

**(CONVENIENCE TRANSLATION OF THE  
REPORT AND FINANCIAL STATEMENTS  
ORIGINALLY ISSUED IN TURKISH)**

**KONYA KAĞIT  
SANAYİ VE TİCARET  
ANONİM ŞİRKETİ  
FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30.06.2022  
TOGETHER WITH THE INDEPENDENT  
AUDITORS' REPORT**

(Convenience translation of independent auditor's review report  
originally issued in Turkish)

**KONYA KAĞIT SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**INDEPENDENT AUDITORS' REVIEW REPORT**  
**FOR THE PERIOD ENDED 30.06.2022**

To the Board of Directors of  
Konya Kağıt Sanayi ve Ticaret Anonim Şirketi

**Introduction**

1. We have reviewed the accompanying interim statement of financial position of Konya Kağıt Sanayi ve Ticaret Anonim Şirketi ("the Company"), and the interim statements of profit or loss, other comprehensive income, changes in equity and cash flows for the six-month period then ended and notes to the interim financial information. Management is responsible for the preparation and presentation of these interim financial information in accordance with Turkish Accounting Standard 34 Interim Financial Reporting ("TAS 34") issued by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibility is to express a conclusion on these interim financial statements based on our review.

**Scope of Review**

2. We conducted our review in accordance with the Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

3. Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with TAS 34 Interim Financial Reporting.

**Additional paragraph for convenience translation into English of financial statements originally issued in Turkish**

4. As of 30.06.2022, the accounting principles described in Note 2 (defined as Turkish Accounting Standards/Turkish Financial Reporting Standards) to the accompanying financial statements differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board with respect to the application of inflation accounting, certain reclassifications and also for certain disclosures requirement of the POA/CMB. Accordingly, the accompanying financial statements are not intended to present the financial position and results of operations in accordance with IFRS.

Istanbul, 09.08.2022

Eren Bağımsız Denetim A.Ş.  
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**KONYA KAĞIT SANAYİ VE TİCARET A.Ş.**  
**BALANCE SHEETS AT 30.06.2022 AND 31.12.2021**  
**(Amounts expressed in TL unless otherwise stated)**

|   | <b>Reviewed</b>      | <b>Audited</b>       |
|---|----------------------|----------------------|
|   | <b>30.06.2022</b>    | <b>31.12.2021</b>    |
| <b><u>ASSETS</u></b>                          |                      |                      |
| <b>Current Assets</b>                         |                      |                      |
| Cash and cash equivalent                      | 388.569.443          | 239.316.437          |
| Trade receivables                             |                      |                      |
| - Trade receivables from related parties      | 1.684.343            | 3.185.437            |
| - Trade receivables from third parties        | 131.130.347          | 142.000.879          |
| Other receivables                             |                      |                      |
| - Other receivables from related parties      | 345.358              | 179.778              |
| - Other receivables from third parties        | 7.881.392            | 122.023              |
| Inventories                                   | 253.567.115          | 99.305.995           |
| Prepaid expenses                              | 41.830.162           | 6.586.390            |
| Other current assets                          | 33.490.013           | 13.438.443           |
| <b>TOTAL CURRENT ASSETS</b>                   | <b>858.498.173</b>   | <b>504.135.382</b>   |
| <b>Non - current assets</b>                   |                      |                      |
| Financial investments                         | 71.546.447           | 37.603.363           |
| Financial investments valued at equity method | 313.626.563          | 246.969.015          |
| Investment properties                         | 446.369.214          | 459.352.464          |
| Tangible assets                               | 228.570.560          | 227.915.240          |
| Intangible assets                             | 385.132              | 382.050              |
| Right of use assets                           | 1.220.584            | 765.682              |
| Deferred tax assets                           | 7.384.843            | 10.201.333           |
| <b>TOTAL NON - CURRENT ASSETS</b>             | <b>1.069.103.343</b> | <b>983.189.147</b>   |
| <b>TOTAL ASSETS</b>                           | <b>1,927.601.516</b> | <b>1.487.324.529</b> |



**KONYA KAĞIT SANAYİ VE TİCARET A.Ş.**  
**BALANCE SHEETS AT 30.06.2022 AND 31.12.2021**  
**(Amounts expressed in TL unless otherwise stated)**

|  | <u>Reviewed</u><br>30.06.2022 | <u>Audited</u><br>31.12.2021 |
|--|-------------------------------|------------------------------|
| <b><u>LIABILITIES</u></b>  |                               |                              |
| <b>CURRENT LIABILITIES</b>   |                               |                              |
| Short-term financial liabilities   | 56.389.972                    | 8.527.291                    |
| Short-term portion of long-term financial liabilities  | 3.866.152                     | 36.353.105                   |
| Other financial liabilities  | 259.379                       | 245.971                      |
| Trade payables   |                               |                              |
| - Other trade payables to related parties  | 1.783.328                     | 2.370.046                    |
| - Other trade payables to third parties  | 41.684.525                    | 44.411.729                   |
| Payables to personnel  | 5.881.185                     | 4.067.500                    |
| Other payables   |                               |                              |
| - Other payables to related parties  | 213.281                       | 952.938                      |
| - Other payables to third parties  | 387.010                       | 370.460                      |
| Income tax payable   | 53.888.678                    | 32.045.536                   |
| Provisions   |                               |                              |
| - Provisions for employee benefits   | 2.998.243                     | 2.851.830                    |
| - Other current provisions   | 59.518                        | 61.159                       |
| Other current liabilities  | 59.207.764                    | 31.738.591                   |
| <b>NON - CURRENT LIABILITIES</b>   |                               |                              |
| Long-term financial liabilities  | 14.034.059                    | 37.128.228                   |
| Other financial liabilities  | 891.615                       | 507.864                      |
| Provisions   |                               |                              |
| - Provision for employment termination benefits  | 23.750.215                    | 18.280.002                   |
| Deferred tax liabilities   | 68.179.709                    | 72.325.929                   |
| <b>EQUITY</b>  |                               |                              |
| Share capital  | 130.000.000                   | 130.000.000                  |
| Inflation restatement differences  | 169.256.925                   | 169.256.925                  |
| Premiums realized from common controlled business combinations   | 13.093.563                    | 13.093.563                   |
| <b>Other comprehensive income items not to be reclassified to profit or loss</b>   |                               |                              |
| - Revaluation fund   | 308.323.718                   | 308.323.718                  |
| - Actuarial gains/(losses)   | (7.114.911)                   | (6.205.528)                  |
| - Other comprehensive income items not to be reclassified to profit or loss related to financial investments valued at equity method | 45.064.752                    | 9.866                        |
| <b>Other comprehensive income items to be reclassified to profit or loss</b>   |                               |                              |
| - Valuation differences related to financial investments reflected to other comprehensive income                                     | 541.441                       | (15.726.185)                 |
| - Other comprehensive income items to be reclassified to profit or loss related to financial investments valued at equity method     | (2.291.910)                   | (6.955.173)                  |
| Profit reserves  | 34.135.214                    | 21.479.046                   |
| Previous years profits/losses  | 534.282.083                   | 178.826.124                  |
| Net profit/(loss) for the year   | 368.836.008                   | 402.983.994                  |
| <b>TOTAL EQUITY</b>  | <b>1.594.126.883</b>          | <b>1.195.086.350</b>         |
| <b>TOTAL LIABILITIES</b>   | <b>1.927.601.516</b>          | <b>1.487.324.529</b>         |



**KONYA KAĞIT SANAYİ VE TİCARET A.Ş.**  
**STATEMENTS OF PROFIT OR LOSS AND COMPREHENSIVE INCOME**  
**FOR THE PERIODS OF 01.01.-30.06.2022, 01.04.-30.06.2022, 01.01.-30.06.2021 AND 01.04.-30.06.2021**  
**(Amounts expressed in TL unless otherwise stated)**

|  | Reviewed<br>01.01.-<br>30.06.2022 | Unreviewed<br>01.04.-<br>30.06.2022 | Reviewed<br>01.01.-<br>30.06.2021 | Unreviewed<br>01.04.-<br>30.06.2021 |
|--|-----------------------------------|-------------------------------------|-----------------------------------|-------------------------------------|
| Sales  | 1.028.697.836                     | 567.009.234                         | 289.500.765                       | 154.667.852                         |
| Cost of sales (-)  | (600.739.533)                     | (319.909.820)                       | (226.761.263)                     | (116.979.430)                       |
| <b>GROSS PROFIT/LOSS</b>   | <b>427.958.303</b>                | <b>247.099.414</b>                  | <b>62.739.502</b>                 | <b>37.688.422</b>                   |
| General administrative expenses (-)  | (24.727.458)                      | (12.972.372)                        | (13.354.798)                      | (6.204.272)                         |
| Marketing, selling and distribution expenses (-)   | (21.124.304)                      | (9.232.382)                         | (11.560.524)                      | (6.190.769)                         |
| Other income from main operations  | 20.341.896                        | 8.182.220                           | 12.083.078                        | 4.355.244                           |
| Other expense from main operations (-)   | (26.460.843)                      | (14.619.128)                        | (2.799.344)                       | (769.500)                           |
| <b>OPERATING PROFIT/LOSS</b>   | <b>375.987.594</b>                | <b>218.457.752</b>                  | <b>47.107.914</b>                 | <b>28.879.125</b>                   |
| Investment activities income   | 4.726.841                         | 1.374.466                           | 2.042.684                         | 15.889                              |
| Income/(expenses) from financial investments valued at equity method   | 16.939.401                        | 8.204.216                           | 1.293.906                         | (944.468)                           |
| <b>OPERATING PROFIT /LOSS BEFORE FINANCING EXPENSES</b>  | <b>397.653.836</b>                | <b>228.036.434</b>                  | <b>50.444.504</b>                 | <b>27.950.546</b>                   |
| Financial expenses (-)   | (9.299.428)                       | (5.595.650)                         | (9.708.770)                       | (4.684.698)                         |
| Financial income   | 65.747.005                        | 54.893.571                          | 11.370.168                        | 2.814.684                           |
| <b>PROFIT/LOSS BEFORE TAX FROM CONTINUING OPERATIONS</b>   | <b>454.101.413</b>                | <b>277.334.355</b>                  | <b>52.105.902</b>                 | <b>26.080.532</b>                   |
| Tax income/(expenses) from continuing operations   | (85.265.405)                      | (51.724.441)                        | (11.687.071)                      | (6.560.008)                         |
| - Income tax provision   | (90.434.695)                      | (52.419.747)                        | (13.373.770)                      | (6.236.426)                         |
| - Deferred tax (expenses)/income   | 5.169.290                         | 695.306                             | 1.686.699                         | (323.582)                           |
| <b>PROFIT/LOSS FOR THE PERIOD</b>  | <b>368.836.008</b>                | <b>225.609.914</b>                  | <b>40.418.831</b>                 | <b>19.520.524</b>                   |
| Earnings per share   | 2,84                              | 1,74                                | 0,31                              | 0,15                                |
| <b>OTHER COMPREHENSIVE INCOME:</b>   |                                   |                                     |                                   |                                     |
| Items not to be reclassified to profit or loss   |                                   |                                     |                                   |                                     |
| Tangible assets revaluation fund increase/(decreases)  |                                   |                                     |                                   |                                     |
| Actuarial gains/(losses)   | (1.136.729)                       | (1.095.506)                         | (992.155)                         | (804.298)                           |
| Other comprehensive income items not to be reclassified to profit or loss related to financial investments valued at equity method | 45.054.886                        | 45.034.951                          | (20.047)                          | 1.843                               |
| - Deferred tax (expenses)/income   | 227.346                           | 219.101                             | 198.431                           | 160.860                             |
| Items to be reclassified to profit or loss   |                                   |                                     |                                   |                                     |
| Valuation differences related to financial investments reflected to other  | 20.334.532                        | 18.588.246                          | (20.761.402)                      | (43.036.253)                        |
| Other comprehensive income items to be reclassified to profit or loss related to   | 4.663.263                         | 4.245.198                           | (4.642.028)                       | (9.729.175)                         |
| - Deferred tax (expenses)/income   | (4.066.906)                       | (3.717.649)                         | 4.152.280                         | 8.607.250                           |
| <b>OTHER COMPREHENSIVE, NET OF TAX</b>   | <b>65.076.392</b>                 | <b>63.274.341</b>                   | <b>(22.064.921)</b>               | <b>(44.799.773)</b>                 |
| <b>TOTAL COMPREHENSIVE INCOME</b>  | <b>433.912.400</b>                | <b>288.884.255</b>                  | <b>18.353.910</b>                 | <b>(25.279.249)</b>                 |



**KONYA KAÇIT SANAYİ VE TİCARET A.Ş.**  
**STATEMENTS OF CHANGES IN EQUITY FOR THE PERIODS ENDED 30.06.2022 AND 30.06.2021**  
(Amounts expressed in TL, unless otherwise stated)

|  | Other comprehensive income items not to be reclassified to profit or loss in subsequent periods |                                |  |                                  |                          | Other comprehensive income items to be reclassified to profit or loss in subsequent periods  |  |  | Retained Earnings |                             | Total Equity  |                                  |
|--|---|--------------------------------|--|----------------------------------|--------------------------|--|--|--|-------------------|-----------------------------|---------------|----------------------------------|
|  | Paid in capital   | Capital adjustment differences | Premiums realized from common controlled business combinations | Tangible assets revaluation fund | Actuarial gains/(losses) | Other comprehensive income items not to be reclassified to profit or loss related to financial investments valued at equity method | Valuation differences related to financial investments reflected in other comprehensive income | Other comprehensive income items to be reclassified to profit or loss related to financial investments valued at equity method | Profit reserves   | Previous Year Profit/(Loss) |               | Net Profit/(Loss) for the period |
| 01.01.2020   | 130.000.000   | 169.256.925                    | 13.093.563   | 253.411.180                      | (2.516.068)              | --   | 8.985.705  | --   | 19.642.983        | 27.009.340                  | 170.371.266   | 789.248.264                      |
| Dividends paid   | --  | --                             | --   | --                               | --                       | --   | --   | --   | 1.836.463         | (16.812.009)                | (170.471.256) | --                               |
| Total Comprehensive Income/(Expense)   | --  | --                             | --   | --                               | (793.724)                | (20.047)   | (16.609.122)   | (4.642.028)  | --                | --                          | 40.418.831    | (16.812.009)                     |
| Profit / (Loss) for the Period   | --  | --                             | --   | --                               | --                       | --   | --   | --   | --                | --                          | 40.418.831    | 18.253.910                       |
| Other Comprehensive Income / (Expense)   | --  | --                             | --   | --                               | (793.724)                | (20.047)   | (16.609.122)   | (4.642.028)  | --                | --                          | 40.418.831    | 40.418.831                       |
| Change in Actuarial Gains/(Losses)   | --  | --                             | --   | --                               | (793.724)                | --   | --   | --   | --                | --                          | --            | (793.724)                        |
| Valuation differences related to financial investments reflected to other comprehensive income                                     | --  | --                             | --   | --                               | --                       | --   | (16.609.122)   | --   | --                | --                          | --            | (16.609.122)                     |
| Change in revaluation fund of tangible asset   | --  | --                             | --   | --                               | --                       | (20.047)   | --   | --   | --                | --                          | --            | (20.047)                         |
| The effect of the sale of financial investments  | --  | --                             | --   | --                               | --                       | --   | --   | (4.642.028)  | --                | --                          | --            | (4.642.028)                      |
| 30.06.2021   | 130.000.000   | 169.256.925                    | 13.093.563   | 253.411.180                      | (3.309.812)              | (20.047)   | (7.623.417)  | (4.642.028)  | 21.479.046        | 176.876.124                 | 40.418.831    | 790.890.365                      |
| 01.01.2021   | 130.000.000   | 169.256.925                    | 13.093.563   | 306.323.718                      | (6.205.528)              | 9.066  | (18.726.185)   | (6.955.173)  | 21.479.046        | 176.876.124                 | 402.983.994   | 1.195.086.350                    |
| Dividends paid   | --  | --                             | --   | --                               | --                       | --   | --   | --   | 12.636.168        | (34.871.867)                | (402.983.994) | --                               |
| Total Comprehensive Income/(Expense)   | --  | --                             | --   | --                               | (909.383)                | 45.054.886   | 16.267.626   | 4.663.263  | --                | --                          | 368.836.008   | (34.871.867)                     |
| Profit / (Loss) for the Period   | --  | --                             | --   | --                               | --                       | --   | --   | --   | --                | --                          | 368.836.008   | 433.912.400                      |
| Other Comprehensive Income / (Expense)   | --  | --                             | --   | --                               | (909.383)                | 45.054.886   | 16.267.626   | 4.663.263  | --                | --                          | 368.836.008   | 368.836.008                      |
| Change in Actuarial Gains/(Losses)   | --  | --                             | --   | --                               | (909.383)                | --   | --   | --   | --                | --                          | --            | (909.383)                        |
| Valuation differences related to financial investments reflected to other comprehensive income                                     | --  | --                             | --   | --                               | --                       | --   | 16.267.626   | --   | --                | --                          | --            | 16.267.626                       |
| Other comprehensive income items not to be reclassified to profit or loss related to financial investments valued at equity method | --  | --                             | --   | --                               | --                       | --   | --   | 4.663.263  | --                | --                          | --            | 4.663.263                        |
| Other comprehensive income items to be reclassified to profit or loss related to financial investments valued at equity method     | --  | --                             | --   | --                               | --                       | --   | --   | --   | --                | --                          | --            | --                               |
| 30.06.2022   | 130.000.000   | 169.256.925                    | 13.093.563   | 306.323.718                      | (7.114.911)              | 45.064.752   | 541.441  | (2.291.910)  | 34.195.214        | 534.282.083                 | 368.836.008   | 1.594.126.883                    |



**KONYA KAĞIT SANAYİ VE TİCARET A.Ş.**  
**STATEMENTS OF CASH FLOW FOR THE PERIODS ENDED 30.06.2022 AND 30.06.2021**  
(Amounts expressed in TL unless otherwise stated)

|   | Reviewed<br>01.01.-30.06.2022 | Reviewed<br>01.01.-30.06.2021 |
|---|-------------------------------|-------------------------------|
| <b>A. CASH FLOWS FROM BUSINESS OPERATIONS</b>   | <b>198.655.642</b>            | <b>(18.196.116)</b>           |
| Profit/Loss for the Period  | 454.101.413                   | 52.105.902                    |
| Adjustments Related to Net Period Profit Reconciliation                               | <b>(4.395.591)</b>            | <b>5.985.985</b>              |
| Adjustments for Depreciation and Amortization Expenses                                | 5.470.882                     | 4.313.016                     |
| Adjustments (Reverse) for Impairments   | (16.939.401)                  | (1.293.906)                   |
| - Adjustments for Financial Investments Valued at Equity Method                       | (16.939.401)                  | (1.293.906)                   |
| Adjustments for Provisions  | 7.072.928                     | 2.966.875                     |
| - Adjustments for Employment Termination Benefits                                     | 6.985.474                     | 2.982.539                     |
| - Adjustments (Reverse) for Other Provisions  | 87.454                        | (15.664)                      |
| <b>Changes in Working Capital</b>   | <b>(182.458.627)</b>          | <b>(67.864.259)</b>           |
| Increase/decrease in Trade Receivables  | 10.870.532                    | (15.248.333)                  |
| Decrease / (Increase) in Trade Receivables from Third Parties                         | 10.870.532                    | (15.248.333)                  |
| Adjustments for Decrease / (Increase) in Other Receivables Related to Operations      | (6.423.855)                   | (28.202.547)                  |
| Decrease / (Increase) in Other Receivables Related to Operations from Related Parties | 1.335.514                     | (28.258.378)                  |
| Decrease / (Increase) in Other Receivables Related to Operations from Third Parties   | (7.759.369)                   | 55.831                        |
| Adjustments for Decrease / (Increase) in Inventories                                  | (154.261.120)                 | (25.529.498)                  |
| Decrease / (Increase) in Prepaid Expenses   | (35.243.772)                  | 1.157.896                     |
| Adjustments for Increase / (Decrease) in Trade Payables                               | (3.313.922)                   | 6.745.507                     |
| Increase / (Decrease) in Trade Payables to Related Parties                            | (586.718)                     | (407.200)                     |
| Increase / (Decrease) in Trade Payables to Third Parties                              | (2.727.204)                   | 7.152.707                     |
| Increase / (Decrease) in Employment Termination Benefits                              | (691.892)                     | (1.000.539)                   |
| Adjustments for Increase / (Decrease) in Other Payables Related to Operations         | (723.107)                     | 17.447                        |
| Increase / (Decrease) of Other Payables Related to Operation from Related Parties     | (739.657)                     | 1                             |
| Increase/ (Decrease) in Other Payables Related to Operation from Third Parties        | 16.550                        | 17.446                        |
| Adjustments for Other Increases/ (Decreases) Related to Working Capital               | 7.328.509                     | (5.804.192)                   |
| Increase / Decrease in Other Liabilities Related to Operations                        | (20.051.571)                  | (8.190.821)                   |
| Increase / Decrease in Other Liabilities Related to Operations                        | 27.380.080                    | 2.386.629                     |
| <b>Cash Flows From Operations</b>   | <b>267.247.195</b>            | <b>(9.772.372)</b>            |
| Tax Returns / (Payments)  | (68.591.553)                  | (8.423.744)                   |
| <b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>  | <b>(7.209.486)</b>            | <b>(3.033.133)</b>            |
| Cash Inflows/ Outflows for the Acquisition of Financial Investments                   | (13.608.550)                  | -                             |
| Cash Inflows / Outflows arising from the Purchase and Sale of Investment Properties   | 12.687.375                    | 1.616.875                     |
| Cash Inflows / Outflows arising from the Purchase and Sale of Tangible Assets         | (5.477.219)                   | (4.630.430)                   |
| Cash Inflows / Outflows arising from the Purchase and Sale of Intangible Assets       | (64.770)                      | (19.578)                      |
| Cash Inflows / Outflows arising from the Right of Usage Assets                        | (746.322)                     | -                             |
| <b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>  | <b>(42.193.150)</b>           | <b>(34.614.043)</b>           |
| Cash Inflows from Borrowing and Cash Outflows from Debt Payments                      | (7.321.283)                   | (17.802.034)                  |
| Dividends Paid  | (34.871.867)                  | (16.812.009)                  |
| <b>NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS</b>                             | <b>149.253.006</b>            | <b>(55.843.292)</b>           |
| <b>E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>                    | <b>239.316.437</b>            | <b>66.996.536</b>             |
| <b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>                             | <b>388.569.443</b>            | <b>11.153.244</b>             |

