

TEKNOSA İÇ VE DIŞ TİCARET ANONİM ŞİRKETİ
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2021
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

NOTE 3 – SEGMENT REPORTING

The Company applies TFRS 8 starting from 1 January 2009 and determined the reportable segments based on the management reports which are regularly reviewed by the decision maker.

In order to take the decisions about the allocation of resources to the operating segments and evaluate the performance of these segments, the decision maker reviews the results and the operations by product categories and geographical sector. The Company's product categories are as follows: Electronics retail sales and sales of air conditions and white goods through dealers. These sales are also reviewed as stores and dealers (İklimsa). In addition, assets and liabilities are not included in the segment reporting, since they are not regularly presented to the decision maker and are not reviewed in as a part of segment reporting.

Details of the segment reporting according to the internal management reports are as follows:

1 January-30 June 2021			
	Stores and e-commerce	Dealer Group	Total
Total segment income	2.780.263	202.989	2.983.252
Income from third party customers	2.780.263	202.989	2.983.252
Adjusted EBITDA	222.608	21.448	244.056
1 January-30 June 2020			
	Stores and e-commerce	Dealer Group	Total
Total segment income	1.876.899	126.619	2.003.518
Income from third party customers	1.876.899	126.619	2.003.518
Adjusted EBITDA	93.348	11.036	104.384
1 April-30 June 2021			
	Stores and e-commerce	Dealer Group	Total
Total segment income	1.394.271	127.719	1.521.990
Income from third party customers	1.394.271	127.719	1.521.990
Adjusted EBITDA	99.148	13.868	113.016
1 April-30 June 2020			
	Stores and e-commerce	Dealer Group	Total
Total segment income	877.257	77.860	955.117
Income from third party customers	877.257	77.860	955.117
Adjusted EBITDA	33.703	9.398	43.101

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NOTE 3 – SEGMENT REPORTING (Continued)

	1 January – 30 June 2021	1 April – 30 June 2021	1 January – 30 June 2020	1 April – 30 June 2020
Reconciliation of Adjusted EBITDA with profit before taxes:	244.056	113.016	104.384	43.101
Depreciation and amortisation expenses	(66.482)	(33.924)	(60.812)	(30.825)
Finance income/(costs), net	(123.363)	(64.353)	(96.395)	(46.803)
Income / (expense) from investing activities	4.255	928	482	837
Impairment profit / (loss) and reversals of impairment losses in accordance with TFRS 9	(1)	(1)	(209)	1
Other income / (expenses), net	(63.182)	(25.287)	(3.122)	15.214
Provision for employee termination benefits	(2.372)	(996)	(2.194)	(1.012)
Loss before tax	(7.089)	(10.617)	(57.866)	(19.487)

NOTE 4 – RELATED PARTY DISCLOSURES

The related parties listed below are the companies directly or indirectly controlled by Hacı Ömer Sabancı Holding A.Ş., the parent company of Teknosa or the companies over which Hacı Ömer Sabancı Holding A.Ş. has significant influence.

	30 June 2021	
	Receivables	Payables
	Current	Current
Balances with related parties	Trading	Trading
Carrefoursa Carrefour Sabancı Ticaret Merkezi A.Ş. (*)	14.977	1.929
Aksigorta A.Ş.	1.766	--
Akbank T.A.Ş.	361	--
Akçansa Çimento San. ve Tic. A.Ş.	117	--
Brisa Bridgestone Sabancı Lastik San. Ve Tic. A.Ş.	79	--
Çimsa Çimento San.ve Tic.A.Ş.	27	--
Hacı Ömer Sabancı Holding A.Ş.	24	7
Sabancı Dijital Teknoloji Hizmetleri A.Ş.	12	857
Temsa Global Sanayi ve Ticaret A.Ş.	11	--
Kordsa Global Endüstriyel İplik ve Kord Bezi San. ve Tic. A.Ş.	2	--
Aköde Elektronik Para ve Ödeme Hizmetleri A.Ş.	--	20
Enerjisa Enerji A.Ş. ve Bağlı Ortaklıkları	--	5
	17.376	2.818

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NOTE 4 – RELATED PARTY DISCLOSURES (Continued)

	31 December 2020	
	Receivables	Payables
	Current	Current
Balances with related parties	Trading	Trading
Carrefoursa Carrefour Sabancı Ticaret Merkezi A.Ş. (*)	14.242	--
Brisa Bridgestone Sabancı Las. San. ve Tic. A.Ş.	225	--
Sabancı Dijital Teknoloji Hizmetleri A.Ş.	120	6.155
Akbank T.A.Ş.	92	--
Çimsa Çimento San.ve Tic.A.Ş.	75	--
Hacı Ömer Sabancı Holding A.Ş.	70	53
Ak Finansal Kiralama A.Ş.	26	--
Akçansa Çimento San. ve Tic. A.Ş.	15	--
Kordsa Global Endüstriyel İplik ve Kord Bezi San. ve Tic. A.Ş.	10	--
Aksigorta A.Ş.	8	1
Enerjisa Enerji A.Ş. ve Bağlı Ortaklıkları	--	347
Aköde Elektronik Para ve Ödeme Hizmetleri A.Ş.	--	22
	14.883	6.578

(*) It consists of receivables related to corner stores opened in Carrefoursa Carrefour Sabancı Ticaret Merkezi A.Ş. stores during the Covid-19 period.

	30 June	31 December
	2021	2020
<u>Deposit accounts in Akbank T.A.Ş.</u>		
Demand deposit	3.413	8.852
Time deposit	--	346.181
	3.413	355.033
	30 June	31 December
	2021	2020
<u>Credit card slip receivables in Akbank T.A.Ş.</u>		
Credit card slip receivables	3.817	5.043
	3.817	5.043

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NOTE 4 – RELATED PARTY DISCLOSURES (Continued)

	1 January – 30 June 2021		
Transactions with related parties	Sale of goods	Rent expense	Other income / (expenses)
Carrefoursa Carrefour Sabancı Tic. Merkezi A.Ş.	18.385	(1.654)	(488)
Akbank T.A.Ş.	2.691	--	--
Aksigorta A.Ş.	1.474	--	(3.014)
H.Ö. Sabancı Holding A.Ş.	230	--	(10)
Akçansa Çimento San. ve Tic. A.Ş.	222	--	--
Brisa Bridgestone Sabancı Las. San. ve Tic. A.Ş.	196	--	--
Çimsa Çimento San.ve Tic.A.Ş.	130	--	--
Kordsa Global End. İplik ve Kordbezi San. A.Ş.	38	--	--
Avivasa Emeklilik ve Hayat A.Ş.	20	--	--
Enerjisa Enerji A.Ş. ve Bağlı Ortaklıkları	19	--	(1.949)
Sabancı Dijital Teknoloji Hizmetleri A.Ş.	11	--	(1.562)
Temsa İş Makinaları İmalat Pazarlama ve Satış A.Ş.	10	--	--
Aköde Elektronik Para ve Ödeme Hizmetleri A.Ş.	--	--	(44)
	23.426	(1.654)	(7.067)

	1 January – 30 June 2020		
Transactions with related parties	Sale of goods	Rent expense	Other income / (expenses)
Carrefoursa Carrefour Sabancı Tic. Merkezi A.Ş.	16.842	(889)	(529)
Akbank T.A.Ş.	1.562	--	--
Kordsa Global End. İplik ve Kordbezi San. A.Ş.	156	--	--
Akçansa Çimento San. ve Tic. A.Ş.	130	--	--
Enerjisa Enerji A.Ş. ve Bağlı Ortaklıkları	95	--	(2.300)
Aksigorta A.Ş.	64	--	(2.493)
Avivasa Emeklilik ve Hayat A.Ş.	56	--	--
Ak Finansal Kiralama A.Ş.	45	--	--
Brisa Bridgestone Sabancı Las. San. ve Tic. A.Ş.	42	--	--
Çimsa Çimento San.ve Tic.A.Ş.	19	--	--
H.Ö. Sabancı Holding A.Ş.	11	--	(6)
Sabancı Dijital Teknoloji Hizmetleri A.Ş.	9	--	(1.926)
Aköde Elektronik Para ve Ödeme Hizmetleri A.Ş.	--	--	(9)
	19.031	(889)	(7.263)

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NOTE 4 – RELATED PARTY DISCLOSURES (Continued)

The details of short and long term rent liabilities to related parties as at 30 June 2021 and 31 December 2020 are as follows:

	30 June 2021	31 December 2020
Short portion of long-term lease liabilities to related parties	1.535	1.392
Long-term lease liabilities to related parties	1.540	2.347
	3.075	3.739

The Company's key management has been identified as the general managers and assistant general managers. Remuneration to key management personnel consists of wages, premiums, pensions, health insurance and life insurance payments. Remunerations of key management personnel for the periods ended 30 June 2021 and 2020 are as follows:

	1 January - 30 June 2021	1 January - 30 June 2020
Salaries and other benefits	5.707	2.538
	5.707	2.538

NOTE 5 – CASH AND CASH EQUIVALENTS

The details of cash and cash equivalents as at 30 June 2021 and 31 December 2020 are as follows:

	30 June 2021	31 December 2020
Cash	2.952	2.942
Demand deposit	43.275	15.491
Time deposit	--	346.181
Credit card slip receivables	18.813	27.587
	65.040	392.201

The Company does not have any blocked deposits as at 30 June 2021 and 31 December 2020. The Company does not have any time deposits as at 30 June 2021 (31 December 2020: 346.181 TL).

As at 31 December 2020 the details of time deposits, maturity dates and interest rates of the company are as follows:

Currency	Maturity	Interest Rate	31 December 2020
TL	4 January 2021	%19	346.000
		Accrual of interest	181
			346.181

The Company's exposure to foreign currency risk for cash and cash equivalents are disclosed in Note 26.