

KRON TELEKOMÜNİKASYON HİZMETLERİ A.Ş.
Financial Report
Consolidated
2019 - 2. 3 Monthly Notification

General Information About Financial Statements

Independet Audit Comment

Independent Audit Company	DENGE BAĞIMSIZ DENETİM SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Audit Type	Limited
Audit Result	Positive

ARA DÖNEM ÖZET KONSOLİDE FİNANSAL TABLOLARA İLİŞKİN SINIRLI DENETİM RAPORU

KRON TELEKOMÜNİKASYON HİZMETLERİ A.Ş.

YÖNETİM KURULU'NA

Giriş

Kron Telekomünikasyon Hizmetleri Anonim Şirketi ile bağlı ortaklığının ("Grup") 30 Haziran 2019 tarihli ilişikteki ara dönem özet konsolide finansal durum tablosunun, aynı tarihte sona eren altı aylık ara hesap dönemine ait özet konsolide kar veya zarar tablosunun ve diğer kapsamlı gelir tablosunun, konsolide özkaynak değişim tablosunun ve konsolide nakit akış tablosu ile açıklayıcı dipnotlarının sınırlı denetimini yürütmüş bulunuyoruz. Grup yönetimi, söz konusu ara dönem özet konsolide finansal tabloların Kamu Gözetimi Muhasebe ve Denetim Standartları Kurumu ("KGK") tarafından yayımlanan Türkiye Muhasebe Standardı 34 "Ara Dönem Finansal Raporlama" Standardı'na ("TMS 34") uygun olarak hazırlanmasından ve sunumundan sorumludur. Sorumluluğumuz, yaptığımız sınırlı denetime dayanarak söz konusu ara dönem özet konsolide finansal tablolara ilişkin bir sonuç bildirmektir.

Sınırlı Denetimin Kapsamı

Yaptığımız sınırlı denetim Sınırlı Bağımsız Denetim Standardı ("SBDS") 2410 "Ara Dönem Finansal Bilgilerin, İşletmenin Yıllık Finansal Tablolarının Bağımsız Denetimini Yürüten Denetçi Tarafından Sınırlı Bağımsız Denetimi" ne uygun olarak yürütülmüştür. Ara dönem finansal bilgilere ilişkin sınırlı denetim, başta finans ve muhasebe konularından sorumlu kişiler olmak üzere ilgili kişilerin sorgulanması ve analitik prosedürler ile diğer sınırlı denetim prosedürlerinin uygulanmasından oluşur. Ara dönem finansal bilgilerin sınırlı denetiminin kapsamı; Bağımsız Denetim Standartları'na uygun olarak yapılan ve amacı finansal tablolar hakkında bir görüş bildirmek olan bağımsız denetimin kapsamına kıyasla önemli ölçüde dardır. Sonuç olarak ara dönem finansal bilgilerin sınırlı denetimi, denetim şirketinin, bir bağımsız denetimde belirlenebilecek tüm önemli hususlara vâkıf olabileceğine ilişkin bir güvence sağlamamaktadır. Bu sebeple, bir bağımsız denetim görüşü bildirmemekteyiz.

Sonuç

Sınırlı denetimimize göre ilişikteki ara dönem konsolide özet konsolide finansal tabloların, tüm önemli yönleriyle, TMS 34 "Ara Dönem Finansal Raporlama" Standardı'na uygun olarak hazırlanmadığı kanaatine varmamıza sebep olacak herhangi bir husus dikkatimizi çekmemiştir.

DENGE BAĞIMSIZ DENETİM SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.

Mazars üyesi

Aziz Murat Demirtaş , SMMM

Sorumlu Denetçi

İstanbul, 7 Ağustos 2019

Statement of Financial Position (Balance Sheet)

Presentation Currency	TL
Nature of Financial Statements	Consolidated

	Footnote Reference	Current Period 30.06.2019	Previous Period 31.12.2018
Statement of Financial Position (Balance Sheet)			
Assets [abstract]			
CURRENT ASSETS			
Cash and cash equivalents	4	4.369.773	7.915.641
Trade Receivables		26.070.847	20.902.700
Trade Receivables Due From Related Parties	7	0	342.894
Trade Receivables Due From Unrelated Parties	7,28	26.070.847	20.559.806
Other Receivables		431.689	409.991
Other Receivables Due From Related Parties	8,28	6.593	10.522
Other Receivables Due From Unrelated Parties	8	425.096	399.469
Inventories	10	741.358	1.142.457
Prepayments		1.415.410	1.335.672
Prepayments to Unrelated Parties	11	1.415.410	1.335.672
Current Tax Assets	14	44.389	33.316
Other current assets		210.207	80.322
Other Current Assets Due From Unrelated Parties		210.207	80.322
SUB-TOTAL		33.283.673	31.820.099
Total current assets		33.283.673	31.820.099
NON-CURRENT ASSETS			
Financial Investments		1.840	1.840
Other Financial Investments	5	1.840	1.840
Trade Receivables		2.429.938	2.599.276
Trade Receivables Due From Unrelated Parties	7	2.429.938	2.599.276
Property, plant and equipment		5.674.702	808.913
Fixtures and fittings	17	980.958	766.511
Leasehold Improvements	17	36.470	42.402
Operational Lease Assets	17	4.657.274	
Intangible assets and goodwill		19.493.423	17.588.444
Other Rights	18	5.969.468	4.224.648
Capitalized Development Costs	18	13.449.503	13.272.929
Other intangible assets	18	74.452	90.867
Prepayments		52.578	
Prepayments to Related Parties	11	52.578	
Deferred Tax Asset	23	2.932.608	2.514.013
Total non-current assets		30.585.089	23.512.486
Total assets		63.868.762	55.332.585
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Current Borrowings		8.306.901	5.511.474
Current Borrowings From Related Parties		8.306.901	5.511.474
Bank Loans	6	6.916.870	5.511.474
Lease Liabilities	6	1.390.031	
Trade Payables		2.056.289	1.354.396
Trade Payables to Related Parties	28	16.778	
Trade Payables to Unrelated Parties	7	2.039.511	1.354.396
Employee Benefit Obligations	9	1.280.658	2.890.244
Other Payables		84.632	1.401.258
Other Payables to Unrelated Parties	8	84.632	1.401.258
Government Grants	12	195.723	284.094
Deferred Income Other Than Contract Liabilities		2.614.746	628.285
Deferred Income Other Than Contract Liabilities from Unrelated Parties	11	2.614.746	628.285
Current provisions		668.579	491.576
Current provisions for employee benefits	19	668.579	491.576
Other Current Liabilities		464.994	672.872
Other Current Liabilities to Unrelated Parties	15	464.994	672.872
SUB-TOTAL		15.672.522	13.234.199
Total current liabilities		15.672.522	13.234.199
NON-CURRENT LIABILITIES			
Long Term Borrowings		3.364.595	
Long Term Borrowings From Related Parties		3.364.595	

Lease Liabilities	6	3.364.595	
Government grants	12	157.342	229.961
Non-current provisions		196.853	199.768
Non-current provisions for employee benefits	19	196.853	199.768
Total non-current liabilities		3.718.790	429.729
Total liabilities		19.391.312	13.663.928
EQUITY			
Equity attributable to owners of parent		44.477.450	41.668.657
Issued capital	20	14.268.513	14.268.513
Other Accumulated Comprehensive Income (Loss) that will not be Reclassified in Profit or Loss		-32.283	-30.526
Exchange Differences on Translation		-32.283	-30.526
Other Accumulated Comprehensive Income (Loss) that will be Reclassified in Profit or Loss		-1.350.631	-767.783
Change in Value of Foreign Currency Basis Spreads		-1.350.631	-767.783
Restricted Reserves Appropriated From Profits		1.499.969	1.049.382
Legal Reserves	20	1.499.969	1.049.382
Prior Years' Profits or Losses		26.698.484	22.619.263
Current Period Net Profit Or Loss		3.393.398	4.529.808
Total equity		44.477.450	41.668.657
Total Liabilities and Equity		63.868.762	55.332.585

Profit or loss [abstract]

Presentation Currency	TL
Nature of Financial Statements	Consolidated

		Current Period	Previous Period	Current Period 3	Previous Period
	Footnote Reference	01.01.2019 - 30.06.2019	01.01.2018 - 30.06.2018	Months 01.04.2019 - 30.06.2019	3 Months 01.04.2018 - 30.06.2018
Profit or loss [abstract]					
PROFIT (LOSS)					
Revenue	21	21.533.019	11.990.763	12.059.609	8.090.628
Cost of sales	21	-5.500.617	-1.977.730	-2.041.690	-809.039
GROSS PROFIT (LOSS) FROM COMMERCIAL OPERATIONS		16.032.402	10.013.033	10.017.919	7.281.589
GROSS PROFIT (LOSS)		16.032.402	10.013.033	10.017.919	7.281.589
General Administrative Expenses	22	-2.144.198	-1.586.844	-1.056.720	-665.387
Marketing Expenses	22	-7.150.690	-6.978.402	-4.012.496	-3.897.981
Research and development expense	22	-5.644.792	-3.215.465	-2.894.023	-1.381.458
Other Income from Operating Activities	22	3.993.055	4.717.395	1.027.441	3.352.985
Other Expenses from Operating Activities	22	-1.442.638	-1.467.970	-917.579	-1.258.776
PROFIT (LOSS) FROM OPERATING ACTIVITIES		3.643.139	1.481.747	2.164.542	3.430.972
PROFIT (LOSS) BEFORE FINANCING INCOME (EXPENSE)		3.643.139	1.481.747	2.164.542	3.430.972
Finance income	24	607.449	699.874	424.274	428.801
Finance costs	24	-1.275.289	-459.783	-632.045	-427.204
PROFIT (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX		2.975.299	1.721.838	1.956.771	3.432.569
Tax (Expense) Income, Continuing Operations		418.099	180.101	204.487	289.423
Deferred Tax (Expense) Income	25	418.099	180.101	204.487	289.423
PROFIT (LOSS) FROM CONTINUING OPERATIONS		3.393.398	1.901.939	2.161.258	3.721.992
PROFIT (LOSS)		3.393.398	1.901.939	2.161.258	3.721.992
Profit (loss), attributable to [abstract]					
Non-controlling Interests		0			
Owners of Parent		3.393.398	1.901.939	2.161.258	3.721.992
Earnings per share [abstract]					
Earnings per share [line items]					
Basic earnings per share					
Diluted Earnings Per Share					

Statement of Other Comprehensive Income

Presentation Currency	TL
Nature of Financial Statements	Consolidated

	Footnote Reference	Current Period 01.01.2019 - 30.06.2019	Previous Period 01.01.2018 - 30.06.2018	Current Period 3 Months 01.04.2019 - 30.06.2019	Previous Period 3 Months 01.04.2018 - 30.06.2018
Statement of Other Comprehensive Income					
PROFIT (LOSS)		3.393.398	1.901.939	2.161.258	3.721.992
OTHER COMPREHENSIVE INCOME					
Other Comprehensive Income that will not be Reclassified to Profit or Loss		-1.757	-77.066	36.578	23.078
Gains (Losses) on Remeasurements of Defined Benefit Plans		-2.253	-96.333	46.895	28.847
Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss		496	19.267	-10.317	-5.769
Current Period Tax (Expense) Income		496	19.267	-10.317	-5.769
Other Comprehensive Income That Will Be Reclassified to Profit or Loss		-582.848	-467.193	-159.580	-349.522
Exchange Differences on Translation		-582.848	-467.193	-159.580	-349.522
Gains (Losses) on Exchange Differences on Translation		-582.848	-467.193	-159.580	-349.522
OTHER COMPREHENSIVE INCOME (LOSS)		-584.605	-544.259	-123.002	-326.444
TOTAL COMPREHENSIVE INCOME (LOSS)		2.808.793	1.357.680	2.038.256	3.395.548
Total Comprehensive Income Attributable to					
Non-controlling Interests		0	0		
Owners of Parent		2.808.793	1.357.680	2.038.256	3.395.548

Statement of cash flows (Indirect Method)

Presentation Currency	TL
Nature of Financial Statements	Consolidated

	Footnote Reference	Current Period 01.01.2019 - 30.06.2019	Previous Period 01.01.2018 - 30.06.2018
Statement of cash flows (Indirect Method)			
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		260.946	2.149.015
Profit (Loss)		3.393.398	1.901.939
Profit (Loss) from Continuing Operations		3.393.398	1.901.939
Adjustments to Reconcile Profit (Loss)		-1.375.081	-2.727.657
Adjustments for depreciation and amortisation expense		2.589.278	1.687.594
Adjustments for Impairment Loss (Reversal of Impairment Loss)		625.536	538.580
Adjustments for Impairment Loss (Reversal of Impairment Loss) of Receivables		625.536	538.580
Adjustments for provisions		172.331	-1.480.722
Adjustments for (Reversal of) Provisions Related with Employee Benefits		172.331	-1.480.722
Adjustments for Interest (Income) Expenses		464.905	19.670
Adjustments for Interest Income			-42.210
Adjustments for interest expense		464.905	61.880
Adjustments for unrealised foreign exchange losses (gains)		-4.679.147	-3.323.182
Adjustments for Tax (Income) Expenses		-418.099	-180.101
Other adjustments for non-cash items		-129.885	10.504
Changes in Working Capital		-1.745.802	2.994.000
Adjustments for decrease (increase) in trade accounts receivable		-2.050.988	4.985.677
Decrease (Increase) in Trade Accounts Receivables from Unrelated Parties		-2.050.988	4.985.677
Adjustments for Decrease (Increase) in Other Receivables Related with Operations		-21.698	-165.743
Decrease (Increase) in Other Unrelated Party Receivables Related with Operations		-21.698	-165.743
Adjustments for decrease (increase) in inventories		401.099	-160.337
Decrease (Increase) in Prepaid Expenses		-132.316	-45.959
Adjustments for increase (decrease) in trade accounts payable		1.366.720	548.829
Increase (Decrease) in Trade Accounts Payables to Unrelated Parties		1.366.720	548.829
Increase (Decrease) in Employee Benefit Liabilities		-1.609.586	228.255
Adjustments for increase (decrease) in other operating payables		-1.316.626	-1.387.612
Increase (Decrease) in Other Operating Payables to Unrelated Parties		-1.316.626	-1.387.612
Increase (Decrease) in Government Grants and Assistance		-160.990	-51.633
Increase (Decrease) in Deferred Income Other Than Contract Liabilities		1.986.461	-42.832
Other Adjustments for Other Increase (Decrease) in Working Capital		-207.878	-914.645
Increase (Decrease) in Other Payables Related with Operations		-207.878	-914.645
Cash Flows from (used in) Operations		272.515	2.168.282
Income taxes refund (paid)		-11.569	-19.267
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		-3.330.963	-3.897.116
Proceeds from sales of property, plant, equipment and intangible assets		34.836	
Proceeds from sales of property, plant and equipment		34.836	
Purchase of Property, Plant, Equipment and Intangible Assets		-3.434.627	-3.939.326
Purchase of property, plant and equipment			2.443
Purchase of intangible assets		-3.434.627	-3.941.769
Interest received		68.828	42.210
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		222.424	2.494.312
Proceeds from borrowings		6.267.631	2.556.192
Proceeds from Loans		6.267.631	2.556.192
Repayments of borrowings		-5.511.474	
Loan Repayments		-5.511.474	
Interest paid		-533.733	-61.880

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES		-2.847.593	746.211
Effect of exchange rate changes on cash and cash equivalents		-698.275	-87.985
Net increase (decrease) in cash and cash equivalents		-3.545.868	658.226
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		7.915.641	2.610.748
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		4.369.773	3.268.974

		Footnote Reference	Equity										
			Equity attributable to owners of parent [member]									Non-controlling interests [member]	
			Issued Capital	Other Accumulated Comprehensive Income That Will Not Be Reclassified In Profit Or Loss		Other Accumulated Comprehensive Income That Will Be Reclassified In Profit Or Loss			Restricted Reserves Appropriated From Profits [member]	Retained Earnings			
				Gains/Losses on Revaluation and Remeasurement [member]	Exchange Differences on Translation	Exchange Differences on Translation	Reserve Of Gains or Losses on Hedge	Gains (Losses) on Revaluation and Reclassification		Prior Years' Profits or Losses	Net Profit or Loss		
Gains (Losses) on Remeasurements of Defined Benefit Plans													
Previous Period 01.01.2018 – 30.06.2018	Statement of changes in equity [abstract]												
	Statement of changes in equity [line items]												
	Equity at beginning of period	14,268,513	-45,648		25,280			1,049,382	14,903,289	8,230,464	38,431,280	38,431,280	
	Adjustments Related to Accounting Policy Changes								-514,490		-514,490	-514,490	
	Adjustments Related to Required Changes in Accounting Policies											0	
	Adjustments Related to Voluntary Changes in Accounting Policies											0	
	Adjustments Related to Errors											0	
	Other Restatements											0	
	Restated Balances	14,268,513	-45,648		25,280			1,049,382	14,388,799	8,230,464	37,916,790	37,916,790	
	Transfers								8,230,464	-8,230,464		0	
	Total Comprehensive Income (Loss)		-77,066		-467,193					1,901,939	1,357,680	1,357,680	
	Profit (loss)									1,901,939	1,901,939	1,901,939	
	Other Comprehensive Income (Loss)		-77,066		-467,193						-544,259	-544,259	
	Issue of equity											0	
	Capital Decrease											0	
	Capital Advance											0	
	Effect of Merger or Liquidation or Division											0	
	Effects of Business Combinations Under Common Control											0	
	Advance Dividend Payments											0	
	Dividends Paid											0	
	Decrease through Other Distributions to Owners											0	
	Increase (Decrease) through Treasury Share Transactions											0	
	Increase (Decrease) through Share-Based Payment Transactions											0	
	Acquisition or Disposal of a Subsidiary											0	
	Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control, equity											0	
	Transactions with noncontrolling shareholders											0	
	Increase through Other Contributions by Owners											0	
	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											0	
	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											0	
	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											0	
	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											0	
Increase (decrease) through other changes, equity											0		
Equity at end of period	14,268,513	-122,714		-441,913			1,049,382	22,619,263	1,901,939	39,274,470	39,274,470		
Statement of changes in equity [abstract]													
Statement of changes in equity [line items]													
Equity at beginning of period	14,268,513	-30,526	-767,783				1,049,382	22,619,263	4,529,808	41,668,657	41,668,657		
Adjustments Related to Accounting Policy Changes											0		
Adjustments Related to Required Changes in Accounting Policies											0		
Adjustments Related to Voluntary Changes in Accounting Policies											0		
Adjustments Related to Errors											0		
Other Restatements											0		
Restated Balances											0		
Transfers							450,587	4,079,221	-4,529,808		0		
Total Comprehensive Income (Loss)											0		
Profit (loss)									3,393,398	3,393,398	3,393,398		
Other Comprehensive Income (Loss)		-1,757	-582,848							-584,605	-584,605		
Issue of equity											0		
Capital Decrease											0		
Capital Advance											0		
Effect of Merger or Liquidation or Division											0		
Effects of Business Combinations Under Common Control											0		
Advance Dividend Payments											0		
Dividends Paid											0		

Current Period 01.01.2019 - 30.06.2019														0
	Decrease through Other Distributions to Owners													0
	Increase (Decrease) through Treasury Share Transactions													0
	Increase (Decrease) through Share-Based Payment Transactions													0
	Acquisition or Disposal of a Subsidiary													0
	Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control, equity													0
	Transactions with noncontrolling shareholders													0
	Increase through Other Contributions by Owners													0
	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													0
	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													0
	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													0
	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													0
	Increase (decrease) through other changes, equity													0
	Equity at end of period		14.268.513	-32.283	-1.350.631				1.499.969	26.698.484	3.393.398	44.477.450		44.477.450