

**ROYAL HALI İPLİK TEKSTİL MOBİLYA SANAYİ VE TİCARET  
A.Ş.  
Financial Report  
Consolidated  
2019 - 1. 3 Monthly Notification**

**General Information About Financial Statements**

# Statement of Financial Position (Balance Sheet)

Presentation Currency	TL
Nature of Financial Statements	Consolidated

	Footnote Reference	Current Period 31.03.2019	Previous Period 31.12.2018
<b>Statement of Financial Position (Balance Sheet)</b>			
<b>Assets [abstract]</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	8	11.524.993	10.290.684
Trade Receivables	10	235.553.274	239.709.042
Trade Receivables Due From Related Parties	7-10	54.058.361	30.396.968
Trade Receivables Due From Unrelated Parties	10	181.494.913	209.312.074
Other Receivables	11	40.571.862	47.974.019
Other Receivables Due From Related Parties	7-11	36.034.681	14.060.175
Other Receivables Due From Unrelated Parties	11	4.537.181	33.913.844
Inventories	13	86.836.072	73.328.806
Prepayments	14	53.350.337	61.159.793
Prepayments to Unrelated Parties	14	53.350.337	61.159.793
Current Tax Assets		2.752	0
Other current assets	21	12.968.855	11.951.920
Other Current Assets Due From Unrelated Parties	21	12.968.855	11.951.920
<b>SUB-TOTAL</b>		<b>440.808.145</b>	<b>444.414.264</b>
<b>Total current assets</b>		<b>440.808.145</b>	<b>444.414.264</b>
<b>NON-CURRENT ASSETS</b>			
Financial Investments	9	389.492	389.492
Other Financial Investments	9	389.492	389.492
Trade Receivables	10	5.250.500	42.761.850
Trade Receivables Due From Related Parties	7-10	0	42.761.850
Trade Receivables Due From Unrelated Parties	10	5.250.500	0
Other Receivables	11	171.454	163.759
Other Receivables Due From Unrelated Parties	11	171.454	163.759
Property, plant and equipment	15	78.804.781	84.615.836
Land and Premises	15	4.509.458	4.509.458
Land Improvements	15	1.355.396	1.363.797
Buildings	15	26.475.998	26.625.568
Machinery And Equipments	15	36.005.387	39.864.679
Vehicles	15	14.419	21.024
Fixtures and fittings	15	8.713.997	10.493.987
Leasehold Improvements	15	155.815	163.012
Construction in Progress	15	1.574.311	1.574.311
Intangible assets and goodwill		10.656.198	11.399.103
Goodwill	16	9.072.707	9.072.707
Other intangible assets	16	1.583.491	2.326.396
Deferred Tax Asset	31	21.277.608	4.044.595
<b>Total non-current assets</b>		<b>116.550.033</b>	<b>143.374.635</b>
<b>Total assets</b>		<b>557.358.178</b>	<b>587.788.899</b>
<b>LIABILITIES AND EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Current Borrowings		121.436.454	356.646.669
Current Borrowings From Related Parties		0	0
Other short-term borrowings		0	0
Current Borrowings From Unrelated Parties	9	121.436.454	356.646.669
Bank Loans	9		191.161.940
Lease Liabilities	9		14.422.713
Other short-term borrowings	9	121.436.454	151.062.016
Trade Payables	10	157.684.010	106.403.086
Trade Payables to Related Parties	7-10	35.300.605	24.861.768
Trade Payables to Unrelated Parties	10	122.383.405	81.541.318
Employee Benefit Obligations	12	5.965.911	2.971.664
Other Payables		2.132.830	1.958.818
Other Payables to Related Parties	7-11	2.065.403	1.958.818
Other Payables to Unrelated Parties	11	67.427	0
Deferred Income Other Than Contract Liabilities	14	15.940.403	18.630.306
Deferred Income Other Than Contract Liabilities from Unrelated Parties	14	15.940.403	18.630.306
Current provisions		11.711.269	7.444.046

Current provisions for employee benefits	20	807.704	165.309
Other current provisions	18	10.903.565	7.278.737
Other Current Liabilities		18.683.634	21.566.269
Other Current Liabilities to Unrelated Parties	21	18.683.634	21.566.269
SUB-TOTAL		333.554.511	515.620.858
Total current liabilities		333.554.511	515.620.858
NON-CURRENT LIABILITIES			
Long Term Borrowings		206.295.582	4.133.468
Long Term Borrowings From Unrelated Parties		206.295.582	4.133.468
Bank Loans	9	196.942.660	0
Lease Liabilities	9	9.352.922	4.133.468
Employee Benefit Obligations	20	12.238.435	11.105.784
Deferred Tax Liabilities	31	416.452	
Total non-current liabilities		218.950.469	15.239.252
Total liabilities		552.504.980	530.860.110
EQUITY			
Equity attributable to owners of parent		4.853.198	56.928.789
Issued capital	23	60.000.000	60.000.000
Inflation Adjustments on Capital	23	746.913	746.913
Share Premium (Discount)	23	30.229.933	30.229.933
Other Accumulated Comprehensive Income (Loss) that will not be Reclassified in Profit or Loss		2.422.271	0
Gains (Losses) on Revaluation and Remeasurement		2.422.271	0
Gains (Losses) on Remeasurements of Defined Benefit Plans	23	2.422.271	0
Restricted Reserves Appropriated From Profits		29.877.336	29.877.336
Legal Reserves	23	7.872.806	7.872.806
Other Restricted Profit Reserves	23	22.004.530	22.004.530
Prior Years' Profits or Losses	23	-63.925.393	-29.834.277
Current Period Net Profit Or Loss	23	-54.497.862	-34.091.116
Total equity		4.853.198	56.928.789
Total Liabilities and Equity		557.358.178	587.788.899

# Profit or loss [abstract]

Presentation Currency	TL
Nature of Financial Statements	Consolidated

	Footnote Reference	Current Period 01.01.2019 - 31.03.2019	Previous Period 01.01.2018 - 31.03.2018
Profit or loss [abstract]			
PROFIT (LOSS)			
Revenue	24	59.891.265	44.683.454
Cost of sales	24	-59.107.896	-39.782.757
GROSS PROFIT (LOSS) FROM COMMERCIAL OPERATIONS		783.369	4.900.697
GROSS PROFIT (LOSS)		783.369	4.900.697
General Administrative Expenses	25-26	-4.429.919	-2.128.004
Marketing Expenses	25-26	-7.652.134	-2.241.398
Research and development expense	25-26	-15.625	0
Other Income from Operating Activities	27	48.963.799	10.548.602
Other Expenses from Operating Activities	27	-88.813.933	-12.462.455
PROFIT (LOSS) FROM OPERATING ACTIVITIES		-51.164.443	-1.382.558
Investment Activity Income	28	18.400	0
PROFIT (LOSS) BEFORE FINANCING INCOME (EXPENSE)		-51.146.043	-1.382.558
Finance costs	29	-20.789.474	-8.691.268
PROFIT (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX		-71.935.517	-10.073.826
Tax (Expense) Income, Continuing Operations		17.437.655	0
Deferred Tax (Expense) Income	31	17.437.655	0
PROFIT (LOSS) FROM CONTINUING OPERATIONS		-54.497.862	-10.073.826
PROFIT (LOSS)		-54.497.862	-10.073.826
Profit (loss), attributable to [abstract]			
Non-controlling Interests		0	0
Owners of Parent		-54.497.862	-10.073.826
Earnings per share [abstract]			
Earnings per share [line items]			
Basic earnings per share			
Basic Earnings (Loss) Per Share from Continuing Operations			
Sürdürülen Faaliyetlerden Pay Başına Kayıp / (Kazanç)		0,90830000	0,17000000
Diluted Earnings Per Share			

# Statement of Other Comprehensive Income

Presentation Currency	TL
Nature of Financial Statements	Consolidated

	Footnote Reference	Current Period 01.01.2019 - 31.03.2019	Previous Period 01.01.2018 - 31.03.2018
<b>Statement of Other Comprehensive Income</b>			
PROFIT (LOSS)		-54.497.862	-10.073.826
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Other Comprehensive Income that will not be Reclassified to Profit or Loss</b>		<b>2.422.271</b>	
Gains (Losses) on Remeasurements of Defined Benefit Plans		3.027.839	
Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss		-605.568	
Deferred Tax (Expense) Income		-605.568	
<b>Other Comprehensive Income That Will Be Reclassified to Profit or Loss</b>		<b>0</b>	<b>0</b>
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>		<b>2.422.271</b>	<b>0</b>
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>		<b>-52.075.591</b>	<b>-10.073.826</b>
<b>Total Comprehensive Income Attributable to</b>			
Non-controlling Interests		0	0
Owners of Parent		-52.075.591	-10.073.826

# Statement of cash flows (Indirect Method)

Presentation Currency	TL
Nature of Financial Statements	Consolidated

	Footnote Reference	Current Period 01.01.2019 - 31.03.2019	Previous Period 01.01.2018 - 31.03.2018
<b>Statement of cash flows (Indirect Method)</b>			
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		<b>33.174.330</b>	<b>25.244.496</b>
Profit (Loss)		-54.497.862	-10.073.826
<b>Adjustments to Reconcile Profit (Loss)</b>		<b>40.947.893</b>	<b>1.908.296</b>
Adjustments for depreciation and amortisation expense	15-16	5.445.880	3.948.728
Adjustments for Impairment Loss (Reversal of Impairment Loss)		41.127.480	
Adjustments for Impairment Loss (Reversal of Impairment Loss) of Receivables	10	41.127.480	
Adjustments for provisions		7.822.145	-2.040.432
Adjustments for (Reversal of) Provisions Related with Employee Benefits	20	4.197.317	-3.247.539
Adjustments for (Reversal of) Other Provisions	18	3.624.828	1.207.107
Adjustments for Interest (Income) Expenses		3.368.949	
Adjustments for Interest Income		-1.344.198	
Adjustments for interest expense		4.713.147	
Adjustments for Tax (Income) Expenses	31	-16.816.561	
<b>Changes in Working Capital</b>		<b>46.727.051</b>	<b>33.410.026</b>
Adjustments for decrease (increase) in trade accounts receivable	10	-123.921	-7.379.326
Adjustments for Decrease (Increase) in Other Receivables Related with Operations	11	6.130.115	15.501.612
Adjustments for Decrease (Increase) in Contract Assets	14	5.119.553	87.768
Decrease (Increase) In Other Contract Assets	14	5.119.553	87.768
Adjustments for decrease (increase) in inventories	13	-13.507.266	5.600.925
Adjustments for increase (decrease) in trade accounts payable		49.839.881	65.506.586
Increase (Decrease) in Trade Accounts Payables to Related Parties	10	10.438.837	490.503
Increase (Decrease) in Trade Accounts Payables to Unrelated Parties	10	39.401.044	65.016.083
Increase (Decrease) in Employee Benefit Liabilities	12	2.994.247	0
Adjustments for increase (decrease) in other operating payables	11	174.012	1.517.721
Other Adjustments for Other Increase (Decrease) in Working Capital		-3.899.570	-47.425.260
Decrease (Increase) in Other Assets Related with Operations	21	-1.016.935	
Increase (Decrease) in Other Payables Related with Operations	21	-2.882.635	
<b>Cash Flows from (used in) Operations</b>		<b>33.177.082</b>	<b>25.244.496</b>
Income taxes refund (paid)		-2.752	0
<b>CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES</b>		<b>1.108.080</b>	<b>4.657.998</b>
Proceeds from sales of property, plant, equipment and intangible assets	15-16	1.740.658	0
Purchase of Property, Plant, Equipment and Intangible Assets	15-16	-632.578	4.657.998
Purchase of property, plant and equipment		-632.578	4.657.998
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		<b>-33.048.101</b>	<b>-26.042.677</b>
Proceeds from borrowings		-33.048.101	-26.042.677
Proceeds from Other Financial Borrowings	9	-33.048.101	-26.042.677
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES		1.234.309	3.859.817
Net increase (decrease) in cash and cash equivalents		1.234.309	3.859.817
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>		<b>10.290.684</b>	<b>4.339.657</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<b>11.524.993</b>	<b>8.199.474</b>

[illegible]

Current Period 01.01.2019 - 31.03.2019														
	Decrease through Other Distributions to Owners													
	Increase (Decrease) through Treasury Share Transactions													
	Increase (Decrease) through Share-Based Payment Transactions													
	Acquisition or Disposal of a Subsidiary													
	Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control, equity													
	Transactions with noncontrolling shareholders													
	Increase through Other Contributions by Owners													
	Amount Removed from Reserve of Cash Flow Hedges and Included in Initial Cost or Other Carrying Amount of Non-Financial Asset (Liability) or Firm Commitment for which Fair Value Hedge Accounting is Applied													
	Amount Removed from Reserve of Change in Value of Time Value of Options and Included in Initial Cost or Other Carrying Amount of Non-Financial Asset (Liability) or Firm Commitment for which Fair Value Hedge Accounting is Applied													
	Amount Removed from Reserve of Change in Value of Forward Elements of Forward Contracts and Included in Initial Cost or Other Carrying Amount of Non-Financial Asset (Liability) or Firm Commitment for which Fair Value Hedge Accounting is Applied													
	Amount Removed from Reserve of Change in Value of Foreign Currency Basis Spreads and Included in Initial Cost or Other Carrying Amount of Non-Financial Asset (Liability) or Firm Commitment for which Fair Value Hedge Accounting is Applied													
	Increase (decrease) through other changes, equity													
	Equity at end of period	60.000.000	746.913	30.229.933	2.422.271		29.877.336	-63.925.393	-54.497.862	4.853.198			4.853.198	