

# KOTON MAĞAZACILIK TEKSTİL SANAYİ VE TİCARET A.Ş.

## Financial Report

### Consolidated

### 2019 - 2. 3 Monthly Notification

General Information About Financial Statements

## Independet Audit Comment

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

### ARA DÖNEM FİNANSAL BİLGİLERE İLİŞKİN

#### SINIRLI DENETİM RAPORU

Koton Mağazacılık Tekstil Ticaret ve Sanayi A.Ş. Genel Kurulu'na

#### Giriş

1. Koton Mağazacılık Tekstil Ticaret ve Sanayi A.Ş.'nin ("Şirket") ve bağlı ortaklıklarının (hep birlikte "Grup" olarak anılacaktır) 30 Haziran 2019 tarihli ilişikteki özet konsolide bilançosunun ve aynı tarihte sona eren altı aylık dönemine ait ilgili özet konsolide kar veya zarar ve diğer kapsamlı gelir tablosunun, özet konsolide özkaynak değişim tablosunun, özet konsolide nakit akış tablosunun ve diğer açıklayıcı dipnotlarının ("ara dönem özet konsolide finansal bilgiler") sınırlı denetimini yürütmüş bulunuyoruz. Grup yönetimi, söz konusu ara dönem özet konsolide finansal bilgilerin Türkiye Muhasebe Standardı 34'e ("TMS 34") "Ara Dönem Finansal Raporlama" uygun olarak hazırlanmasından ve gerçeğe uygun bir biçimde sunumundan sorumludur. Sorumluluğumuz, yaptığımız sınırlı denetime dayanarak söz konusu ara dönem finansal bilgilere ilişkin bir sonuç bildirmektir.

#### Sınırlı Denetimin Kapsamı

2. 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 özet 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 özet konsolide finansal bilgilerin sınırlı denetiminin kapsamı; Bağımsız Denetim Standartlarına uygun olarak yapılan ve amacı konsolide finansal tablolar hakkında bir görüş bildirmek olan bağımsız denetimin kapsamına kıyasla önemli ölçüde dardır. Sonuç olarak ara dönem özet konsolide finansal bilgilerin sınırlı denetimi, denetim şirketinin, bir bağımsız denetimde belirlenebilecek tüm önemli hususlara vakıf olabileceğine ilişkin bir güvence sağlamamaktadır. Bu sebeple, bir bağımsız denetim görüşü bildirmemekteyiz.

#### Sonuç

3. Sınırlı denetimimize göre ilişikteki ara dönem özet finansal bilgilerin, tüm önemli yönleriyle, TMS 34'e uygun olarak hazırlanmadığı kanaatine varmamıza sebep olacak herhangi bir husus dikkatimizi çekmemiştir.

#### Diğer husus

4. Grup'un 31 Aralık 2018 tarihinde sona eren yıla ait konsolide finansal tabloların denetimi ve 30 Haziran 2018 tarihinde sona eren aylık ara döneme ait özet konsolide finansal bilgilerinin sınırlı denetimi başka bir bağımsız denetim firması tarafından yapılmış, söz konusu bağımsız denetim firması tarafından hazırlanan 7 Mart 2019 tarihli bağımsız denetim raporunda olumlu görüş verilmiş ve 27 Ağustos 2018 tarihli sınırlı denetim raporunda TMS 34'e uygun olmayan herhangi bir hususa rastlanmadığı ifade edilmiştir.

PwC Bağımsız Denetim ve

Serbest Muhasebeci Mali Müşavirlik A.Ş.

Gökhan Yüksel, SMMM

Sorumlu Denetçi

İstanbul, 19 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
<b>Statement of Financial Position (Balance Sheet)</b>			
<b>Assets [abstract]</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	100.437.988	145.108.413
Trade Receivables	6	91.035.426	127.498.504
Trade Receivables Due From Related Parties	19	0	22.960.177
Trade Receivables Due From Unrelated Parties		91.035.426	104.538.327
Other Receivables	7	26.624.205	23.038.441
Other Receivables Due From Unrelated Parties	7	26.624.205	23.038.441
Derivative Financial Assets		0	913.187
Inventories	8	903.784.722	1.009.204.320
Prepayments	9	288.233.492	358.410.527
Prepayments to Unrelated Parties	9	288.233.492	358.410.527
Other current assets	10	107.752.471	112.054.108
Other Current Assets Due From Unrelated Parties	10	107.752.471	112.054.108
<b>SUB-TOTAL</b>		<b>1.517.868.304</b>	<b>1.776.227.500</b>
<b>Total current assets</b>		<b>1.517.868.304</b>	<b>1.776.227.500</b>
<b>NON-CURRENT ASSETS</b>			
Other Receivables	7	6.076.501	5.768.597
Other Receivables Due From Unrelated Parties	7	6.076.501	5.768.597
Property, plant and equipment	11	619.951.701	633.471.406
Right of Use Assets	11	1.379.968.430	0
Intangible assets and goodwill	12	50.637.026	45.044.422
Prepayments	9	1.490.289	1.539.965
Prepayments to Unrelated Parties	9	1.490.289	1.539.965
Deferred Tax Asset	16	74.029.246	31.634.099
<b>Total non-current assets</b>		<b>2.132.153.193</b>	<b>717.458.489</b>
<b>Total assets</b>		<b>3.650.021.497</b>	<b>2.493.685.989</b>
<b>LIABILITIES AND EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Current Borrowings		731.332.037	466.177.653
Current Borrowings From Unrelated Parties		731.332.037	466.177.653
Bank Loans	13	405.068.101	466.177.653
Lease Liabilities	11	326.263.936	
Current Portion of Non-current Borrowings	13	552.481.210	412.756.590
Current Portion of Non-current Borrowings from Unrelated Parties	13	552.481.210	412.756.590
Bank Loans	13	552.481.210	412.756.590
Trade Payables		795.612.262	1.070.429.163
Trade Payables to Related Parties	19	11.833.939	
Trade Payables to Unrelated Parties		783.778.323	1.070.429.163
Employee Benefit Obligations	15	45.698.211	29.229.054
Other Payables			1.144.017
Other Payables to Unrelated Parties			1.144.017
Deferred Income Other Than Contract Liabilities	9	11.029.069	34.916.926
Deferred Income Other Than Contract Liabilities from Unrelated Parties		11.029.069	34.916.926
Current provisions	14	22.033.097	22.339.265
Current provisions for employee benefits	14,15	13.332.623	14.802.209
Other current provisions	14	8.700.474	7.537.056
Other Current Liabilities		29.883.165	14.056.971
Other Current Liabilities to Unrelated Parties	10	29.883.165	14.056.971
<b>SUB-TOTAL</b>		<b>2.188.069.051</b>	<b>2.051.049.639</b>
<b>Total current liabilities</b>		<b>2.188.069.051</b>	<b>2.051.049.639</b>
<b>NON-CURRENT LIABILITIES</b>			
Long Term Borrowings	13	1.375.744.969	268.427.831
Long Term Borrowings From Unrelated Parties		1.375.744.969	268.427.831
Bank Loans	13	301.003.517	268.427.831
Lease Liabilities	11	1.074.741.452	
Other Payables	7	1.396.467	1.271.121
Other Payables to Unrelated parties	7	1.396.467	1.271.121

Deferred Income Other Than Contract Liabilities	9	1.277.072	1.277.072
Deferred Income Other Than Contract Liabilities from Unrelated Parties	9	1.277.072	1.277.072
Non-current provisions	14,15	9.416.414	8.614.427
Non-current provisions for employee benefits		9.416.414	8.614.427
Total non-current liabilities		1.387.834.922	279.590.451
Total liabilities		3.575.903.973	2.330.640.090
EQUITY			
Equity attributable to owners of parent		74.117.524	163.045.899
Issued capital	17	95.500.000	95.500.000
Other Accumulated Comprehensive Income (Loss) that will not be Reclassified in Profit or Loss		-6.008.151	-6.038.275
Gains (Losses) on Revaluation and Remeasurement		-6.008.151	-6.038.275
Gains (Losses) on Remeasurements of Defined Benefit Plans		-6.008.151	-6.038.275
Other Accumulated Comprehensive Income (Loss) that will be Reclassified in Profit or Loss		-13.093.749	-23.711.340
Exchange Differences on Translation		-365.559	-23.711.340
Gains (Losses) on Hedge		-12.728.190	
Gains (Losses) on Cash Flow Hedges		-12.728.190	
Restricted Reserves Appropriated From Profits		15.952.735	15.952.735
Legal Reserves		15.952.735	15.952.735
Prior Years' Profits or Losses		81.342.779	149.309.640
Current Period Net Profit Or Loss		-99.576.090	-67.966.861
Total equity		74.117.524	163.045.899
Total Liabilities and Equity		3.650.021.497	2.493.685.989

# Statement of Profit or Loss and 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
<b>Statement of Profit or Loss and Other Comprehensive Income</b>					
<b>PROFIT (LOSS)</b>					
Revenue		1.863.974.805	1.552.821.552		
Cost of sales		-937.553.045	-807.660.526		
GROSS PROFIT (LOSS) FROM COMMERCIAL OPERATIONS		926.421.760	745.161.026		
GROSS PROFIT (LOSS)		926.421.760	745.161.026		
General Administrative Expenses		-128.248.739	-128.435.699		
Marketing Expenses		-637.097.018	-582.877.538		
Research and development expense		-17.873.084	-14.198.257		
Other Income from Operating Activities		56.945.718	99.231.824		
Other Expenses from Operating Activities		-34.851.587	-25.239.121		
PROFIT (LOSS) FROM OPERATING ACTIVITIES		165.297.050	93.642.235		
Investment Activity Income		347.952	1.525.452		
Investment Activity Expenses		-2.149.732	-74.454		
Impairment gain and reversal of impairment loss (impairment loss) determined in accordance with IFRS 9			43.224		
PROFIT (LOSS) BEFORE FINANCING INCOME (EXPENSE)		163.495.270	95.136.457		
Finance costs		-301.040.437	-193.506.426		
PROFIT (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX		-137.545.167	-98.369.969		
Tax (Expense) Income, Continuing Operations		37.969.077	-9.066.966		
Current Period Tax (Expense) Income		-4.434.566	-3.852.016		
Deferred Tax (Expense) Income		42.403.643	-5.214.950		
PROFIT (LOSS) FROM CONTINUING OPERATIONS		-99.576.090	-107.436.935		
PROFIT (LOSS)		-99.576.090	-107.436.935		
<b>Profit (loss), attributable to [abstract]</b>					
Non-controlling Interests		0			
Owners of Parent		-99.576.090	-107.436.935		
<b>Earnings per share [abstract]</b>					
<b>Earnings per share [line items]</b>					
<b>Basic earnings per share</b>					
<b>Diluted Earnings Per Share</b>					
<b>OTHER COMPREHENSIVE INCOME</b>					
Other Comprehensive Income that will not be Reclassified to Profit or Loss		30.124	-105.850		
Gains (Losses) on Remeasurements of Defined Benefit Plans	15	38.620	-132.312		
Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss		-8.496	26.462		
Deferred Tax (Expense) Income		-8.496	26.462		
Other Comprehensive Income That Will Be Reclassified to Profit or Loss		10.617.591	23.224.781		
Exchange Differences on Translation		23.345.781	23.224.781		
Reclassification Adjustments on Exchange Differences on Translation		23.345.781	23.224.781		
Other Comprehensive Income (Loss) Related with Cash Flow Hedges		-12.728.190			
Gains (Losses) on Cash Flow Hedges		-12.728.190			
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>		<b>10.647.715</b>	<b>23.118.931</b>		
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>		<b>-88.928.375</b>	<b>-84.318.004</b>		
<b>Total Comprehensive Income Attributable to</b>					
Non-controlling Interests		0			
Owners of Parent		-88.928.375	-84.318.004		

# 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
<b>Statement of cash flows (Indirect Method)</b>			
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		<b>237.541.606</b>	<b>30.011.201</b>
Profit (Loss)		-99.576.090	-107.436.935
<b>Adjustments to Reconcile Profit (Loss)</b>		<b>413.230.268</b>	<b>150.795.881</b>
Adjustments for depreciation and amortisation expense	11,12	229.351.294	66.535.725
Adjustments for Impairment Loss (Reversal of Impairment Loss)		-1.464.712	-9.123.679
Adjustments for Impairment Loss (Reversal of Impairment Loss) of Receivables	6	226.075	773.990
Adjustments for Impairment Loss (Reversal of Impairment Loss) of Inventories	8	-1.690.787	-9.897.669
Adjustments for provisions		1.495.821	4.250.336
Adjustments for (Reversal of) Provisions Related with Employee Benefits	15	332.402	5.923.848
Adjustments for (Reversal of) Lawsuit and/or Penalty Provisions	14	2.714	-1.708.412
Adjustments for (Reversal of) Other Provisions	14	1.160.705	34.900
Adjustments for Interest (Income) Expenses		223.801.773	63.477.120
Adjustments for Interest Income		-2.655.821	-10.147.720
Adjustments for interest expense		226.457.594	73.624.840
Adjustments for Income Arised from Government Grants	10	16.804.143	-15.475.371
Adjustments for unrealised foreign exchange losses ( gains)		-20.576.867	36.830.445
Adjustments for fair value losses (gains)			-6.139.183
Adjustments for Fair Value (Gains) Losses on Derivative Financial Instruments			-6.139.183
Adjustments for Tax (Income) Expenses	16	-37.969.077	9.066.966
Adjustments for losses (gains) on disposal of non-current assets		1.787.893	1.373.522
Adjustments for Losses (Gains) Arised From Sale of Tangible Assets		1.787.893	1.373.522
<b>Changes in Working Capital</b>		<b>-75.155.906</b>	<b>-115.743.052</b>
Adjustments for decrease (increase) in trade accounts receivable		36.237.003	-32.942.494
Decrease (Increase) in Trade Accounts Receivables from Unrelated Parties		36.237.003	-32.942.494
Adjustments for Decrease (Increase) in Other Receivables Related with Operations		-51.177.501	-26.290.084
Decrease (Increase) in Other Unrelated Party Receivables Related with Operations		-51.177.501	-26.290.084
Adjustments for decrease (increase) in inventories		107.110.385	-131.610.528
Decrease (Increase) in Prepaid Expenses		88.037.028	-27.954.845
Adjustments for increase (decrease) in trade accounts payable		-288.148.929	141.226.934
Increase (Decrease) in Trade Accounts Payables to Unrelated Parties		-288.148.929	141.226.934
Increase (Decrease) in Employee Benefit Liabilities		22.734.656	13.232.761
Adjustments for increase (decrease) in other operating payables		15.609.511	-7.374.700
Increase (Decrease) in Other Operating Payables to Unrelated Parties		15.609.511	-7.374.700
Increase (Decrease) in Derivative Financial Liabilities		913.187	-11.923.310
Increase (Decrease) in Government Grants and Assistance		17.416.611	180.766
Increase (Decrease) in Deferred Income Other Than Contract Liabilities		-23.887.857	-32.287.552
<b>Cash Flows from (used in) Operations</b>		<b>238.498.272</b>	<b>-72.384.106</b>
Payments Related with Provisions for Employee Benefits	15	-8.067.487	-4.155.575
Income taxes refund (paid)	16	-4.434.566	-2.788.206
Other inflows (outflows) of cash		11.545.387	109.339.088
<b>CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES</b>		<b>-30.913.760</b>	<b>-62.523.393</b>
Proceeds from sales of property, plant, equipment and intangible assets		10.483.548	1.875.069
Proceeds from sales of property, plant and equipment		10.483.548	1.875.069
Purchase of Property, Plant, Equipment and Intangible Assets		-41.397.308	-64.398.462
Purchase of property, plant and equipment	11	-35.366.835	-60.567.768

Purchase of intangible assets	12	-6.030.473	-3.830.694
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		<b>-239.752.884</b>	<b>4.462.010</b>
Repayments of borrowings		102.049.336	66.019.614
Loan Repayments		102.049.336	66.019.614
Payments of Lease Liabilities		-209.096.328	
Interest paid		-132.705.892	-61.557.604
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES		-33.125.038	-28.050.182
Effect of exchange rate changes on cash and cash equivalents		0	
Net increase (decrease) in cash and cash equivalents		-33.125.038	-28.050.182
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	5	<b>112.968.827</b>	<b>141.540.909</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<b>79.843.789</b>	<b>113.490.727</b>



[illegible]

Current Period 01.01.2019 - 30.06.2019														
	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							-12.728.190				-12.728.190		-12.728.190
	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				23.345.781							23.345.781		23.345.781
	Increase (decrease) through other changes, equity													
	Equity at end of period		95.500.000	-6.008.151	365.559			-12.728.190	15.952.735	81.342.779	-99.576.090	74.117.524		74.117.524