

**KRON TELEKOMÜNİKASYON HİZMETLERİ A.Ş.**  
**Financial Report**  
**Consolidated**  
**2021 - 3. 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 30.09.2021	Previous Period 31.12.2020
<b>Statement of Financial Position (Balance Sheet)</b>			
<b>Assets [abstract]</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	20.427.423	14.965.003
Trade Receivables	7	27.614.418	42.882.958
Trade Receivables Due From Related Parties		2.366.706	469.601
Trade Receivables Due From Unrelated Parties		25.247.712	42.413.357
Other Receivables	8	67.440	30.648
Other Receivables Due From Related Parties		17.760	14.684
Other Receivables Due From Unrelated Parties		49.680	15.964
Inventories	9	751.603	807.424
Prepayments	10	2.306.692	1.680.781
Prepayments to Unrelated Parties		2.306.692	1.680.781
Current Tax Assets	14	191.590	33.360
Other current assets		207.722	52.939
Other Current Assets Due From Unrelated Parties		207.722	52.939
<b>SUB-TOTAL</b>		<b>51.566.888</b>	<b>60.453.113</b>
<b>Total current assets</b>		<b>51.566.888</b>	<b>60.453.113</b>
<b>NON-CURRENT ASSETS</b>			
Financial Investments	5	1.840	1.840
Other Financial Investments		1.840	1.840
Trade Receivables	7	5.000.903	4.275.672
Trade Receivables Due From Unrelated Parties		5.000.903	4.275.672
Other Receivables	8	616.991	525.140
Other Receivables Due From Unrelated Parties		616.991	525.140
Property, plant and equipment	12	4.544.432	4.161.020
Fixtures and fittings		1.395.498	1.236.322
Leasehold Improvements		39.564	51.145
Operational Lease Assets		3.109.370	2.873.553
Intangible assets and goodwill	13	35.397.491	28.958.470
Capitalized Development Costs		34.780.507	22.767.372
Other intangible assets		616.984	6.191.098
Prepayments		0	0
Deferred Tax Asset	25	4.898.099	3.369.680
<b>Total non-current assets</b>		<b>50.459.756</b>	<b>41.291.822</b>
<b>Total assets</b>		<b>102.026.644</b>	<b>101.744.935</b>
<b>LIABILITIES AND EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Current Borrowings	6	21.315.324	18.153.692
Current Borrowings From Unrelated Parties		21.315.324	18.153.692
Bank Loans		21.221.231	18.126.308
Other short-term borrowings		94.093	27.384
Current Portion of Non-current Borrowings	6	1.871.614	1.757.718
Current Portion of Non-current Borrowings from Unrelated Parties		1.871.614	1.757.718
Lease Liabilities		1.871.614	1.757.718
Trade Payables	7	1.029.940	1.451.784
Trade Payables to Unrelated Parties		1.029.940	1.451.784
Employee Benefit Obligations	16	2.603.162	4.632.642
Other Payables	8	735.790	1.161.023
Other Payables to Unrelated Parties		735.790	1.161.023
Government Grants	11	0	84.722
Deferred Income Other Than Contract Liabilities	10	10.791.994	8.716.002
Deferred Income Other Than Contract Liabilities from Unrelated Parties		10.791.994	8.716.002
Current provisions		1.499.544	761.141
Current provisions for employee benefits	19	1.499.544	761.141
Other Current Liabilities		236.067	2.775.588
Other Current Liabilities to Unrelated Parties	17	236.067	2.775.588
<b>SUB-TOTAL</b>		<b>40.083.435</b>	<b>39.494.312</b>
<b>Total current liabilities</b>		<b>40.083.435</b>	<b>39.494.312</b>

NON-CURRENT LIABILITIES			
Long Term Borrowings	6	1.103.582	1.868.458
Long Term Borrowings From Related Parties		1.103.582	1.868.458
Lease Liabilities		1.103.582	1.868.458
Deferred Income Other Than Contract Liabilities	10	246.739	307.223
Deferred Income Other Than Contract Liabilities from Unrelated Parties		246.739	307.223
Non-current provisions	19	722.604	559.823
Non-current provisions for employee benefits		722.604	559.823
Total non-current liabilities		2.072.925	2.735.504
Total liabilities		42.156.360	42.229.816
EQUITY			
Equity attributable to owners of parent		59.870.284	59.515.119
Issued capital		14.268.513	14.268.513
Other Accumulated Comprehensive Income (Loss) that will not be Reclassified in Profit or Loss		-258.862	-167.292
Gains (Losses) on Revaluation and Remeasurement		-258.862	-167.292
Gains (Losses) on Remeasurements of Defined Benefit Plans		-258.862	-167.292
Other Accumulated Comprehensive Income (Loss) that will be Reclassified in Profit or Loss		-7.800.624	-4.455.170
Change in Value of Foreign Currency Basis Spreads		-7.800.624	-4.455.170
Restricted Reserves Appropriated From Profits		3.018.600	2.953.560
Legal Reserves		3.018.600	2.953.560
Prior Years' Profits or Losses		46.850.467	36.325.254
Current Period Net Profit Or Loss		3.792.190	10.590.254
Total equity		59.870.284	59.515.119
Total Liabilities and Equity		102.026.644	101.744.935

# Profit or loss [abstract]

Presentation Currency	TL
Nature of Financial Statements	Consolidated

	Footnote Reference	Current Period 01.01.2021 - 30.09.2021	Previous Period 01.01.2020 - 30.09.2020	Current Period 3 Months 01.07.2021 - 30.09.2021	Previous Period 3 Months 01.07.2020 - 30.09.2020
Profit or loss [abstract]					
PROFIT (LOSS)					
Revenue	21	37.103.590	27.342.434	14.346.185	9.293.961
Cost of sales	21	-7.084.664	-5.331.569	-2.328.123	-1.344.548
GROSS PROFIT (LOSS) FROM COMMERCIAL OPERATIONS		30.018.926	22.010.865	12.018.062	7.949.413
GROSS PROFIT (LOSS)		30.018.926	22.010.865	12.018.062	7.949.413
General Administrative Expenses	22	-4.144.786	-3.612.953	-1.169.499	-1.119.918
Marketing Expenses	22	-17.016.289	-15.423.617	-5.951.510	-5.638.925
Research and development expense	22	-14.833.505	-11.826.180	-5.566.673	-3.731.658
Other Income from Operating Activities	23	13.235.763	20.968.870	1.223.159	7.600.576
Other Expenses from Operating Activities	23	-4.255.310	-3.037.175	-852.417	-463.558
PROFIT (LOSS) FROM OPERATING ACTIVITIES		3.004.799	9.079.810	-298.878	4.595.930
Investment Activity Income	27	0	77.868	0	77.868
Investment Activity Expenses	27	0	-1.612	0	-1.567
PROFIT (LOSS) BEFORE FINANCING INCOME (EXPENSE)		3.004.799	9.156.066	-298.878	4.672.231
Finance income	24	3.506.186	2.176.646	1.492.965	1.235.534
Finance costs	24	-4.224.321	-5.079.559	-788.694	-2.205.481
PROFIT (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX		2.286.664	6.253.153	405.393	3.702.284
Tax (Expense) Income, Continuing Operations		1.505.526	-845.398	-186.800	-65.854
Current Period Tax (Expense) Income		0	-881.133	191.380	-580.450
Deferred Tax (Expense) Income		1.505.526	35.735	-378.180	514.596
PROFIT (LOSS) FROM CONTINUING OPERATIONS		3.792.190	5.407.755	218.593	3.636.430
PROFIT (LOSS)		3.792.190	5.407.755	218.593	3.636.430
Profit (loss), attributable to [abstract]					
Non-controlling Interests		0	0	0	0
Owners of Parent		3.792.190	5.407.755	218.593	3.636.430
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 01.01.2021 - 30.09.2021	Previous Period 01.01.2020 - 30.09.2020	Current Period 3 Months 01.07.2021 - 30.09.2021	Previous Period 3 Months 01.07.2020 - 30.09.2020
<b>Statement of Other Comprehensive Income</b>					
PROFIT (LOSS)		3.792.190	5.407.755	218.593	3.636.430
<b>OTHER COMPREHENSIVE INCOME</b>					
<b>Other Comprehensive Income that will not be Reclassified to Profit or Loss</b>		<b>-91.570</b>	<b>-386.440</b>	<b>-28.267</b>	<b>-60.452</b>
Gains (Losses) on Remeasurements of Defined Benefit Plans		-114.463	-495.436	-35.334	-77.503
Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss		22.893	108.996	7.067	17.051
Deferred Tax (Expense) Income		22.893	108.996	7.067	17.051
<b>Other Comprehensive Income That Will Be Reclassified to Profit or Loss</b>		<b>-3.345.454</b>	<b>-3.279.786</b>	<b>-524.069</b>	<b>-1.786.616</b>
Exchange Differences on Translation		-3.345.454	-3.279.786	-524.069	-1.786.616
Gains (Losses) on Exchange Differences on Translation	20	-3.345.454	-3.279.786	-524.069	-1.786.616
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>		<b>-3.437.024</b>	<b>-3.666.226</b>	<b>-552.336</b>	<b>-1.847.068</b>
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>		<b>355.166</b>	<b>1.741.529</b>	<b>-333.743</b>	<b>1.789.362</b>
<b>Total Comprehensive Income Attributable to</b>					
Non-controlling Interests		0	0	0	0
Owners of Parent		355.166	1.741.529	-333.743	1.789.362

## Statement of cash flows (Indirect Method)

Presentation Currency	TL
Nature of Financial Statements	Consolidated

	Footnote Reference	Current Period 01.01.2021 - 30.09.2021	Previous Period 01.01.2020 - 30.09.2020
<b>Statement of cash flows (Indirect Method)</b>			
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		<b>12.600.255</b>	<b>5.986.184</b>
Profit (Loss)		3.792.190	5.407.755
Profit (Loss) from Continuing Operations	30	3.792.190	5.407.755
<b>Adjustments to Reconcile Profit (Loss)</b>		<b>-1.051.875</b>	<b>-1.338.655</b>
Adjustments for depreciation and amortisation expense	14-15	5.495.389	5.333.606
Adjustments for Impairment Loss (Reversal of Impairment Loss)		499.484	1.401.710
Adjustments for Impairment Loss (Reversal of Impairment Loss) of Receivables	7	505.177	1.404.267
Adjustments for Impairment Loss (Reversal of Impairment Loss) of Inventories	11	-5.693	-2.557
Adjustments for provisions		1.525.124	786.609
Adjustments for (Reversal of) Provisions Related with Employee Benefits	21	786.721	612.607
Adjustments for (Reversal of) Other Provisions		738.403	174.002
Adjustments for Interest (Income) Expenses		852.460	578.213
Adjustments for Interest Income	28	-36.772	-74.820
Adjustments for interest expense	28	756.519	1.036.028
Deferred Financial Expense from Credit Purchases	7	140.836	-397.282
Unearned Financial Income from Credit Sales	7	-8.123	14.287
Adjustments for unrealised foreign exchange losses ( gains)	22	-7.804.345	-9.503.608
Adjustments for Tax (Income) Expenses	29	-1.528.419	451.255
Other adjustments for non-cash items		-91.568	-386.440
<b>Changes in Working Capital</b>		<b>9.859.940</b>	<b>1.917.084</b>
Adjustments for decrease (increase) in trade accounts receivable		14.563.197	6.374.665
Decrease (Increase) in Trade Accounts Receivables from Related Parties	7	-2.401.574	-1.483.625
Decrease (Increase) in Trade Accounts Receivables from Unrelated Parties	7	16.964.771	7.858.290
Adjustments for Decrease (Increase) in Other Receivables Related with Operations		302.875	-137.195
Decrease (Increase) in Other Related Party Receivables Related with Operations	8	-3.076	-3.734
Decrease (Increase) in Other Unrelated Party Receivables Related with Operations	8	305.951	-133.461
Adjustments for decrease (increase) in inventories	11	61.514	-138.708
Decrease (Increase) in Prepaid Expenses	12	-625.911	636.389
Adjustments for increase (decrease) in trade accounts payable		-441.334	-3.121.866
Increase (Decrease) in Trade Accounts Payables to Unrelated Parties	7	-441.334	-3.121.866
Increase (Decrease) in Employee Benefit Liabilities	18	-2.029.480	-2.044.544
Adjustments for increase (decrease) in other operating payables	8	-425.233	-1.714.045
Increase (Decrease) in Other Operating Payables to Unrelated Parties	8	-425.233	-1.714.045
Increase (Decrease) in Government Grants and Assistance	13	-84.722	-254.185
Increase (Decrease) in Deferred Income Other Than Contract Liabilities	12	2.015.508	4.252.652
Other Adjustments for Other Increase (Decrease) in Working Capital		-3.476.474	-1.936.079
Decrease (Increase) in Other Assets Related with Operations		-313.013	141.284
Increase (Decrease) in Other Payables Related with Operations		-3.163.461	-2.077.363
<b>Cash Flows from (used in) Operations</b>		<b>12.600.255</b>	<b>5.986.184</b>
<b>CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES</b>		<b>-8.457.509</b>	<b>-7.320.365</b>
Proceeds from sales of property, plant, equipment and intangible assets		3.237	4.748
Proceeds from sales of property, plant and equipment	14	3.237	4.748
Purchase of Property, Plant, Equipment and Intangible Assets		-8.497.518	-7.399.933
Purchase of property, plant and equipment	14	-778.127	-248.752

Purchase of intangible assets	15	-7.719.391	-7.151.181
Interest received	28	36.772	74.820
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		<b>922.023</b>	<b>11.722.652</b>
Proceeds from borrowings	6	24.303.122	20.669.547
Proceeds from Loans	6	23.781.542	19.183.540
Proceeds from Other Financial Borrowings	6	521.580	1.486.007
Repayments of borrowings	6	-21.402.645	-6.762.250
Loan Repayments	6	-21.402.645	-6.762.250
Payments of Lease Liabilities	6	-1.221.935	-1.148.617
Interest paid	28	-756.519	-1.036.028
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES		5.064.769	10.388.471
Effect of exchange rate changes on cash and cash equivalents		397.651	1.204.968
Net increase (decrease) in cash and cash equivalents		5.462.420	11.593.439
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>4</b>	<b>14.965.003</b>	<b>6.013.700</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>4</b>	<b>20.427.423</b>	<b>17.607.139</b>

[illegible]



Current Period 01.01.2021 - 30.09.2021											0		0
	Decrease through Other Distributions to Owners										0		0
	Increase (Decrease) through Treasury Share Transactions										0		0
	Increase (Decrease) through Share-Based Payment Transactions										0		0
	Acquisition or Disposal of a Subsidiary										0		0
	Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control, equity										0		0
	Transactions with noncontrolling shareholders										0		0
	Increase through Other Contributions by Owners										0		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		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		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		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		0
	Increase (decrease) through other changes, equity								39		39		39
	Equity at end of period	20	14.268.513	-258.862	-7.800.624			3.018.600	46.850.467	3.792.190	59.870.284		59.870.284