.258</b>	<b>209.970</b>	<b>383.228</b>

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

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

**NOTE 7 - OBLIGATIONS FROM LEASING TRANSACTIONS (Continued)**

**Liabilities arising from short term lease transactions as of 31 December 2020:**

	<b>Up to 3 months</b>	<b>Between 3-12 months</b>	<b>Total</b>
TRY	147.418	169.132	316.550
USD	1.831	6.038	7.869
EUR	4.211	4.387	8.598
Other	287	1.119	1.406
<b>Total</b>	<b>153.747</b>	<b>180.676</b>	<b>334.423</b>

**Liabilities arising from long term lease transactions as of 30 June 2020:**

	<b>Between 1-2 years</b>	<b>Between 2- 3 years</b>	<b>Between 3- 4 years</b>	<b>Between 4- 5 years</b>	<b>5 years and more</b>	<b>Total</b>
TRY	195.320	175.445	310.852	385.030	412.292	1.478.939
USD	8.887	36.444	10.614	8.974	82.081	147.000
EUR	1.350	1.487	1.634	1.739	14.306	20.516
Other	4.054	85	-	-	-	4.139
<b>Total</b>	<b>209.611</b>	<b>213.461</b>	<b>323.100</b>	<b>395.743</b>	<b>508.679</b>	<b>1.650.594</b>

**Liabilities arising from long term lease transactions as of 31 December 2020:**

	<b>Between 1-2 years</b>	<b>Between 2- 3 years</b>	<b>Between 3- 4 years</b>	<b>Between 4- 5 years</b>	<b>5 years and more</b>	<b>Total</b>
TRY	218.092	189.292	319.097	390.542	375.857	1.492.880
USD	8.714	6.736	5.562	5.085	53.544	79.641
EUR	1.248	1.363	1.485	1.468	17.803	23.367
Other	3.895	-	-	-	-	3.895
<b>Total</b>	<b>231.949</b>	<b>197.391</b>	<b>326.144</b>	<b>397.095</b>	<b>447.204</b>	<b>1.599.783</b>

Leasing liabilities movement as of 30 June 2021 and 2020 is as follows:

	<b>2021</b>	<b>2020</b>
1 January	1.934.206	1.984.835
Additions	286.140	142.930
Payments	(377.399)	(339.450)
Interest accruals	185.819	189.522
Foreign exchange effects	5.056	15.379
<b>30 June</b>	<b>2.033.822</b>	<b>1.993.216</b>

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

(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**

<b>Other short term receivables:</b>	<b>30 June 2021</b>	<b>31 December 2020</b>
Receivables from credit card payments	44.047	51.697
Other receivables(*)	2.122.568	4.445.839
<b>Total</b>	<b>2.166.615</b>	<b>4.497.536</b>

<b>Other long term receivables:</b>	<b>30 June 2021</b>	<b>31 December 2020</b>
Deposits and guarantees given	54.779	49.628
Other receivables(*)	389.519	3.820.003
<b>Total</b>	<b>444.298</b>	<b>3.869.631</b>

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

<b>Other short term payables:</b>	<b>30 June 2021</b>	<b>31 December 2020</b>
Payables related to credit card transactions	5.847.307	4.984.275
Taxes and funds payable	657.963	618.891
Export deposits and transfer orders	75.407	68.699
Payment orders to correspondent banks	36.438	48.832
Other (*)	1.341.502	3.367.929
<b>Total</b>	<b>7.958.617</b>	<b>9.088.626</b>

<b>Other long term payables:</b>	<b>30 June 2021</b>	<b>31 December 2020</b>
Other (*)	6.423.619	4.431.151
<b>Total</b>	<b>6.423.619</b>	<b>4.431.151</b>

(\*) 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:

	<b>30 June 2021</b>	<b>Share (%)</b>	<b>31 December 2020</b>	<b>Share (%)</b>
Aksigorta	274.824	36.00	337.002	36,00
Agesa	466.614	40.00	439.473	40,00
Brisa	742.178	43.63	627.568	43,63
Akçansa	392.929	39.72	397.334	39,72
Enerjisa Üretim Santralleri	3.233.615	50.00	3.296.513	50,00
Enerjisa Enerji	2.844.740	40.00	2.861.321	40,00
Philsa	177.746	25.00	130.474	25,00
Philip Morrissa	31.450	24.75	125.051	24,75
Temsa Ulaşım Araçları	209.587	50,00	83.636	50,00
<b>Total</b>	<b>8.373.683</b>		<b>8.298.372</b>	



**HACI ÖMER SABANCI HOLDİNG A.Ş.****NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

(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:

	<b>1 January - 30 June 2021</b>	<b>1 January - 30 June 2020</b>
Aksigorta	54.669	84.966
Agesa	103.096	71.327
Brisa	218.011	42.288
Akçansa	37.066	3.460
Enerjisa Üretim Santralleri	318.262	294.921
Enerjisa Enerji	387.860	283.326
Philsa	89.394	34.711
Philip Morrissa	32.389	13.292
Temsa Ulaşım Araçları	(27.855)	-
<b>Total</b>	<b>1.212.892</b>	<b>828.291</b>

The financial statements of the associates and joint ventures are as follows:

	<b>30 June 2021</b>		<b>31 December 2020</b>	
	<b>Total assets</b>	<b>Total liabilities</b>	<b>Total assets</b>	<b>Total liabilities</b>
Aksigorta	10.205.224	9.441.825	9.131.387	8.195.271
Agesa	5.155.481	4.012.485	4.256.009	3.180.864
Brisa	7.776.182	6.075.110	6.387.170	4.948.783
Akçansa	2.382.126	1.379.963	2.255.730	1.242.475
Enerjisa Üretim Santralleri	14.711.119	8.243.888	14.573.769	7.980.742
Enerjisa Enerji	24.832.184	17.720.335	24.675.505	17.522.199
Philsa	5.458.923	4.747.939	3.986.358	3.464.463
Philip Morrissa	2.270.242	2.143.165	1.972.279	1.467.024
Temsa Ulaşım Araçları	2.497.609	1.873.392	2.124.755	1.758.264
<b>Total</b>	<b>75.289.090</b>	<b>55.638.102</b>	<b>69.362.962</b>	<b>49.760.085</b>

HACI ÖMER SABANCI HOLDİNG A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021

(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 Income**

	<b>1 January - 30 June 2021</b>	<b>1 January- 30 June 2020</b>
Aksigorta	3.000.041	2.265.939
Agesa	860.591	657.174
Brisa	2.972.240	1.694.689
Akçansa	1.225.979	840.262
Enerjisa Üretim Santralleri	5.760.540	4.035.303
Enerjisa Enerji	11.964.852	11.104.768
Philsa (*)	16.108.259	14.199.523
Philip Morrissa	16.087.045	13.982.854
Temsa Ulaşım Araçları	583.148	-

(\*) Philsa, which is a manufacturing company, conducts its sales activities through Philip Morrissa, which is a marketing company.

**Net profit / (loss) for the period**

	<b>1 January - 30 June 2021</b>	<b>1 January- 30 June 2020</b>
Aksigorta	151.858	236.016
Agesa	257.741	178.317
Brisa	499.681	96.923
Akçansa	93.878	8.601
Enerjisa Üretim Santralleri	636.523	589.842
Enerjisa Enerji	969.650	708.314
Philsa	357.577	138.842
Philip Morrissa	130.863	53.712
Temsa Ulaşım Araçları	(55.710)	-

HACI ÖMER SABANCI HOLDİNG A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021

(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 2021 is as follows:

	1 January 2021	Currency translation differences	Additions	Disposals	Transfers (*)	Impairment	30 June 2021
<b>Cost:</b>							
Land and land improvements	504.541	2.880	1.830	(135)	638	-	509.754
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
Furnitures and fixtures	4.064.338	35.302	149.291	(104.207)	6.732	313	4.151.769
<b>Total</b>	<b>14.884.788</b>	<b>810.192</b>	<b>187.113</b>	<b>(238.293)</b>	<b>101.168</b>	<b>313</b>	<b>15.745.281</b>
Construction in progress	242.522	12.933	140.132	-	(120.710)	-	274.877
<b>Total</b>	<b>15.127.310</b>	<b>823.125</b>	<b>327.245</b>	<b>(238.293)</b>	<b>(19.542)</b>	<b>313</b>	<b>16.020.158</b>
<b>Accumulated depreciation:</b>							
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)
Furnitures and fixtures	(2.303.979)	(25.236)	(253.944)	88.636	-	4	(2.494.519)
<b>Total</b>	<b>(7.167.689)</b>	<b>(396.026)</b>	<b>(461.919)</b>	<b>125.222</b>	<b>-</b>	<b>4</b>	<b>(7.900.408)</b>
<b>Net Book Value</b>	<b>7.959.621</b>						<b>8.119.750</b>

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

HACI ÖMER SABANCI HOLDİNG A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021

(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 2020 is as follows:

	1 January 2020	Currency translation differences	Additions	Disposals	Transfers (*)	Impairment	30 June 2020
<b>Cost:</b>							
Land and land improvements	559.287	25.273	1.796	(90.529)	(11.731)	-	484.096
Buildings	3.459.621	118.767	113.206	(4.573)	3.098	-	3.690.119
Machinery and equipment	5.479.213	389.452	28.244	(24.258)	43.581	-	5.916.232
Motor vehicles	94.270	3.595	678	(6.074)	-	-	92.469
Furnitures and fixtures	3.461.421	3.283	440.961	(32.329)	2.484	682	3.876.502
<b>Total</b>	<b>13.053.812</b>	<b>540.370</b>	<b>584.885</b>	<b>(157.763)</b>	<b>37.432</b>	<b>682</b>	<b>14.059.418</b>
Construction in progress	246.441	(45.443)	80.384	(1.697)	(51.462)	-	228.223
<b>Total</b>	<b>13.300.253</b>	<b>494.927</b>	<b>665.269</b>	<b>(159.460)</b>	<b>(14.030)</b>	<b>682</b>	<b>14.287.641</b>
<b>Accumulated depreciation:</b>							
Land and land improvements	(231.036)	(2.580)	(3.764)	21	-	-	(237.359)
Buildings	(990.425)	(43.151)	(83.969)	3.290	-	-	(1.114.255)
Machinery and equipment	(2.683.713)	(173.529)	(136.792)	3.048	-	-	(2.990.986)
Motor vehicles	(92.218)	(1.161)	(5.164)	6.074	-	-	(92.469)
Furnitures and fixtures	(2.006.984)	(5.964)	(192.439)	25.693	-	591	(2.179.103)
<b>Total</b>	<b>(6.004.376)</b>	<b>(226.385)</b>	<b>(422.128)</b>	<b>38.126</b>	<b>-</b>	<b>591</b>	<b>(6.614.172)</b>
<b>Net Book Value</b>	<b>7.295.877</b>						<b>7.673.469</b>

(\*) TRY2,165 of the transfers from construction in progress in the current period is recognized in intangible assets.

**HACI ÖMER SABANCI HOLDİNG A.Ş.****NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

(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 movements in intangible assets for the years ended 30 June 2021 and 2020 are as follows:

	<b>1 January 2021</b>	<b>Currency translation differences</b>	<b>Additions</b>	<b>Impairment</b>	<b>Disposals</b>	<b>Transfers</b>	<b>30 June 2021</b>
Cost (*)	3.632.922	205.081	172.390	-	(6.621)	19.542	4.023.314
Accumulated amortization (-)	(1.357.642)	(34.734)	(194.810)	-	4.499	-	(1.582.687)
<b>Net book value</b>	<b>2.275.280</b>						<b>2.440.627</b>

	<b>1 January 2020</b>	<b>Currency translation differences</b>	<b>Additions</b>	<b>Impairment</b>	<b>Disposals</b>	<b>Transfers</b>	<b>30 June 2020</b>
Cost (*)	2.874.779	68.824	299.076	22	(5.150)	2.165	3.239.716
Accumulated amortization (-)	(1.001.619)	(17.180)	(156.349)	(22)	2.337	-	(1.172.833)
<b>Net book value</b>	<b>1.873.160</b>						<b>2.066.883</b>

(\*) Intangible assets mainly consist of licenses and software.

**HACI ÖMER SABANCI HOLDİNG A.Ş.****NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

(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 TO USE ASSETS**

Movement of right-of-use assets for the year ended 30 June 2021 is as follows:

	<b>1 January 2021</b>	<b>Addition</b>	<b>Disposals</b>	<b>Currency translation differences</b>	<b>30 June 2021</b>
<b>Cost</b>					
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
<b>Total</b>	<b>2.405.819</b>	<b>335.401</b>	<b>(96.353)</b>	<b>56.667</b>	<b>2.701.534</b>
<b>Accumulated depreciation</b>					
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)
<b>Total</b>	<b>(674.242)</b>	<b>(231.147)</b>	<b>31.730</b>	<b>(3.159)</b>	<b>(876.818)</b>
<b>Net book value</b>	<b>1.731.577</b>	<b>104.254</b>	<b>(64.623)</b>	<b>53.508</b>	<b>1.824.716</b>

**HACI ÖMER SABANCI HOLDİNG A.Ş.****NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

(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 TO USE ASSETS (Continued)**

Movement of right-of-use assets for the year ended 30 June 2020 is as follows:

	<b>1 January 2020</b>	<b>Addition</b>	<b>Disposals</b>	<b>Currency translation differences</b>	<b>30 June 2020</b>
<b>Cost</b>					
Property	2.187.816	180.568	(97.237)	22.353	2.293.500
Vehicles	38.758	14.191	-	1.137	54.086
Other	17.116	388	(425)	1.555	18.634
<b>Total</b>	<b>2.243.690</b>	<b>195.147</b>	<b>(97.662)</b>	<b>25.045</b>	<b>2.366.220</b>
<b>Accumulated depreciation</b>					
Property	(338.619)	(202.918)	39.394	(5.446)	(507.589)
Vehicles	(16.204)	(8.229)	-	70	(24.363)
Other	(3.404)	(3.763)	244	(121)	(7.044)
<b>Total</b>	<b>(358.227)</b>	<b>(214.910)</b>	<b>39.638</b>	<b>(5.497)</b>	<b>(538.996)</b>
<b>Net book value</b>	<b>1.885.463</b>	<b>(19.763)</b>	<b>(58.024)</b>	<b>19.548</b>	<b>1.827.224</b>

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

(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 of goodwill for the three month period ended on 30 June 2021 and 2020 are as follows:

	<b>2021</b>	<b>2020</b>
1 January	1.600.690	1.475.337
Currency translation differences	163.194	27.800
<b>30 June</b>	<b>1.763.884</b>	<b>1.503.137</b>

**NOTE 14 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES**

<b>Other short term provisions</b>	<b>30 June 2021</b>	<b>31 December 2020</b>
Provision for liabilities	694.581	652.679
<i>Credit bonus provision</i>	79.402	69.473
<i>Litigation</i>	98.092	90.769
<i>Uncompensated and not encashed non-cash loans</i>	517.087	492.437
Other debt provisions	84.265	34.682
<b>Total</b>	<b>778.846</b>	<b>687.361</b>
<b>Other long term provisions</b>	<b>30 June 2021</b>	<b>31 December 2020</b>
Provision for liabilities	240.609	241.504
<i>Litigation</i>	44.871	49.666
<i>Other long-term provisions</i>	195.738	191.838
<b>Total</b>	<b>240.609</b>	<b>241.504</b>
<b>Commitments - Banking segment</b>	<b>30 June 2021</b>	<b>31 December 2020</b>
Letters of guarantee given	42.470.933	36.466.405
Letters of credit	9.367.035	4.649.260
Foreign currency acceptance credits	88.114	47.814
Other guarantees	11.190.678	8.259.644
<b>Total</b>	<b>63.116.760</b>	<b>49.423.123</b>
<b>Commitments – Other companies</b>	<b>30 June 2021</b>	<b>31 December 2020</b>
Letters of guarantee given	910.998	880.540
Other guarantees given	1.131.466	1.583.897
Mortgages, guarantees and pledges for tangible assets	18.789	16.330
<b>Total</b>	<b>2.061.253</b>	<b>2.480.767</b>



**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

(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)**

**Commitments for resale and repurchase of debt securities:**

Commitments for the resale and repurchase of debt securities (government bonds, treasury bills and Eurobonds) at 30 June 2021 and 31 December 2020 are as follows:

	<b>30 June 2021</b>	<b>31 December 2020</b>
Repurchase commitments	30.512.136	19.855.361
<b>Total</b>	<b>30.512.136</b>	<b>19.855.361</b>
<b>Transactions for held for trading:</b>		
	<b>30 June 2021</b>	<b>31 December 2020</b>
Foreign currency purchases	6.621.751	6.658.885
Foreign currency sales	6.450.917	6.377.496
<b>Total</b>	<b>13.072.668</b>	<b>13.036.381</b>
	<b>30 June 2021</b>	<b>31 December 2020</b>
Currency swap purchases	133.258.897	121.885.178
Currency swap sales	148.584.063	138.390.998
Interest swap purchases	87.334.018	86.327.116
Interest swap sales	87.334.018	86.327.116
<b>Total</b>	<b>456.510.996</b>	<b>432.930.408</b>
	<b>30 June 2021</b>	<b>31 December 2020</b>
Spot purchases	3.061.590	3.053.071
Spot sales	3.061.318	3.054.727
<b>Total</b>	<b>6.122.908</b>	<b>6.107.798</b>
	<b>30 June 2021</b>	<b>31 December 2020</b>
Currency, interest and securities options purchases	16.933.821	13.271.378
Currency, interest and securities options sales	17.008.132	13.152.376
<b>Total</b>	<b>33.941.953</b>	<b>26.423.754</b>
	<b>30 June 2021</b>	<b>31 December 2020</b>
Other purchase transactions	27.977.146	26.581.999
Other sales transactions	8.286.372	7.978.827
<b>Total</b>	<b>36.263.518</b>	<b>34.560.826</b>
	<b>30 June 2021</b>	<b>31 December 2020</b>
Future purchase transactions	2.505.190	2.657.066
Future sales transactions	2.452.958	2.827.998
<b>Total</b>	<b>4.958.148</b>	<b>5.485.064</b>

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

(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)**

**Types of derivative transactions held for hedges:**

	<b>30 June 2021</b>	<b>31 December 2020</b>
Interest swap purchases	35.683.177	23.672.399
Interest swap sales	35.683.177	23.672.399
<b>Total</b>	<b>71.366.354</b>	<b>47.344.798</b>

	<b>30 June 2021</b>	<b>31 December 2020</b>
Money swap purchases	16.554.177	22.678.665
Money swap sales	9.325.281	14.494.876
<b>Total</b>	<b>25.879.458</b>	<b>37.173.541</b>

The maturity analysis of the off-balance sheet assets of the Banking segment at 30 June 2021 is as follows:

	<b>Up to 1 year</b>	<b>Over 1 year</b>	<b>Total</b>
Letters of guarantees given	21.024.572	21.446.361	42.470.933
Letters of credits	7.800.494	1.566.541	9.367.035
Acceptance credits	88.114	-	88.114
Other guarantees	5.435.878	5.754.800	11.190.678
<b>Total</b>	<b>34.349.058</b>	<b>28.767.702</b>	<b>63.116.760</b>

The maturity analysis of the off-balance sheet assets of the Banking segment at 31 December 2020 is as follows:

	<b>Up to 1 year</b>	<b>Over 1 year</b>	<b>Total</b>
Letters of guarantees given	16.747.460	19.718.945	36.466.405
Letters of credits	3.502.759	1.146.501	4.649.260
Acceptance credits	47.814	-	47.814
Other guarantees	2.416.094	5.843.550	8.259.644
<b>Total</b>	<b>22.714.127</b>	<b>26.708.996</b>	<b>49.423.123</b>

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

(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 at 30 June 2021 and 31 December 2020 are as follows:

	<b>30 June 2021</b>	<b>31 December 2020</b>
Wholesale	11.716.896	9.445.709
Construction	10.551.673	8.671.929
Financial institutions	6.874.085	5.261.526
Other manufacturing	6.852.589	4.400.880
Steel and mining	4.467.313	3.549.328
Chemicals	4.288.690	1.855.060
Small-scale retailers	4.153.667	3.703.770
Electricity, gas and water	2.616.966	2.676.043
Textile	2.484.023	1.679.855
Transportation	2.061.862	1.744.525
Automotive	1.276.492	977.967
Food and beverage	1.130.410	944.397
Tourism	536.742	361.201
Agriculture and forestry	515.618	385.570
Telecommunications	382.185	349.336
Electronics	344.959	250.609
Other	2.862.590	3.165.418
<b>Total</b>	<b>63.116.760</b>	<b>49.423.123</b>

HACI ÖMER SABANCI HOLDİNG A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021

(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

Collaterals, pledges and mortgages (“CPM”) given by Subsidiaries at 30 June 2021 is as follows:

	30 June 2021				
	Total TL Equivalent	TL	USD	EUR	Other
A, Total amount of the Collaterals					
given for its own legal entity	932.795	845.712	5.081	4.163	-
B, Collaterals given on behalf of fully consolidated companies	2.408.042	685.524	91.920	89.060	5.089
C, Collaterals given on behalf of the third parties’ debt for continuation of their economic activities	63.116.760	27.599.244	2.308.828	1.415.260	863.776
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	-	-	-	-	-
<b>Total Colleterals</b>	<b>66.457.597</b>	<b>29.130.480</b>	<b>2.405.829</b>	<b>1.508.483</b>	<b>868.865</b>
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	-	-	-	-	-
<b>Total Mortgages</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
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	-	-	-	-	-
<b>Total Pledges</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

HACI ÖMER SABANCI HOLDİNG A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021

(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)

Collaterals, pledges and mortgages (“CPM”) given by Joint Ventures at 30 June 2021 is as follows;

	30 June 2021				
	Total TL Equivalent	TL	USD	EUR	Other
A, Total amount of the Collaterals					
given for its own legal entity	2.405.983	1.211.478	76.588	51.303	-
B, Collaterals given on behalf of fully consolidated companies	-	-	-	-	-
C, Collaterals given on behalf of the third parties’ debt for continuation of their economic activities	4.265	4.265	-	-	-
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	-	-	-	-	-
<b>Total Collaterals</b>	<b>2.410.248</b>	<b>1.215.743</b>	<b>76.588</b>	<b>51.303</b>	<b>-</b>
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	-	-	-	-	-
<b>Total Mortgages</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
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	-	-	-	-	-
<b>Total Pledges</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

HACI ÖMER SABANCI HOLDİNG A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021

(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)

Collaterals, pledges and mortgages (“CPM”) given by Subsidiaries at 31 December 2020 is as follows:

	31 December 2020				
	Total TL Equivalent	TL	USD	EUR	Other
A, Total amount of the Collaterals					
given for its own legal entity	1.002.913	775.579	21.814	7.461	-
B, Collaterals given on behalf of fully consolidated companies	2.012.527	700.223	53.956	101.488	2.050
C, Collaterals given on behalf of the third parties' debt for continuation of their economic activities	49.423.123	24.200.751	1.670.304	1.366.162	655.252
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	-	-	-	-	-
<b>Total Colleterals</b>	<b>52.438.563</b>	<b>25.676.553</b>	<b>1.746.074</b>	<b>1.475.111</b>	<b>657.302</b>
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	-	-	-	-	-
<b>Total Mortgages</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
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 ar	-	-	-	-	-
iii, Given on behalf of third parties which are not in scope of C	-	-	-	-	-
<b>Total Pledges</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

HACI ÖMER SABANCI HOLDİNG A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021

(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)

Collaterals, pledges and mortgages (“CPM”) given by Joint Ventures at 31 December 2020 is as follows;

	31 December 2020				
	Total TL Equivalent	TL	USD	EUR	Other
A, Total amount of the Collaterals					
given for its own legal entity	1.136.353	1.018.185	12.310	3.087	-
B, Collaterals given on behalf of fully consolidated companies	-	-	-	-	-
C, Collaterals given on behalf of the third parties' debt for continuation of their economic activities	4.113	4.113	-	-	-
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	-	-	-	-	-
<b>Total Colleterals</b>	<b>1.140.466</b>	<b>1.022.298</b>	<b>12.310</b>	<b>3.087</b>	<b>-</b>
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	-	-	-	-	-
<b>Total Mortgages</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
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	-	-	-	-	-
<b>Total Pledges</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**HACI ÖMER SABANCI HOLDİNG A.Ş.****NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

(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**

<b>Other Current Assets</b>	<b>30 June 2021</b>	<b>31 December 2020</b>
Cheques in clearance	1.472.158	852.507
Deductible, deferred and other VAT	136.171	200.743
Other Current Assets	48.333	56.173
<b>Total</b>	<b>1.656.662</b>	<b>1.109.423</b>

<b>Other Non-Current Assets</b>	<b>30 June 2021</b>	<b>31 December 2020</b>
Long term tax claims and other legal receivables	10.683	17.725
Deductible, deferred and other VAT	2.497	1.050
<i>Other non-current assets</i>	112.897	90.731
<b>Total</b>	<b>126.077</b>	<b>109.506</b>

<b>Other Short Term Liabilities</b>	<b>30 June 2021</b>	<b>31 December 2020</b>
Cheques in clearance	2.954.746	1.683.800
Saving deposits insurance	127.256	119.637
Other short term liabilities	455.855	419.364
<b>Total</b>	<b>3.537.857</b>	<b>2.222.801</b>

<b>Other Long Term Liabilities</b>	<b>30 June 2021</b>	<b>31 December 2020</b>
Other long term liabilities	62.571	52.924
<b>Total</b>	<b>62.571</b>	<b>52.924</b>

**NOTE 17 - EQUITY**

Hacı Ömer Sabancı Holding A.Ş.’s authorised and issued capital consists of 204.040.393.100 (31 December 2020: 204.040.393.100) shares of Kr 1 each.

The Holding’s authorised and paid-in share capital and shareholding structure at 30 June 2021 and 31 December 2020 is as follows:

<b>Shareholders:</b>	<b>Share (%)</b>	<b>30 June 2021</b>	<b>Share (%)</b>	<b>31 December 2020</b>
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
Other	64,83	1.322.799	64,83	1.322.799
<b>Share capital</b>	<b>100,00</b>	<b>2.040.404</b>	<b>100,00</b>	<b>2.040.404</b>
<b>Repurchased shares (-)</b>		<b>(190.470)</b>		<b>(190.470)</b>
<b>Share premium</b>		<b>22.237</b>		<b>22.237</b>



## HACI ÖMER SABANCI HOLDİNG A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021

(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)

EXSA Export Sanayi Mamulleri Satış ve Araştırma A.Ş. (Exsa) has started acquiring publicly traded shares of Sabancı Holding in Borsa İstanbul as a result of the Board of Directors decision dated 22 December 2015. Sabancı Holding’s share capital has reached 1,17% as of 30 June 2021 as a consequence of those transactions. These shares are classified as capital adjustments due to cross-ownership in equity.

#### Restricted Reserves

The legal reserves consist of first and second reserves, appropriated in accordance with the Turkish Commercial Code (TCC). The TCC stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Holding’s 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 2021	31 December 2020
Legal reserves	1.025.782	879.056
Investments sales income	344.487	344.487
<b>Total</b>	<b>1.370.269</b>	<b>1.223.543</b>

#### Dividend Distribution

Listed companies processes 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.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

(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)**

**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
<b>Balance as of 1 January 2021</b>	<b>207.135</b>	<b>(824.534)</b>	<b>(931.208)</b>	<b>2.684.551</b>
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	-
<b>Balance as of 30 June 2021</b>	<b>(38.119)</b>	<b>(368.019)</b>	<b>(1.241.259)</b>	<b>3.562.685</b>

	Fair Value Revaluation Fund	Cash Flow Hedge Fund	Net Investment Hedge Fund	Currency Translation Effect
<b>Balance as of 1 January 2020</b>	<b>56.439</b>	<b>(765.162)</b>	<b>(448.128)</b>	<b>1.688.674</b>
Increases/(decreases) during the period)	(270.362)	(621.237)	(134.612)	409.704
Gains transferred to income statement	355.718	312.314	-	-
Net gains & losses included in the ..income statement due to transfer of available for sale financial assets into held to maturity assets	(268.942)	-	-	-
Tax effect	40.389	67.963	29.615	-
<b>Balance as of 30 June 2020</b>	<b>(86.758)</b>	<b>(1.006.122)</b>	<b>(553.125)</b>	<b>2.098.378</b>

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

**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 TRY 4.201.941 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)

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

(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)**

**Information on other assets held for sale:**

	<b>30 June 2021</b>	<b>31 December 2020</b>
Cost	277.930	250.782
Accumulated Depreciation (-)	-	4
<b>Net Book Value</b>	<b>277.930</b>	<b>250.778</b>

	<b>30 June 2021</b>	<b>31 December 2020</b>
<b>Net book value at the beginning of the term</b>	<b>262.226</b>	<b>673.547</b>
Acquisitions	107.500	265.721
Disposals (-), net	79.871	184.122
Impairment (-)	477	496.888
Other	(8.615)	3.968
<b>Net Book Value</b>	<b>280.763</b>	<b>262.226</b>

Other portion of other assets held for sale includes real estates acquired by the bank due to its receivables.

**1 January - 30 June 2020**

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 TRY 5.957 as of 30 June 2020. In 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 TRY8.565.339 as of 30 June 2020. The amount recognised under “Liabilities Held For Sale” is Total TRY3.562.107 as of 30 June 2020.

**NOTE 19 - OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES**

The details of other income from operating activities for the years ended 30 June 2021 and 2020 are as follows:

	<b>1 January- 30 June 2021</b>	<b>1 January- 30 June 2020</b>	<b>1 April- 30 June 2021</b>	<b>1 April- 30 June 2020</b>
Foreign currency gains resulting from operations	650.722	1.435.767	289.531	667.446
Due date income from trade receivables	54.004	23.781	33.013	10.853
Other income	382.357	202.895	234.768	72.810
<b>Total</b>	<b>1.087.083</b>	<b>1.662.443</b>	<b>557.312</b>	<b>751.109</b>

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

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

**NOTE 19 - OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES (Continued)**

The details of other expenses from operating activities for the years ended 30 June 2021 and 2020 are as follows

	<b>1 January- 30 June 2021</b>	<b>1 January- 30 June 2020</b>	<b>1 April- 30 June 2021</b>	<b>1 April- 30 June 2020</b>
Foreign currency losses resulting from operations	(426.966)	(1.232.459)	(202.323)	(551.806)
Due date expense from trade receivables	(255.604)	(110.347)	(127.268)	(46.504)
Provision expense	(11.385)	(3.021)	(6.716)	(1.724)
Other expenses	(224.521)	(135.623)	(114.377)	(62.907)
<b>Total</b>	<b>(918.476)</b>	<b>(1.481.450)</b>	<b>(450.684)</b>	<b>(662.941)</b>

**DİPNOT 20 - INCOME AND EXPENSES FROM INVESTING ACTIVITIES**

The details of other income from investing activities for the years ended 30 June 2021 and 2020 are as follows:

	<b>1 January- 30 June 2021</b>	<b>1 January- 30 June 2020</b>	<b>1 April- 30 June 2021</b>	<b>1 April- 30 June 2020</b>
Profit from sales on property, plant and equipment	126.742	15.456	101.196	10.683
Interest income on time deposits	10.731	4.847	4.191	4.612
Dividend income	2.629	5.289	226	4.853
<b>Total</b>	<b>140.102</b>	<b>25.592</b>	<b>105.613</b>	<b>20.148</b>

The details of other expenses from investing activities for the years ended 30 June 2021 and 2020 are as follows:

	<b>1 January- 30 June 2021</b>	<b>1 January- 30 June 2020</b>	<b>1 April- 30 June 2021</b>	<b>1 April- 30 June 2020</b>
Loss on sale of fixed assets	(1.779)	(1.970)	(25)	(1.473)
<b>Total</b>	<b>(1.779)</b>	<b>(1.970)</b>	<b>(25)</b>	<b>(1.473)</b>

**NOTE 21 - FINANCIAL INCOME AND EXPENSE**

	<b>1 January- 30 June 2021</b>	<b>1 January- 30 June 2020</b>	<b>1 April- 30 June 2021</b>	<b>1 April- 30 June 2020</b>
<b>Financial income</b>				
Foreign currency gains	60.416	51.426	18.355	25.495
Interest Income	8.931	2.495	6.161	2.495
<b>Total</b>	<b>69.347</b>	<b>53.921</b>	<b>24.516</b>	<b>27.990</b>
<b>Financial expenses</b>				
Foreign currency losses	(140.380)	(111.098)	(116.749)	(66.718)
Interest expense	(338.886)	(312.088)	(160.967)	(162.774)
Other financial expenses	(110.105)	(103.792)	(62.656)	(43.891)
<b>Total</b>	<b>(589.371)</b>	<b>(526.978)</b>	<b>(340.372)</b>	<b>(273.383)</b>

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

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

(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**

	<b>30 June 2021</b>	<b>31 December 2020</b>
Corporate and income taxes payable	1.256.342	2.837.819
Less: prepaid taxes	(24.931)	(1.672.762)
<b>Total taxes payable</b>	<b>1.231.411</b>	<b>1.165.057</b>

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 rate has been applied in the financials by 25% as of June 30, 2021 (2020: %22). According to the Law No. 7316, published in the Official Gazette dated 22 April 2021, corporate tax rate has increased to 25% for the taxation period of 2021 which will start beginning from 1/7/2021. The 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.

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.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

(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 (Continued)**

*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 has to 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.

*Exemption for investment incentive*

The corporate tax rate in Turkey is 25%. 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.

The tax charges for comprehensive income statement items for the periods ended 30 June 2021 and 2020 are as follows:

	30 June 2021			30 June 2020		
	Before tax	Tax charge	After tax	Before tax	Tax charge	After tax
Fair value of financial assets transferred to the other comprehensive income	(721.827)	144.366	(577.461)	(443.704)	97.616	(346.088)
Cash flow hedges	1.463.251	(292.650)	1.170.601	(359.355)	79.058	(280.297)
Financial assets related to the hedging of net investment in a foreign operation, after tax	(950.845)	190.169	(760.676)	(330.336)	72.674	(257.662)
Change in currency translation differences	1.668.745	-	1.668.745	992.499	-	992.499
Actuarial loss/gain	(47.757)	9.551	(38.206)	(20.219)	4.448	(15.771)
<b>Other Comprehensive Income</b>	<b>1.411.567</b>	<b>51.436</b>	<b>1.463.003</b>	<b>(161.115)</b>	<b>253.796</b>	<b>92.681</b>

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

(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 (Continued)**

**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.

According to the Law No. 7316, published in the Official Gazette dated 22 April 2021, corporate tax rate has increased to 25% for the taxation period of 2021 which will start beginning from 1 July 2021. The rate will be applied as 23% for the 2022 taxation period.

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.

According to Law No: 7061 “The Law regarding amendments on Certain Tax Laws and their implications on Deferred Tax Calculations” published in the Official Gazette dated 5 December 2017 and temporary 10th Article added to Corporate Income Tax Law No. 5520, tax ratio will be applied as 22% for the periods of 2018, 2019 and 2020.

For the period ended 30 June 2021, tax on the income generated for the three-month periods are paid at the rate of 25% (2020: 22%) according to tax legislation and the amounts paid in this manner are deducted from the tax calculated on the annual earnings.

At 30 June 2021, the Group has not recognized deferred income tax assets over carry forward tax losses in the amount of TRY1.184.512 which can be offset against future taxable profits for a period of five years (31 December 2020: TRY1.132.506). As of 30 June 2021 and 31 December 2020 carry forward tax losses and the latest annual periods are as follows:

	<b>30 June 2021</b>	<b>31 December 2020</b>
2022	336.323	428.185
2023	107.964	48.623
2024	345.260	469.619
2025	394.965	186.079
<b>Total</b>	<b>1.184.512</b>	<b>1.132.506</b>

Deferred tax assets/(liabilities) for the periods ended 30 June 2021 and 31 December 2020 are as follows:

	<b>30 June 2021</b>	<b>31 December 2020</b>
Deferred Tax Assets	412.092	719.275
Deferred Tax Liabilities	(378.880)	(318.277)
<b>Net Deferred Tax Assets/(Liabilities)</b>	<b>33.212</b>	<b>400.998</b>

HACI ÖMER SABANCI HOLDİNG A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021

(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 (Continued)

Deferred tax (Continued)

	Cumulative temporary differences		Deferred tax assets/(liabilities)	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
Property, plant and equipment and intangible assets	2.861.543	2.777.892	(710.733)	(682.878)
Inventories	(243.249)	(202.414)	57.700	41.417
Credit risk provision	(18.101.858)	(16.969.515)	3.620.372	3.393.903
Provision for employment termination benefits	(628.670)	(556.370)	125.953	111.280
Expense accruals	(54.291)	(49.770)	13.573	9.954
Provisions for lawsuits	142.963	140.435	(28.593)	(28.087)
Carryforward tax losses	(1.184.512)	(1.132.506)	267.041	239.953
Investment incentives	(209.730)	(162.911)	31.638	22.832
Deferred finance income	16.909	18.079	(4.227)	(3.616)
Provisions for bad debt	(9.272)	(12.769)	1.854	2.554
Income accruals	6.761	3.537	(1.690)	(707)
Fair value of derivative instruments	10.169.809	6.424.772	(2.235.272)	(1.284.955)
Financial leasing liabilities	(993.466)	(929.154)	206.937	185.831
Securities valuation	460.299	278.946	(107.103)	(46.848)
Fair value of financial assets and liabilities	24.332	19.756	(4.866)	(3.951)
Provisions for geographical region risk	493.297	399.730	(133.190)	(107.927)
Other	7.228.072	11.516.421	(1.066.182)	(1.447.757)
<b>Deferred tax assets (net)</b>			<b>33.212</b>	<b>400.998</b>

The movements in deferred income tax assets/(liabilities) for the periods ended 30 June 2021 and 2020 are as follows:

	2021	2020
1 January	400.998	(383.846)
Charged to equity	21.974	327.177
Change in foreign currency translation differences	(43.688)	(8.640)
Charged to statement of profit or loss	(345.476)	311.319
Other	(596)	(3.468)
<b>30 June</b>	<b>33.212</b>	<b>242.542</b>



**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

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

**NOTE 23 - DERIVATIVE FINANCIAL INSTRUMENTS**

<b>30 June 2021</b>	<b>Fair Value</b>	
	<b>Asset</b>	<b>Liability</b>
<b>Derivative instruments held for trading:</b>		
<b>Foreign exchange derivative instruments:</b>		
Currency and interest rate swaps purchases and sales transactions	11.336.293	10.161.965
Forward currency purchases and sales transactions	260.308	251.283
Currency purchases and sales options	103.667	152.434
Other purchases and sales transactions	3.162.837	-
<b>Total derivative instruments held for trading</b>	<b>14.863.105</b>	<b>10.565.682</b>
<b>Derivative instruments held for hedging:</b>		
Currency and interest rate swap purchases and sales transactions	8.421.110	1.082.847
Forward currency purchases and sales transactions	8.037	-
Currency purchases and sales options	-	2.215
<b>Total derivative instruments held for hedging</b>	<b>8.429.147</b>	<b>1.085.062</b>
<b>Total derivative instruments</b>	<b>23.292.252</b>	<b>11.650.744</b>
<b>31 December 2020</b>	<b>Fair Value</b>	
<b>Derivative instruments held for trading:</b>	<b>Asset</b>	<b>Liability</b>
<b>Foreign exchange derivative instruments</b>		
Currency and interest rate swaps purchases and sales transactions	11.394.200	13.005.806
Forward currency purchases and sales transactions	467.640	294.644
Currency purchases and sales options	152.494	163.566
Other purchases and sales transactions	2.928.325	-
<b>Total derivative instruments held for trading</b>	<b>14.942.659</b>	<b>13.464.016</b>
<b>Derivative instruments held for hedging:</b>	<b>Asset</b>	<b>Liability</b>
Currency and interest rate swap purchases and sales transactions	7.969.203	1.439.838
Forward currency purchases and sales transactions	7.020	-
<b>Total derivative instruments held for hedging</b>	<b>7.976.223</b>	<b>1.439.838</b>
<b>Total derivative instruments</b>	<b>22.918.882</b>	<b>14.903.854</b>

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

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

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

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

**Banking**

<b>Loans and advances to customers</b>	<b>30 June 2021</b>	<b>31 December 2020</b>
Consumer loans and credit cards receivables	76.719.317	65.300.985
Project finance loans	63.687.328	53.711.159
Construction	26.699.082	26.515.968
Financial institutions	22.187.131	17.325.559
Chemicals	15.509.988	13.815.777
Small-scale enterprises	13.058.085	14.278.017
Other manufacturing industries	11.468.673	8.985.032
Mining	8.047.130	7.713.671
Textile	7.674.034	7.102.241
Food and beverage, wholesale and retail	7.160.802	7.046.798
Automotive	6.820.100	7.075.284
Telecommunication	516.050	1.380.550
Other	46.887.248	48.214.932
<b>Total loans and advances to customers</b>	<b>306.434.968</b>	<b>278.465.973</b>
Provision for loan losses	6.071.888	5.582.849
Credit risk provision	(18.101.858)	(16.969.515)
<b>Net loans and advances to customers</b>	<b>294.404.998</b>	<b>267.079.307</b>

The above table includes the total live and follow-up lending of the bank and the credit risk reserve is set as a result 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 5,04% (31 December 2020: 5,15%), 3,91% (31 December 2020: 3,78%) and 16,14% (31 December 2020: 13,21%).

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

	<b>Corporate</b>	<b>Consumer</b>	<b>Rental Receivables</b>	<b>Total</b>
<b>1 January 2021</b>	<b>13.773.709</b>	<b>2.801.353</b>	<b>394.453</b>	<b>16.969.515</b>
Gross provisions	1.509.457	652.189	65.902	2.227.548
Collections	(682.160)	(213.054)	(60.471)	(955.685)
Written off	(44.920)	(20.677)	(73.923)	(139.520)
<b>30 June 2021</b>	<b>14.556.086</b>	<b>3.219.811</b>	<b>325.961</b>	<b>18.101.858</b>

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

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

**NOTE 24 - RECEIVABLES FROM FINANCE SECTOR OPERATIONS (Continued)**

**Banking (continued)**

The movement of loan loss provision of banking segment as of 30 June 2020 by class is as follows:

	Corporate	Consumer	Rental Receivables	Total
<b>1 January 2020</b>	<b>9.980.877</b>	<b>2.324.492</b>	<b>401.711</b>	<b>12.707.080</b>
Gross provisions	2.721.867	532.681	107.085	3.361.633
Collections	(367.585)	(205.243)	(31.905)	(604.733)
Written off	(275)	(3.827)	(94.318)	(98.420)
<b>30 June 2020</b>	<b>12.334.884</b>	<b>2.648.103</b>	<b>382.573</b>	<b>15.365.560</b>

The maturity schedule of loans and advances to customers at 30 June 2021 and 31 December 2020 are summarized below:

	30 June 2021	31 December 2020
Up to 3 months	92.936.793	82.574.733
3 to 12 months	68.685.585	65.679.464
<b>Current</b>	<b>161.622.378</b>	<b>148.254.197</b>
1 to 5 years	93.370.960	90.581.839
Over 5 years	33.339.772	22.660.422
<b>Non-current</b>	<b>126.710.732</b>	<b>113.242.261</b>
<b>Total</b>	<b>288.333.110</b>	<b>261.496.458</b>

The repricing schedule of loans and advances to customers at 30 June 2021 and 31 December 2020 are summarized below:

	30 June 2021	31 December 2020
Up to 3 months	121.272.253	124.011.508
3 to 12 months	76.525.551	61.397.260
1 to 5 years	74.617.269	70.433.572
Over 5 years	15.918.037	5.654.118
<b>Total</b>	<b>288.333.110</b>	<b>261.496.458</b>

**NOTE 25 - PAYABLES FROM FINANCE SECTOR OPERATIONS**

**Banking**

	30 June 2021			31 December 2020		
	Demand	Time	Total	Demand	Time	Total
Saving deposits	59.416.522	150.378.254	209.794.776	53.209.481	129.356.513	182.565.994
Commercial deposits	42.128.735	55.999.476	98.128.211	36.839.963	53.537.708	90.377.671
Bank deposits	1.085.572	10.321.912	11.407.484	280.804	12.293.003	12.573.807
Funds provided from repo transactions	-	31.397.235	31.397.235	-	20.478.250	20.478.250
Other	1.741.652	3.057.673	4.799.325	1.394.100	3.051.410	4.445.510
<b>Total</b>	<b>104.372.481</b>	<b>251.154.550</b>	<b>355.527.031</b>	<b>91.724.348</b>	<b>218.716.884</b>	<b>310.441.232</b>

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

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

**NOTE 25 - PAYABLES FROM FINANCE SECTOR OPERATIONS (Continued)**

**Banking**

Annual effective interest rate of deposit accounts in USD, Euro and TRY are 0,91% (31 December 2020: 1,83%), 0,25% (31 December 2020: 0.72%) and 16.51% (31 December 2020: 16.30%).

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 2021 and 31 December 2020:

	<b>30 June 2021</b>	<b>31 December 2020</b>
No maturity	104.372.481	91.724.348
Up to 3 months	222.456.013	192.614.949
3 to 12 months	15.770.459	15.404.683
1 to 5 years	11.790.806	9.612.044
Over 5 years	1.137.272	1.085.208
<b>Total</b>	<b>355.527.031</b>	<b>310.441.232</b>

**NOTE 26 - RELATED PARTY DISCLOSURES**

**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 as a result of transfer or retirement.

The detailed schedule of compensation paid or payable to key management for the periods ended 30 June 2021 and 2020 are as follows:

	<b>30 June 2021</b>	<b>30 June 2020</b>
Short term benefits	41.333	28.136
Benefits resulted from discharge	1.015	798
Other long term benefits	295	252
<b>Total</b>	<b>42.643</b>	<b>29.186</b>

**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 in order to hedge from various risks.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021

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

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

## 27.1 Financial Instruments and Financial Risk Management (continued)

## 27.1.1 Financial Risk Management (continued)

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 at 30 June 2021 and 31 December 2020 in terms of TRY are as follows:

	30 June 2021	31 December 2020
Assets	259.585.342	216.553.239
Liabilities	301.447.308	(272.353.612)
<b>Net foreign currency balance sheet position</b>	<b>(41.861.966)</b>	<b>(55.800.373)</b>
Off-balance sheet derivative financial instruments position	51.770.648	63.151.207
<b>Net foreign currency balance sheet and off-balance sheet position</b>	<b>9.908.682</b>	<b>7.350.834</b>

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

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

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

**27.1 Financial Instruments and Financial Risk Management (continued)**

**27.1.1 Financial Risk Management (continued)**

**27.1.1.1 Foreign Exchange Risk (continued)**

<b>30 June 2021</b>	<b>Total TRY Equivalent</b>	<b>USD TRY Equivalent</b>	<b>EUR TRY Equivalent</b>	<b>GBP TRY Equivalent</b>	<b>Other TRY Equivalent</b>
<b>Assets:</b>					
Cash and Cash Equivalents	39.226.971	21.664.148	15.540.352	634.847	1.387.624
Financial Investments	59.611.979	54.505.876	3.504.643	-	1.601.460
Receivables from Financial Operations	111.543.380	43.389.110	68.114.117	-	40.153
Reserve Deposits at Central Bank	41.857.726	23.451.917	16.234.984	-	2.170.825
Trade Receivables	1.115.925	517.283	480.649	4.232	113.761
Other Current Assets	6.229.361	5.465.881	562.409	128	200.943
<b>Total assets</b>	<b>259.585.342</b>	<b>148.994.215</b>	<b>104.437.154</b>	<b>639.207</b>	<b>5.514.766</b>
<b>Liabilities:</b>					
Funds Borrowed and Debt					
Securities in Issue	71.132.238	58.234.130	12.857.966	0	40.142
Customer Deposits	219.164.187	124.242.405	70.035.016	4.862.385	20.024.381
Trade Payables	645.488	478.936	141.377	905	24.270
Other Payables and Provisions	10.505.395	8.813.702	1.610.048	2.511	79.134
<b>Total liabilities</b>	<b>301.447.308</b>	<b>191.769.173</b>	<b>84.644.407</b>	<b>4.865.801</b>	<b>20.167.927</b>
<b>Net foreign currency asset/ (liability)</b>					
<b>position of off-balance sheet derivative</b>	<b>51.770.648</b>	<b>52.130.841</b>	<b>-19.665.657</b>	<b>4.227.314</b>	<b>15.078.150</b>
<b>Net foreign currency asset/ (liability)</b>					
<b>position of off-balance sheet derivative</b>	<b>9.908.682</b>	<b>9.355.883</b>	<b>127.090</b>	<b>720</b>	<b>424.989</b>

Net profit effect of the consolidated to the total net foreign currency position is TRY2.312.360 in the long term as of 30 June 2021 (Akbank and Philsa-Philip Morrissa excluded).

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

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

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

**27.1 Financial Instruments and Financial Risk Management (continued)**

**27.1.1.1 Foreign Exchange Risk (continued)**

31 December 2020	Total TRY Equivalent	USD TRY Equivalent	EUR TRY Equivalent	GBP TRY Equivalent	Other TRY Equivalent
<b>Assets:</b>					
Cash and Cash Equivalents	17.750.024	10.962.166	4.987.731	193.784	1.606.343
Financial Investments	49.719.043	42.214.779	5.917.748	-	1.586.516
Receivables from Financial Operations	96.737.391	37.300.579	59.375.937	170	60.705
Reserve Deposits at Central Bank	39.976.266	21.355.079	16.583.250	-	2.037.937
Trade Receivables	773.171	358.785	349.153	503	64.730
Other Current Assets	11.597.344	7.434.192	4.115.677	68	47.407
<b>Total assets</b>	<b>216.553.239</b>	<b>119.625.580</b>	<b>91.329.496</b>	<b>194.525</b>	<b>5.403.638</b>
<b>Liabilities:</b>					
Funds Borrowed and Debt					
Securities in Issue	60.313.498	48.383.812	11.884.595	-	45.091
Customer Deposits	202.387.245	114.548.411	63.647.373	4.828.016	19.363.445
Trade Payables	489.811	345.958	117.179	1.278	25.396
Other Payables and Provisions	9.163.058	5.285.955	3.684.809	118.462	73.832
<b>Total liabilities</b>	<b>272.353.612</b>	<b>168.564.136</b>	<b>79.333.956</b>	<b>4.947.756</b>	<b>19.507.764</b>
<b>Net foreign currency asset/ (liability)</b>					
<b>position of off-balance sheet derivative</b>	<b>63.151.207</b>	<b>58.006.131</b>	<b>(13.695.693)</b>	<b>4.683.301</b>	<b>14.157.468</b>
<b>Net foreign currency asset/ (liability)</b>					
<b>position of off-balance sheet derivative</b>	<b>7.350.834</b>	<b>9.067.575</b>	<b>(1.700.153)</b>	<b>(69.930)</b>	<b>53.342</b>

Net profit effect of the consolidated to the total net foreign currency position is TRY1.138.291 as of 31 December 2020 (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.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021

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

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

## 27.1 Financial Instruments and Financial Risk Management (continued)

## 27.1.1.1 Foreign Exchange Risk (continued)

The foreign exchange risk of Group companies other than that of the banking segment for the years ended 30 June 2021 and 31 December 2020 is summarized as follows:

30 June 2021	Profit/loss	
	Appreciation of foreign currency	Appreciation of foreign currency
Change in USD against TRY by 20%		
USD net assets/liabilities	403.854	(403.854)
Hedged items (-)	-	-
<b>USD net effect</b>	<b>403.854</b>	<b>(403.854)</b>
Change in EUR against TRY by 20%		
EUR net assets/liabilities	(7.616)	7.616
Hedged items (-)	-	-
<b>EUR net effect</b>	<b>(7.616)</b>	<b>7.616</b>
Change in GBP against TRY by 20%		
GBP net assets/liabilities	650	(650)
Hedged items (-)	-	-
<b>GBP net effect</b>	<b>650</b>	<b>(650)</b>
Change in other currency against TRY by 20%		
Other currency net assets/liabilities	22	(22)
Hedged items (-)	-	-
<b>Other currency net effect</b>	<b>22</b>	<b>(22)</b>
31 December 2020	Profit/loss	
	Appreciation of foreign currency	Depreciation of foreign currency
Change in USD against TRY by 20%		
USD net assets/liabilities	251.290	(251.290)
Hedged items (-)	-	-
<b>USD net effect</b>	<b>251.290</b>	<b>(251.290)</b>
Change in EUR against TRY by 20%		
EUR net assets/liabilities	(31.351)	31.351
Hedged items (-)	-	-
<b>EUR net effect</b>	<b>(31.351)</b>	<b>31.351</b>
Change in GBP against TRY by 20%		
GBP net assets/liabilities	(152)	152
Hedged items (-)	-	-
<b>GBP net effect</b>	<b>(152)</b>	<b>152</b>
Change in other currency against TRY by 20%		
Other currency net assets/liabilities	(2)	2
Hedged items (-)	-	-
<b>Other currency net effect</b>	<b>(2)</b>	<b>2</b>



**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021**

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

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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 2021 and 31 December 2020, 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.

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021

(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 2021 and 31 December 2020 are as follows:

30 June 2021	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value Through Profit or Loss				
- Government Debt Securities	164.260	-	-	164.260
- Marketable Securities Representing Capital Share	376.329	-	-	376.329
- Other Financial Assets *	337.780	1.183.153	7.342.910	8.863.843
Financial Assets at Fair Value Through Other Comprehensive Income				
- Government Debt Securities	55.750.797	-	-	55.750.797
- Other Financial Assets	14.204.906	2.565.500	-	16.770.406
Time Deposit	20.605	-	-	20.605
Derivative Financial Assets at				
- Fair Value Through Other Comprehensive Income	-	16.821.733	-	16.821.733
- Fair Value Through Profit or Loss	-	6.470.519	-	6.470.519
Borrowings	-	294.404.998	-	294.404.998
Financial Assets measured at amortized cost (Net)				
- Government Debt Securities	40.088.353	-	-	40.088.353
- Other Financial Assets	431.068	-	-	431.068
<b>Total Assets</b>	<b>111.374.098</b>	<b>321.445.903</b>	<b>7.342.910</b>	<b>440.162.911</b>
Derivative Financial Liabilities				
- Reflected on Other Comprehensive Income	-	11.103.521	-	11.103.521
- Reflected on Profit or Loss	-	547.223	-	547.223
Financial Liabilities at Fair Value				
- Customer Deposit	-	284.187.753	-	284.187.753
- Interbank money market deposits, fund borrowed and debt securities in issue	-	71.339.278	-	71.339.278
<b>Total Liabilities</b>	<b>-</b>	<b>367.177.775</b>	<b>-</b>	<b>367.177.775</b>

(\*)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 2021**

(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)***

<b>31 December 2020</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial Assets at Fair Value Through Profit or Loss				
- Government Debt Securities	189.938	-	-	189.938
- Marketable Securities Representing Capital Share	305.711	-	-	305.711
- Other Financial Assets *	280.008	1.095.936	7.342.909	8.718.853
Financial Assets at Fair Value Through Other Comprehensive Income				
- Government Debt Securities	44.420.223	-	-	44.420.223
- Other Financial Assets	11.758.112	2.041.091	-	13.799.203
Time Deposit	16.348	-	-	16.348
Derivative Financial Assets at				
- Fair Value Through Other Comprehensive Income	-	4.738.479	-	4.738.479
- Fair Value Through Profit or Loss	1.897	18.178.506	-	18.180.403
Borrowings	-	267.079.307	-	267.079.307
Financial Assets measured at amortized cost (Net)				
- Government Debt Securities	41.444.027	-	-	41.444.027
- Other Financial Assets	428.651	-	-	428.651
<b>Total Assets</b>	<b>98.844.915</b>	<b>293.133.319</b>	<b>7.342.909</b>	<b>399.321.143</b>
Derivative Financial Liabilities				
- Reflected on Other Comprehensive Income	-	678.869	-	678.869
- Reflected on Profit or Loss	54	14.224.931	-	14.224.985
Financial Liabilities at Fair Value				
- Customer Deposit	-	239.101.954	-	239.101.954
- Interbank money market deposits, fund borrowed and debt securities in issue	-	71.339.278	-	71.339.278
<b>Total Liabilities</b>	<b>54</b>	<b>325.345.032</b>	<b>-</b>	<b>325.345.086</b>

(\*)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.

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021

(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 2021	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
<b>Financial assets</b>							
Cash and cash equivalents		-	39.803.225	-	-	39.803.225	39.803.225
Trade receivables		-	2.582.564	-	-	2.582.564	2.582.564
Other financial assets (*)	5	40.519.421	2.631.518	72.521.203	-	115.672.142	115.750.758
Receivables from financial operations	24	-	294.404.998	-	-	294.404.998	303.479.338
<b>Financial liabilities</b>							
Financial payables	6	-	-	-	82.665.205	82.665.205	82.665.205
Lease liabilities	7	-	-	-	2.033.822	2.033.822	2.033.822
Trade payables		-	-	-	4.938.495	4.938.495	4.938.495
Other financial liabilities (**)	8	-	-	-	14.382.236	14.382.236	14.382.236
Payables from financial operations	25	-	-	-	355.527.031	355.527.031	356.355.561
<b>31 December 2020</b>							
<b>Financial assets</b>							
Cash and cash equivalents		-	19.828.118	-	-	19.828.118	19.828.118
Trade receivables		-	1.846.121	-	-	1.846.121	1.846.121
Other financial assets (*)	5	41.873.322	8.383.515	58.219.426	-	108.476.263	108.554.879
Receivables from financial operations	24	-	267.079.307	-	-	267.079.307	281.976.440
<b>Financial liabilities</b>							
Financial payables	6	-	-	-	72.261.198	72.261.198	72.261.198
Lease liabilities	7	-	-	-	1.934.206	1.934.206	1.934.206
Trade payables		-	-	-	5.023.674	5.023.674	5.023.674
Other financial liabilities (**)	8	-	-	-	13.519.777	13.519.777	13.519.777
Payables from financial operations	25	-	-	-	310.441.232	310.441.232	310.577.115

(\*) 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 2021**

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

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**NOTE 27 - EVENTS AFTER THE REPORTING PERIOD**

The incorporation procedures of CSC BV, in which Sabancı Holding and Çimsa respectively owns 60% and 40% stake, were completed on 16 November 2020. Subsequently, the shares of Çimsa's subsidiaries that undertake the overseas white cement operations abroad have been sold to CSC BV; and Buñol White Cement Plant has been acquired by Cimsa Cementos Espana S.A.U., which is wholly owned subsidiary of CSC BV, for consideration of USD 155.200.905 after the adjustments made as per the contract on 09 July 2021. The restructuring process initiated to gather Group's overseas white cement investments within the structure of CSC BV was completed, and that CSC BV started its operations.

Service interruption occurred on 6-7 July 2021 due to a technical problem with the Akbank's main computer. After carrying out actions, the systems were gradually opened on the same day and service has started in all channels. No cyber-attacks were related to this process, and no security problems occurred regarding the information and records of the Akbank and its customers. It is considered that the impact of the service interruption on the financial statements will be insignificant.

Carrefoursa's main shareholders Sabancı Holding and Carrefour Nederland BV (CNBV) will sell their shares representing up to 6% of the total capital of Carrefoursa in the secondary market until the end of 2021 and they agreed that the proceeds from the sale of shares would be used for the capital increase planned by Carrefoursa as announced in the material event disclosure dated August, 4. Sabancı Holding and CNBV jointly hold 94.66% of the share capital of Carrefoursa, 57.12% and 37.54% respectively; a nominal value of shares up to 4.625.993 TRY belonging to the Group and a nominal value of shares up to 3.040.433 TL belonging to CNBV which is a total nominal value of shares up to 7.666.426 TRY and representing up to 6% of the total capital of Carrefoursa is planned to be sold on the stock exchange within the scope of the aforementioned transaction.

Ageas Insurance International NV (Ageas) have acquired all AvivaSA Emeklilik ve Hayat A.Ş. (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 Ageasa which regulates the matters related to the management of Ageasa 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. Amendments to both shareholders agreements became applicable with the Ageasa General Assembly dated July 1, 2021 and after these amendments, conditions have emerged that Aksigorta and Ageasa to be consolidated in the Sabancı Holding Financial statements using the full consolidation method in accordance with TFRS 10. Both companies will start to be reported in the Group's financial statements using the full consolidation method as of the financial statements dated 30 September 2021. Although the valuation which is required for the transition to full consolidation are still ongoing, the closing stock exchange values of the Ageasa and Aksigorta were realized as 3.294 thousand TRY and 2.430 thousand TRY respectively as of 1 July 2021. The Group will account the difference between the own portion book value of Ak Sigorta and Ageasa and their fair value to be determined as fair value gain or loss in the consolidated statement of profit or loss.