

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

**BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş.
AND ITS SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS AS OF
1 JANUARY - 30 JUNE 2023
TOGETHER WITH INDEPENDENT
AUDITOR'S REPORT**



**CONVENIENCE TRANSLATION INTO ENGLISH OF INDEPENDENT
AUDITOR'S REVIEW REPORT ORIGINALLY ISSUED IN TURKISH**

**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED
FINANCIAL INFORMATION**

To the General Assembly of Bizim Toptan Satış Mağazaları A.Ş.

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Bizim Toptan Satış Mağazaları A.Ş. (the "Company") and its subsidiaries (collectively referred as the "Group") as at 30 June 2023 and the related interim condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended and other explanatory notes (Notes 1-25). The management of the Group is responsible for the preparation and fair presentation of this interim condensed consolidated financial information in accordance with Turkish Accounting Standard 34 ("TAS 34") "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of review

We conducted our review in accordance with the Standard on Review Engagements ("SRE") 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim condensed consolidated 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 Standards on Auditing and the objective of which is to express an opinion on the consolidated financial statements. Consequently, a review on the interim condensed consolidated financial information does not provide assurance that the audit firm will be aware of all significant matters which would have been identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to conclude that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with TAS 34.



Other information

Management is responsible for the other information. The other information comprises the Appendix I added to "Other information" section in the report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our review of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the review or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Additional explanation for convenience translation into English

As disclosed in Note 2.1 to the accompanying interim condensed consolidated financial information Turkish Financial Reporting Standards differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board with respect to the application of IAS 29 - Financial Reporting in Hyperinflationary Economies as of and for the 6-month period ended 30 June 2023. Therefore, the accompanying interim condensed consolidated financial information is not intended to present fairly the consolidated financial position of the Group as of 30 June 2023 and the results of its operations for the 6-month period then ended in accordance with IFRS.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.

A handwritten signature in blue ink, appearing to read "Mert Tüten", with a stylized initial "M" and a horizontal line extending to the right.

Mert Tüten, SMMM
Partner

Istanbul, 10 August 2023

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

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BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2023**

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated)

ASSETS	Notes	Current Period	Prior Period
		30 June 2023	31 December 2022
Current Assets		3,433,157,300	2,967,063,613
Cash and Cash Equivalents	3	717,355,264	634,587,187
Trade Receivables		486,210,918	452,432,292
<i>Due from Related Parties</i>	5, 23	40,019,143	25,460,057
<i>Due from Non-Related Parties</i>	5	446,191,775	426,972,235
Other Receivables		16,313,360	2,677,726
<i>Other Receivables from Non-Related Parties</i>	6	16,313,360	2,677,726
Inventories	7	1,889,434,969	1,665,106,201
Prepaid Expenses	8	186,986,323	87,046,528
Current tax related asset	21	7,999,151	37,641,204
Other Current Assets		128,857,315	87,572,475
Non-Current Assets		1,440,302,804	1,045,317,822
Other Receivables		12,527,306	12,602,882
<i>Other Receivables from Non-Related Parties</i>	6	12,527,306	12,602,882
Tangible Assets	9	578,662,718	530,997,668
Right of Use Assets	9	605,663,750	285,083,277
Intangible Assets	10	51,948,561	46,142,834
Deferred Tax Assets	21	191,500,469	170,491,161
TOTAL ASSETS		4,873,460,104	4,012,381,435

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL
POSITION AS AT 30 JUNE 2023

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated)

LIABILITIES	Notes	Current Period 30 June 2023	Prior Period 31 December 2022
Current Liabilities		3,959,950,901	3,205,897,115
Short-term Borrowings		205,229,115	108,780,874
- <i>Financial Lease Obligations</i>	4	563,492	1,079,277
- <i>Lease Liabilities due to Related Parties</i>	4	14,694,414	300,757
- <i>Lease Liabilities due to Non-Related Parties</i>	4	189,971,209	107,400,840
Trade Payables		3,437,102,015	2,827,913,071
- <i>Due to Related Parties</i>	5,23	528,971,071	452,124,888
- <i>Due to Non-Related Parties</i>	5	2,908,130,944	2,375,788,183
Liabilities for Employee Benefits	12	104,742,590	68,368,163
Deferred Income	8	30,394,418	59,949,037
Short-term Provisions		119,347,315	126,867,952
- <i>Provision for Employee Benefits</i>	12	48,605,692	61,323,310
- <i>Other Short-term Provisions</i>	11	70,741,623	65,544,642
Other Current Liabilities		63,135,448	14,018,018
- <i>Other Current Liabilities to Related Parties</i>		50,000,000	-
- <i>Other Current Liabilities to Non-related Parties</i>	13	13,135,448	14,018,018
Non-Current Liabilities		568,347,462	316,053,617
Long-term Borrowings		441,574,709	203,368,922
- <i>Lease Liabilities due to Related Parties</i>	4	45,388,747	755,028
- <i>Lease Liabilities due to Non-Related Parties</i>	4	396,185,962	202,613,894
Long-term Provisions		125,536,876	106,999,667
- <i>Provision for Employee Benefits</i>	12	125,536,876	106,999,667
Deferred Income	8	1,235,877	5,685,028
EQUITY		345,161,741	490,430,703
Shareholders' Equity		345,196,458	490,460,992
Share Capital	14	60,000,000	60,000,000
Treasury shares		(13,533,492)	(13,533,492)
Other Comprehensive Expense not to be			
Reclassified to Profit or Loss		(59,822,634)	(25,600,417)
- <i>Defined benefit plans remeasurement losses</i>	14	(59,822,634)	(25,600,417)
Restricted Reserves Appropriated from Profits	14	14,330,810	14,330,810
Retained Earnings	14	405,264,091	176,887,259
Net Profit for the Year		(61,042,317)	278,376,832
Non-Controlling Interests		(34,717)	(30,289)
TOTAL LIABILITIES		4,873,460,104	4,012,381,435

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE 6-MONTH PERIOD ENDED 30 JUNE 2023

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

	Notes	Current Period	Current Period	Prior Period	Prior Period
		1 January - 30 June 2023	1 April - 30 June 2023	1 January - 30 June 2022	1 April - 30 June 2022
Profit or loss					
Revenue	15	9,481,597,673	4,985,328,683	5,495,924,408	3,147,837,902
Cost of sales (-)	15	(8,260,933,631)	(4,388,934,822)	(4,645,182,416)	(2,659,225,374)
Gross profit		1,220,664,042	596,393,861	850,741,992	488,612,528
Marketing expenses (-)	16, 17	(795,651,346)	(395,896,998)	(453,487,055)	(254,516,254)
General administrative expenses (-)	16, 17	(161,927,267)	(85,254,817)	(99,072,332)	(51,818,076)
Other income from operating activities	18	126,287,089	92,672,732	35,719,954	21,411,467
Other expenses from operating activities (-)	18	(358,348,090)	(185,364,268)	(177,778,966)	(105,053,740)
Operating profit		31,024,428	22,550,510	156,123,593	98,635,925
Income from investing activities	19	67,789,086	38,472,323	33,563,876	13,953,031
Expenses from investing activities (-)	19	(78,102)	(63,828)	(700,303)	(700,303)
Profit before finance expense		98,735,412	60,959,005	188,987,166	111,888,653
Financial expense (-)	20	(172,235,910)	(96,726,165)	(93,614,871)	(55,021,115)
Profit before tax		(73,500,498)	(35,767,160)	95,372,295	56,867,538
Tax expense		12,453,753	5,280,123	(33,899,777)	(20,441,210)
Current tax expense	21	-	-	(48,928,635)	(19,778,335)
Deferred tax income	21	12,453,753	5,280,123	15,028,858	(662,875)
NET PROFIT FOR THE YEAR		(61,046,745)	(30,487,037)	61,472,518	36,426,328
Net-loss attributable to					
Non-controlling interest		(4,428)	(2,120)	(3,632)	-
Equity holders of parent		(61,042,317)	(30,484,917)	61,476,150	36,426,328
Earnings per share (TRY)	22	(1.017)	(0.508)	1.025	0.607
OTHER COMPREHENSIVE EXPENSE		(34,222,217)	(19,740,922)	(630,098)	(3,203,716)
Defined benefit plans re-measurement losses		(42,777,772)	(24,676,153)	(787,623)	(4,004,647)
Items not to be reclassified to profit or loss taxes for other comprehensive income					
Deferred tax income / expense		8,555,555	4,935,231	157,525	800,931
TOTAL COMPREHENSIVE INCOME		(95,268,962)	(50,227,959)	60,842,420	33,222,612
Distribution of total other comprehensive income					
Non-controlling interest		(4,428)	(2,120)	(3,632)	-
Equity holders of parent		(95,264,534)	(50,225,839)	60,846,052	33,222,612

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE 6-MONTH PERIOD ENDED 30 JUNE 2023

(Amount expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

	Notes	Share Capital	Restricted reserves appropriated from profits	Treasury share	Other comprehensive income/expense not to be reclassified to profit or loss Revaluation and remeasurement loss Actuarial loss of provision of termination indemnity	Retained earnings		Shareholder's equity	Non- controlling interest	Total
						Retained earnings	Net profit for the period			
Balance as of 1 January 2022		60,000,000	14,330,810	(13,533,492)	(21,566,572)	94,619,369	82,267,890	216,118,005	(23,115)	216,094,890
Transfers	14	-	-	-	-	82,267,890	(82,267,890)	-	-	-
Total comprehensive income	14	-	-	-	(630,098)	-	61,476,150	60,846,052	(3,632)	60,842,420
Balance as of 30 June 2022		60,000,000	14,330,810	(13,533,492)	(22,196,670)	176,887,259	61,476,150	276,964,057	(26,747)	276,937,310
Balance as of 1 January 2023								490,460,992	(30,289)	
		60,000,000	14,330,810	(13,533,492)	(25,600,417)	176,887,259	278,376,832			490,430,703
Transfers	14	-	-	-	-	278,376,832	(278,376,832)	-	-	-
Dividends	14	-	-	-	-	(50,000,000)	-	(50,000,000)	-	(50,000,000)
Total comprehensive income	14	-	-	-	(34,222,217)	-	(61,042,317)	(95,264,534)	(4,428)	(95,268,962)
Balance as of 30 June 2023		60,000,000	14,330,810	(13,533,492)	(59,822,634)	405,264,091	(61,042,317)	345,196,458	(34,717)	345,161,741

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE 6-MONTH PERIOD ENDED 30 JUNE 2023

(Amount expressed in Turkish Lira ("TRY") unless otherwise indicated.)

	Notes	Current Period 1 January - 30 June 2023	Prior Period 1 January - 30 June 2022
A. Cash flows from operating activities		323,880,542	(96,003,778)
Net profit for the period		(61,046,745)	61,472,518
Adjustments to reconcile net profit to net cash			
Adjustments for depreciation and amortisation expense	9, 10	107,893,088	62,670,034
Adjustments related to provisions	11, 12	100,815,782	95,905,601
Adjustments for impairment (cancellation) of receivables	5	(1,532,337)	-
Provision for inventory impairment	7	(41,722,831)	(24,500,000)
Adjustments for losses on disposal of fixed assets	19	78,102	700,303
Adjustment for profit/(loss) reconciliation		(75,827,035)	37,297,018
Interest income/expenses	19, 20	22,239,663	28,226,681
Income tax expense	21	(12,453,753)	33,899,277
Changes in working capital		387,147,871	(298,232,694)
Changes in trade receivables		10,439,927	(135,808,961)
Changes in inventories		(182,605,937)	(853,991,180)
Increase/(decrease) in other receivables and current assets		(54,844,898)	(24,027,432)
Changes in prepaid expenses		(99,939,795)	(45,950,821)
Changes in trade payables		621,766,345	709,322,653
Increase/(decrease) in other payables and current liabilities		92,332,229	52,223,547
Cash generated from operating activities		425,591,805	(2,560,762)
Income taxes paid		29,642,053	(55,494,118)
Employee benefits paid	12	(131,353,316)	(37,948,898)
B. Cash flows from investing activities		(38,389,897)	(6,879,583)
Proceeds from sale of tangible and intangible assets		606,399	-
Cash outflows of purchases of tangible and intangible assets		(105,566,477)	(38,441,192)
Interest received	19	66,570,181	31,561,609
C. Cash flows from financing activities		(202,722,568)	(116,664,381)
Cash inflows/(outflows) from bank borrowings		-	-
Cash outflows of payment borrowings due from leasing agreements	4	(515,785)	(2,799,555)
Cash outflows of payment borrowings due from lease liabilities		(113,396,939)	(54,579,686)
Interest paid	20	(88,809,844)	(59,285,140)
Net (decrease)/increase in cash and cash equivalents (A+B+C)	3	82,768,077	(219,547,742)
D. Cash and cash equivalents at the beginning of the year	3	634,587,187	585,389,621
Cash and cash equivalents at the end of the year (A+B+C+D)	3	717,355,264	365,841,879

The accompanying notes form an integral part of these interim condensed consolidated financial statements.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE 6-MONTH PERIOD ENDED 30 JUNE 2023

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

1. ORGANIZATION AND OPERATIONS OF THE GROUP

Bizim Toptan Satış Mağazaları A.Ş. (the “Company”), was established in 2001 and registered in Istanbul in accordance with Turkish Commercial Code. The head office of the Company is located in Kuşbaşı Cad. No.19 Altunizade-Üsküdar/İstanbul.

The main operation of the Company and its subsidiaries (“Group”) is to wholesale and retail fast moving consumer goods to catering companies, corporate customers, legal entities and persons who are tax payers, as well as retail outlets such as; small dealers, small markets, canteens.

The Group has 179 stores in 71 cities as of 30 June 2023 (31 December 2022: 180 stores in 72 cities). As of 30 June 2023, the number of personnel is 2,810 (31 December 2022: 2,853). The Group has 2,604 franchise shops as of 30 June 2023 (31 December 2022: 2,409).

The Group’s ultimate parent and the party controls the Group is Yıldız Holding A.Ş. The shares of the Group are publicly traded on the İstanbul Stock Exchange Market (ISE) since 3 February 2011.

As of 30 June 2023, the names and percentages of the shareholders of the Group’s share capital are as follows:

Name of the Shareholders (*)	(%)	30 June 2023	(%)	30 June 2022
Yıldız Holding A,Ş,	55,19	33,11,291	55,19	33,111,291
Public quotation	44,81	26,888,709	44,81	26,888,709
	100	60,000,000	100	60,000,000

(*) Organized according to partnership structure and Central Registry Agency data published in KAP.

Subsidiary company	30 June 2023	31 December 2022
SEÇ Marketçilik A,Ş, (*)	90,00	90,00

(*) SEÇ Marketçilik A,Ş, in which Bizim Toptan Satış Mağazaları A,Ş, owns 90% of the capital and has a capital of TRY 50,000 was registered on 19 August 2020 and its establishment procedures were completed.

The company and its subsidiary will be referred to as the Group.

Approval of Interim Condensed Consolidated Financial Statements:

The condensed consolidated financial statements have been approved by the Board of Directors and authorized for issue on 10 August 2023.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE 6-MONTH PERIOD ENDED 30 JUNE 2023

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of the presentation

Basis of the Preparation of the Financial Statements and Accounting Policies

The Group's condensed consolidated financial statements are in accordance with the provisions of the "Communiqué on the Principles of Financial Reporting in the Capital Markets" (“Communiqué”) Serial II, numbered 14.1, published in the Official Gazette dated 13 June 2013 and numbered 28676, Public Oversight Accounting and It has been prepared on the basis of Turkish Financial Reporting Standards (“TFRS”) and related annexes and comments, in line with international standards published by the Auditing Standards Authority (“KGGK”). TFRS is updated through communiqués in order to provide parallelism with the changes in International Financial Reporting Standards (“IFRS”).

Interim condensed consolidated financial statements are presented in accordance with the formats specified in the “TFRS taxonomy” published by the POA on 4 October 2022 and the Financial Statement Examples and User Guide published by the CMB.

The Group has prepared its condensed consolidated financial statements for the interim period ended 30 June 2023 in accordance with TAS 34 Interim Financial Reporting standard. The interim condensed consolidated financial statements do not contain all the information that should be included in the annual financial statements and should be read together with the annual financial statements of the Group as of 31 December 2022.

Determination of Functional Currency

Financial statements of the Group are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The results and financial position of the entity is expressed in TRY, which is the functional and presentation currency of the Group.

Adjustment of Financial Statements in High Inflation Periods

On 20 January 2022, the Public Oversight Authority made a statement on the Implementation of Financial Reporting in High Inflation Economies within the Scope of Turkish Financial Reporting Standards, Financial Reporting Standard for Large and Medium Sized Enterprises. Accordingly, it has been stated that companies applying TFRS do not need to make any adjustments in their financial statements for 2021 within the scope of TAS 29 Financial Reporting in High Inflation Economies. As of the preparation date of these consolidated financial statements, no new disclosure has been made by POA within the scope of TAS 29, and no inflation adjustment has been made in accordance with TAS 29 while preparing the consolidated financial statements as of 30 June 2023.

Offsetting

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis, or realize the asset and set TRY the liability simultaneously.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE 6-MONTH PERIOD ENDED 30 JUNE 2023

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1 Basis of the presentation (Continued)

Principles Regarding Consolidation

(a) Subsidiaries

Subsidiaries are companies controlled by the Group. Control of the group is provided by the exposure to variable returns in these companies, by being entitled to these returns and the power to direct them. Subsidiaries are consolidated by using the full consolidation method from the date that control is transferred to the Group. They are excluded from the scope of consolidation as of the date that control ceases.

Balances arising from intra-group transactions and unrealized losses and gains from transactions with intra-group companies are eliminated.

(b) Changes in the capital share of the Group's current subsidiary

Changes that do not cause loss of control in the capital share of the Group's subsidiaries are accounted for as equity transactions. The book values of the Group's shares and non-controlling shares are adjusted to reflect changes in subsidiary shares. The difference between the corrected amount of non-controlling interests and the fair value of the price received or paid is directly accounted for as the Group's share in equity.

(c) Loss of Subsidiary Control

If the Group loses control of a subsidiary, the profit / loss after the sale is calculated as i) the sum of the sales price received and the fair value of the remaining share, ii) the difference between the assets (including goodwill) and liabilities of the subsidiary and the previous book value of the non-controlling interests. The amounts previously recognized and collected in equity for the subsidiary in other comprehensive income are recorded according to the accounting method to be used on the assumption that the Company has sold the relevant assets (For example, in accordance with the relevant TFRS standards, whether they are transferred to profit / loss or directly transferred to previous year's profits). The fair value at the date of loss of control of the investment remaining after the sale of the subsidiary, as the fair value in the initial accounting specified under TFRS 9 Financial Instruments: Recognition and Measurement standard, or, where applicable, in the initial accounting of an investment in an affiliate or jointly controlled entity accepted as the cost price.

2.2 Changes in the Accounting Policies

Financial statements of the Group have been prepared comparatively with the prior year in order to give information about financial position and performance. The Group has not made any changes to its accounting policies in the current year.

2.3 Changes and Errors in Accounting Estimates

If the changes in the accounting policies are related to one period they are applied in the current year; if they are related with the future period they are applied both in the current period and future periods. The Group did not have any changes in the accounting estimates in the current year. Significant accounting errors are applied retrospectively and prior period financial statements are rearranged.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE 6-MONTH PERIOD ENDED 30 JUNE 2023

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.4 Application of New and Revised International Financial Reporting Standards (TFRSs)

The Group has implemented the new standards effective as of 30 June 2023, and the changes and interpretations made to existing previous standards that are related to its field of activity.

a. Standards, amendments and interpretations applicable as at 30 June 2023:

- Narrow scope amendments to IAS 1, Practice statement 2 and IAS 8; effective from annual periods beginning on or after 1 January 2023. The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies.
- Amendment to IAS 12 – Deferred tax related to assets and liabilities arising from a single transaction; effective from annual periods beginning on or after 1 January 2023. These amendments require companies to recognise deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences.
- IFRS 17, ‘Insurance Contracts’; effective from annual periods beginning on or after 1 January 2023. This standard replaces IFRS 4, which currently permits a wide variety of practices in accounting for insurance contracts. IFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features.
- Amendment to IAS 12 - International tax reform - pillar two model rules; The deferred tax exemption and disclosure of the fact that the exception has been applied, is effective immediately. The other disclosure requirements are effective annual periods beginning on or after 1 January 2023. These amendments give companies temporary relief from accounting for deferred taxes arising from the Organisation for Economic Co-operation and Development’s (OECD) international tax reform. The amendments also introduce targeted disclosure requirements for affected companies.

b. Standards, amendments, and interpretations that are issued but not effective as of 30 June 2023:

- **Amendment to IAS 1 – Non current liabilities with covenants;** effective from annual periods beginning on or after 1 January 2024. These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.
- **Amendment to IFRS 16 – Leases on sale and leaseback;** effective from annual periods beginning on or after 1 January 2024. These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.4 Application of New and Revised International Financial Reporting Standards (TFRSs) (Continued)

- **Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements;** effective from annual periods beginning on or after 1 January 2024. These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company’s liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB’s response to investors’ concerns that some companies’ supplier finance arrangements are not sufficiently visible, hindering investors’ analysis.
- **IFRS S1, ‘General requirements for disclosure of sustainability-related financial information;** effective from annual periods beginning on or after 1 January 2024. This is subject to endorsement of the standards by local jurisdictions. This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity’s value chain.
- **IFRS S2, ‘Climate-related disclosures’;** effective from annual periods beginning on or after 1 January 2024. This is subject to endorsement of the standards by local jurisdictions. This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.

The Group has not yet determined the effects that may occur on its financial statements as a result of the application of the said standards, apart from the ones stated above, and does not expect the said differences to have a significant impact on its financial statements.

2.5 Summary of Significant Accounting Policies

Lifetimes foreseen in the calculation of right of use

The lease obligation is determined by considering the extension and termination options in the contracts. The majority of the extension options in the contracts consist of options that can be jointly applied by the Group and the lessor. The early termination option is in the hands of the Group. Due to these assessments, the Group has evaluated the extension and early termination and options used the lease term without adding or subtracting the terms of contracts. The relevant contract periods are evaluated by the Group management at the end of each year.

3. CASH AND CASH EQUIVALENTS

	30 June 2023	31 December 2022
Cash on hand	25,623,186	21,549,226
Time deposits (*)	508,670,431	477,814,527
Demand deposits	144,566,383	1,329,735
Credit card receivables	38,495,264	133,893,699
Cash and cash equivalents	717,355,264	634,587,187

(*) The majority of time deposits have overnight maturities. The average interest rate in 2023 is 29,15%. (31 December 2022: 20,6%)

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3. CASH AND CASH EQUIVALENTS (Continued)

The maturity details of credit card receivables as of 30 June 2023 and 31 December 2022 are as follows:

	30 June 2023	31 December 2022
To be paid within 1 month	34,645,738	93,414,288
To be paid within 2 - 3 months	3,849,526	40,479,411
Total	38,495,264	133,893,699

4. BORROWINGS

	30 June 2023	31 December 2022
Financial leasing borrowings		
To be paid within 1 year	593,658	1,186,819
Present value of finance charges	(30,166)	(107,542)
Present value of finance lease obligations	563,492	1,079,277

Amounts due to settlement within 12 months

	30 June 2023	31 December 2022
Lease Liabilities		
To be paid within 1 year	204,665,623	107,701,597
Longer than one year	441,574,709	203,368,922
Present value of lease liabilities	646,240,332	311,070,519

	30 June 2023	31 December 2022
Lease Liabilities to related parties		
To be paid within 1 year	14,694,414	300,757
Longer than one year	45,388,747	755,028
Present value of lease liabilities	60,083,161	1,055,785

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4. BORROWINGS (Continued)

Financial lease movements	30 June 2023	30 June 2023
Balance at beginning of the year	1,079,277	2,037,609
Accrued interest	77,376	2,313,419
Paid	(593,161)	(2,799,555)
Closing balance	563,492	1,551,473

The discount ranges used for leases under TFRS 16 are as follows:

Currency	Discount range (%)	30 June 2023	
		Short-term (%)	Long-term (%)
TRY	12,21-53,49	12,21-45,36	16,38-53,49

Currency	Discount range (%)	31 December 2022	
		Short-term (%)	Long-term (%)
TRY	12,21-53,49	12,21-33,90	16,38-53,49

Financial leasing is related to the machine and equipment with the lease term of 4 years. The Group has the option of purchase on the machine and the equipment with lease period of 4 years. The liabilities of the Group are assured with the property right of the lessee on leased asset.

As of balance sheet date, net book value of the assets subjecting to the financial leasing is TRY 5,871,527 (31 December 2022: TRY 14,871,815)

As of contract dates, interest rates of financial leasing transactions are fixed for the entire leasing period. Average effective rate of contracts is 13,90% per annum (31 December 2022: 13,90%).

The amount of liability arising from leasing transactions is calculated over the future rents within the scope of the contract for the stores, warehouses and vehicles within the scope of the right to use and control within the scope of the new TFRS 16.

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5. TRADE RECEIVABLES AND PAYABLES

Current trade receivables	30 June 2023	31 December 2022
Trade receivables	460,870,096	444,580,493
Trade receivables from related parties (Note 23)	40,019,143	25,460,057
Notes receivable	1,785,434	387,834
Allowance for doubtful receivables (-)	(16,463,755)	(17,996,092)
Total current trade receivables	486,210,918	452,432,292

As of 30 June 2023, the average period for the sale of goods is 7,7 days (31 December 2022: 6,8 days).

Trade receivables are carried at amortized cost and are calculated over discount rate of 21,5% (31 December 2022: 11,19%).

The movement of the allowance for doubtful receivables as of 30 June 2023 and 30 June 2022 are as follows:

Movement of allowance for doubtful receivables	30 June 2023	31 December 2022
Balance at beginning of the year	(17,996,092)	(18,339,393)
Period expense	(299,008)	(2,660,975)
Amounts recovered during the year	1,831,345	1,253,738
Closing balance	(16,463,755)	(19,746,630)

Current trade payables	30 June 2023	31 December 2022
Trade payables	2,908,130,944	2,375,788,183
Trade payables to related parties (Note 23)	528,971,071	452,124,888
Total current trade payables	3,437,102,015	2,827,913,071

Average payment period for trade payables varies depending on the sector and suppliers, As of 30 June 2023, the average payment period, although varies as per the product categories is 62,5 days (31 December 2022: 63,5 days).

Trade payables are carried at amortized cost and are calculated over discount rate of 21,5% (31 December 2022: 11,19%).

Qualification and level of risks on trade receivables and trade payables explained in Note 24.

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6. OTHER RECEIVABLES AND PAYABLES

Short-term other receivables	30 June 2023	31 December 2022
Receivables from personnel	2,286,694	2,677,726
Non-trade receivables from third parties	14,026,666	-
	16,313,360	2,677,726
Long-term other receivables	30 June 2023	31 December 2022
Deposits and guarantees given	12,527,306	12,602,882
	12,527,306	12,602,882

7. INVENTORIES

	30 June 2023	31 December 2022
Trade goods	1,909,791,313	1,724,650,737
Other inventory	12,543,656	4,228,295
Provisions for inventories	(32,900,000)	(63,772,831)
	1,889,434,969	1,665,106,201
Inventory impairment provision movements	30 June 2023	31 December 2022
Beginning balance	(63,772,831)	(34,272,831)
Period expense	(10,850,000)	(63,772,831)
Cancellation of provision	41,722,831	34,272,831
	(32,900,000)	(63,772,831)

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8. PREPAID EXPENSES AND DEFERRED INCOMES

a) Prepaid Expenses

Short-term Prepaid Expenses	30 June 2023	31 December 2022
Advances given for inventories	144,310,362	65,357,837
Prepaid expenses for rent	-	10,735,443
Prepaid expenses for insurance	13,355,488	6,738,123
Other prepaid expenses	29,320,473	4,215,125
	186,986,323	87,046,528

b) Deferred Revenue

Short-term deferred revenue	30 June 2023	31 December 2022
Advances received	27,428,316	59,949,037
Other deferred revenue	2,966,102	-
	30,394,418	59,949,037
Long-term deferred revenue	30 June 2023	31 December 2022
Other deferred revenue	1,235,876	5,685,028
	1,235,876	5,685,028

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9. TANGIBLE ASSETS AND RIGHT OF USE ASSETS

a) Movements of tangible assets between 1 January 2023 and 30 June 2023 are as follows:

	<u>Furniture and Fixture</u>	<u>Other Tangible Fixed Assets</u>	<u>Leasehold Improvements</u>	<u>Total</u>
<u>Cost Value</u>				
Opening balance as of 1 January 2023	349,445,236	132,056,108	347,343,991	828,845,335
Additions	34,109,373	23,495,017	34,352,727	91,957,117
Disposals	(1,597,426)	(47,217)	-	(1,644,643)
Transfers	7,374,848	(12,539,454)	5,164,606	-
Closing balance as of 30 June 2023	389,332,031	142,964,454	386,861,324	919,157,809
<u>Accumulated Depreciation</u>				
Opening balance as of 1 January 2023	(163,452,919)	(23,523,384)	(110,871,364)	(297,847,667)
Period expense	(20,842,373)	(5,910,515)	(16,932,780)	(43,685,668)
Disposals	1,004,876	33,368	-	1,038,244
Closing balance as of 30 June 2023	(183,290,416)	(29,400,531)	(127,804,144)	(340,495,091)
Net book value as of 30 June 2023	206,041,615	113,563,923	259,057,180	578,662,718

As of 30 June 2023, TRY 38,558,339 of depreciation and amortization of tangible and intangible assets is included in marketing expenses and TRY 12,852,800 in general administrative expenses.

As of 1 January 2023 - 30 June 2023, there are no property, plant and equipment by financial lease.

There are no pledges or any other restrictions over tangible assets.

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9. TANGIBLE ASSETS AND RIGHT OF USE ASSETS (Continued)

a) Movements of tangible assets between 1 January 2022 and 30 June 2022 are as follows:

	<u>Furniture and Fixture</u>	<u>Other Tangible Fixed Assets</u>	<u>Leasehold Improvements</u>	<u>Total</u>
<u>Cost Value</u>				
Opening balance as of 1 January 2022	248,068,942	68,564,456	223,156,078	539,789,476
Additions	12,887,991	90,180,548	14,354,251	117,422,790
Transfers	323,011	(24,641,276)	24,318,265	-
Closing balance as of 30 June 2022	261,279,944	134,103,728	261,828,594	657,212,266
<u>Accumulated Depreciation</u>				
Opening balance as of 1 January 2022	(133,097,763)	(17,837,070)	(89,405,180)	(240,340,013)
Period expense	(11,804,156)	(3,451,700)	(10,861,127)	(26,116,983)
Closing balance as of 30 June 2022	(144,901,919)	(21,288,770)	(100,266,307)	(266,456,996)
Net book value as of 30 June 2022	116,378,025	112,814,958	161,562,287	390,755,270

Depreciation expense of TRY 25,514,918 has been charged in marketing sales and distribution expenses and TRY 7,463,569 in general administrative expenses,

As of 1 January 2022 - 30 June 2022, there are no property, plant and equipment by financial lease.

There are no pledges or any other restrictions over tangible assets.

Estimated useful lives of property, plant and equipment are as follows:

	<u>Useful Lives</u>
Furniture and fixture	2- 50 years
Other tangible fixed assets	2- 7 years
Leasehold improvements	2- 20 years

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9. TANGIBLE ASSETS AND RIGHT OF USE ASSETS (Continued)

b) Movements of right of use assets between 1 January 2023 and 30 June 2023 are as follows:

	<u>Stores</u>	<u>Vehicles</u>	<u>Warehouses</u>	<u>Total</u>
<u>Cost Value</u>				
Opening balance as of 1 January 2023	391,571,930	39,381,124	21,714,727	452,667,781
Additions	250,223,182	78,767,267	48,071,913	377,062,362
Disposals	(2,271,575)	-	-	(2,271,575)
Closing balance as of 30 June 2023	639,523,537	118,148,391	69,786,640	827,458,568
<u>Accumulated Depreciation</u>				
Opening balance as of 1 January 2023	(137,843,112)	(22,741,606)	(6,999,786)	(167,584,504)
Charge for the period	(40,474,247)	(14,653,379)	(1,354,263)	(56,481,889)
Disposals	2,271,575	-	-	2,271,575
Closing balance as of 30 June 2023	(176,045,784)	(37,394,985)	(8,354,049)	(221,794,818)
Net book value as of 30 June 2023	463,477,753	80,753,406	61,432,591	605,663,750

As of 30 June 2023, depreciation expense of TRY 54,431,646 has been charged in marketing sales and distribution expenses and TRY 2,050,243 in general administrative expenses.

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9. TANGIBLE ASSETS AND RIGHT OF USE ASSETS (Continued)

a) Movements of right of use assets between 1 January 2022 and 30 June 2022 are as follows:

	<u>Stores</u>	<u>Vehicles</u>	<u>Warehouses</u>	<u>Total</u>
<u>Cost Value</u>				
Opening balance as of 1 January 2022	267,885,911	30,937,079	9,292,826	308,115,816
Additions	65,258,056	7,768,938	7,568,204	80,595,198
Closing balance as of 30 June 2022	333,143,967	38,706,017	16,861,030	388,711,014
<u>Accumulated Depreciation</u>				
Opening balance as of 1 January 2022	(94,098,682)	(13,106,173)	(3,726,829)	(110,931,684)
Charge for the period	(22,336,151)	(5,715,308)	(1,640,088)	(29,691,547)
Closing balance as of 30 June 2022	(116,434,833)	(18,821,481)	(5,366,917)	(140,623,231)
Net book value as of 30 June 2022	216,709,134	19,884,536	11,494,113	248,087,783

As of 30 June 2022, depreciation expense of TRY 28,527,181 has been charged in marketing sales and distribution expenses and TRY 1,164,366 in general administrative expenses,

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10. INTANGIBLE ASSETS

Movements of intangible assets between 1 January 2022 - 30 June 2023 are as follows:

<u>Cost Value</u>	<u>Franchising Rights</u>	<u>Rights</u>	<u>Total</u>
Opening balance as of 1 January 2023	26,724,490	52,751,282	79,475,772
Additions	-	13,531,258	13,531,258
Closing balance as of 30 June 2023	26,724,490	66,282,540	93,007,030
<u>Accumulated Depreciation</u>			
Opening balance as of 1 January 2023	-	(33,332,938)	(33,332,938)
Charge for the period	-	(7,725,531)	(7,725,531)
Closing balance as of 30 June 2023	-	(41,058,469)	(41,058,469)
Net book value as of 30 June 2023	26,724,490	25,224,071	51,948,561

For intangible assets which have indefinite useful time, including brands, probable net cash flows cannot be calculated hence it cannot be predicted economic life of the asset with the analysis. Therefore, these assets are not amortised but the assets are tested for impairment test annually.

Discounted cash flow method has been used for the impairment calculations on franchise rights with unlimited lifespans. In the discounted cash flow study, a 5-year business plan has been prepared by the relevant management, 30,0% in 2023, 30,0% in 2024, 30,0% in 2025, 30,0% in 2026 and in 2027 30,0% discount rate and 15% growth rate were used.

As a result of the impairment analysis on franchise rights with the details listed above, no impairments have been found as of 30 June 2023 (31 December 2022: None).

All amortization expenses are included in general administrative expenses.

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10. INTANGIBLE ASSETS (Continued)

Movements of intangible assets between 1 January 2022 – 30 June 2022 are as follows:

<u>Cost Value</u>	<u>Franchising Rights</u>	<u>Rights</u>	<u>Total</u>
Opening balance as of 1 January 2022	26,724,490	48,932,758	75,657,248
Additions	-	1,036,100	1,036,100
Closing balance as of 30 June 2022	26,724,490	49,968,858	76,693,348
<u>Accumulated Depreciation</u>			
Opening balance as of 1 January 2022	-	(16,756,813)	(16,756,813)
Charge for the period	-	(6,861,504)	(6,861,504)
Closing balance as of 30 June 2022	-	(23,618,317)	(23,618,317)
Net book value as of 30 June 2022	26,724,490	26,350,541	53,075,031

Items of intangible assets are amortized on a straight-line basis over their useful lives.

	<u>Useful lives</u>
Rights	3- 5 year
Franchising rights	Unlimited

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11. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES, COMMITMENTS AND OBLIGATIONS

Current provisions	30 June 2023	31 December 2022
Provision for lawsuits	35,943,535	35,652,055
Provision for sales activities (*)	14,580,478	15,263,803
Provision for risky store (**)	2,812,822	2,812,822
Provision for invoice	8,980,312	4,924,871
Other provisions	8,424,476	6,891,091
	70,741,623	65,544,642

(*) Activity provisions consist of the money point campaign applications organized by the Group to support sales in the current period.

(**) Risky Store Provisions consist of the provisions set aside over store specific costs due to possible risks that may arise due to the Group's decision to close or move stores.

The movement of the legal case provision for the years ended 30 June 2023 and 30 June 2022 are as follows:

Provision for lawsuits movements:

	1 January- 30 June 2023	1 January- 30 June 2022
Opening balance	35,652,055	18,829,646
Charge for the period	291,480	9,883,970
Closing balance	35,943,535	28,713,616

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11. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES, COMMITMENTS AND OBLIGATIONS (Continued)

a) Guarantees Given

Deposits and Guarantees given	30 June 2023			31 December 2022		
	TRY Equivalent	TRY	USD	TRY Equivalent	TRY	USD
A. Total guarantees pledges and liens ("GPL") given in the legal name of the Group	-	-	-	-	-	-
B. Total GPL given in the name of fully consolidated companies	-	-	-	-	-	-
C. Total GPL given to manage trading operations of entity in the name of 3rd parties	-	-	-	-	-	-
D. Total - Other GPL given						
i. Total GPL given in the name of the parent (*)	286,064,443	283,740,364	90,000	262,725,040	75,212,429	10,028,324
ii. Total GPL given in the name of other Group	-	-	-	-	-	-
iii. Companies not included in article B and C not included in article C	-	-	-	-	-	-
Total	286,064,443	283,740,364	90,000	262,725,040	75,212,429	10,028,324

(*) With the syndication loan agreement signed with various Turkish banks on 12 April 2018, Yıldız Holding A.Ş. transferred most of the short-term bank loans belonging to its own and group companies to Yıldız Holding A.Ş. united under one roof. In this context, the non-cash loan debts that the Group is directly liable to banks are Yıldız Holding A.Ş. level and started to be followed as a debt to Yıldız Holding A.Ş. as of 8 June 2018. The Group does not have a total cash loan within this scope, and its non-cash loan is 90,000 USD + 283,740,364 TRY. There was no increase in the Group's total debt burden due to the syndicated loan; only non-cash risks Yıldız Holding A.Ş. level has been raised. At the same time, the Group has become a guarantor of Yıldız Holding A.Ş. as of the date of use of the loan, limited to the non-cash credit risk amount transferred to Yıldız Holding A.Ş. No pledge or collateral has been established on the Group's assets (immovables, ownership shares, etc.). Guarantee obligations will expire as a result of the payment of the guarantee amount during the syndication loan contract period, and there is no restriction or commitment in the contract that may adversely affect the Group's activities. The amount of the letter of guarantee given to the 3rd parties on behalf of the Group with the guarantee of Yıldız Holding, which rose to the level of Yıldız Holding, is TRY 286,064,443. (31 December 2022: 262,725,040 TRY).

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE 6-MONTH PERIOD ENDED 30 JUNE 2023

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

11. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES, COMMITMENTS AND OBLIGATIONS (Continued)

b) Lawsuits Filed by and Against the Group

Lawsuits filed by the Group:	30 June 2023	31 December 2022
Enforcement suits	18,723,705	19,234,000
Compensation suits	17,219,830	16,418,055
	35,943,535	35,652,055

12. LIABILITIES UNDER EMPLOYEE BENEFITS AND PROVISIONS RELATED TO EMPLOYEE BENEFITS

Short-term provisions	30 June 2023	31 December 2022
Due to personnel	42,158,257	57,079,579
Unused vacation provision	6,447,435	4,243,731
	48,605,692	61,323,310

Payables to employee benefits	30 June 2023	31 December 2022
Due to personnel	46,212,415	24,937,922
Social security premiums payable	49,751,160	30,053,094
Taxes and funds payable	8,779,015	13,377,147
	104,742,590	68,368,163

Long-term provisions	30 June 2023	31 December 2022
Provision for employment termination benefits	106,194,572	94,268,473
Provision for unused vacation	19,342,304	12,731,194
	125,536,876	106,999,667

The Group, according to the Turkish Business Laws, is required to provide an employee termination benefit to any worker who has worked for a minimum of one year and completed has retired after their 25th year of working (58 for females, 60 for males), terminated employees, employees that are drafted to the military or employees that have passed away.

The amount payable consists of one month’s salary limited to a maximum of TRY 23,489.83 for each period of service at 30 June 2023 (31 December 2022: TRY 15,371.40).

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12. LIABILITIES UNDER EMPLOYEE BENEFITS AND PROVISIONS RELATED TO EMPLOYEE BENEFITS (Continued)

The liability is not funded, as there is no funding requirement. The provision has been calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of employees. TAS 19 requires actuarial valuation methods to be developed to estimate the entity’s obligation under defined benefit plans. Accordingly, the following actuarial assumptions were used in the calculation of the total liability:

The main assumption is that the maximum liability amount for each year of service will increase in line with inflation. Therefore, the discount rate applied represents the expected real rate after adjusting for the effects of future inflation. Therefore, as of 30 June 2023, provisions in the financial statements are calculated by estimating the present value of the future probable obligation arising from the retirement of the employees. Provisions at the relevant balance sheet dates have been calculated using the real discount rate, which is approximately 1,50%, based on the assumptions of annual 17,64% inflation and 19,40% interest rate (31 December 2022: 1,50%). The maximum amount of TL 23,489.83 effective from 1 January 2023 has been taken into account in the calculation of the provision for employment termination benefits of the Group. The average probability of retirement is taken into account as 85,17%.

Movement of provision for employee termination benefits is as follows:

	1 January - 30 June 2023	1 January - 30 June 2022
Provision at 1 January	94,268,473	36,972,149
Service cost	6,042,627	12,752,391
Interest cost	8,840,962	654,464
Employment termination benefits paid	(45,735,262)	(3,254,519)
Actuarial loss	42,777,772	(787,623)
Provision at 30 June	106,194,572	46,336,862

Movement of unused vacation provision is as follows:

	1 January - 30 June 2023	1 January - 30 June 2022
Provision at 1 January	16,974,925	7,024,895
Increase in the period	14,943,981	12,319,979
Used in the period	(6,129,167)	(3,196,919)
Provision at 30 June	25,789,739	16,147,955

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12. LIABILITIES UNDER EMPLOYEE BENEFITS AND PROVISIONS RELATED TO EMPLOYEE BENEFITS (Continued)

Movement of performance premium provision is as follows:

	1 January - 30 June 2023	1 January - 30 June 2022
Provision at 1 January	57,079,579	25,945,932
Increase in the period	70,696,732	54,905,375
Paid in period	(85,618,054)	(34,694,379)
Provision at 30 June	42,158,257	46,156,928

13. OTHER ASSETS AND LIABILITIES

Other Current Liabilities	30 June 2023	31 December 2022
Taxes and funds payable	11,343,835	14,018,018
Other	1,791,613	-
	13,135,448	14,018,018

14. SHAREHOLDERS' EQUITY

The Company is subject to the registered capital system with registered share capital of TRY 200,000,000.

The Company's paid-in share capital as of 30 June 2023 and 31 December 2022 as follows:

Name of the Shareholders (*)	(%)	30 June 2023	(%)	31 December 2022
Yıldız Holding A.Ş.	55.19	33,111,291	55.19	33,111,291
Public quotation	44.81	26,888,709	44.81	26,888,709
	100	60,000,000	100	60,000,000

(*) It is organized according to the shareholding structure published on PDP and Central Registry Agency data.

The total number of ordinary shares authorized is 60,000,000 shares (31 December 2022: 60,000,000 shares) with a par value of TRY 1 per share.

Total of TRY 16,000,000 Group shares at nominal value, consisting the Group's shareholders interests amounting to TRY 14,000,000 at nominal value and additional sales rights, were offered to public and this transaction (no:6/62) has been registered in accordance with Article 4 of the Capital Market Board (the “CMB”) on 21 January 2011. The Group's shares have been trading on the İstanbul Stock Exchange since 3 February 2011.

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14. SHAREHOLDERS’ EQUITY (Continued)

Restricted Reserves

	30 June 2023	31 December 2022
Legal reserves	14,330,810	14,330,810
	14,330,810	14,330,810

Actuarial Loss Funds to Retirement Pay Provision

	30 June 2023	31 December 2022
Opening balance	(25,600,417)	(21,566,572)
Actuarial gain	(42,777,772)	(5,042,306)
Tax income related actuarial loss	8,555,555	1,008,461
Closing balance	(59,822,634)	(25,600,417)

Details of the retained earnings are as follows:

	30 June 2023	31 December 2022
Extraordinary reserves	113,956,032	113,956,032
Retained earnings	291,308,059	62,931,227
	405,264,091	176,887,259

The Board of Directors took a profit distribution decision for the year 2022 on May 4, 2023, and this decision was approved by the General Assembly on June 7, 2023 to distribute TL 50.000.000 of profit to be paid until the end of the year (no profit distribution decision for the year 2021 was taken).

15. REVENUE AND COST OF SALES

a) Revenue

	1 January - 30 June 2023	1 April - 30 June 2023	1 January - 30 June 2022	1 April - 30 June 2022
Domestic sales	9,977,975,207	5,218,864,675	5,663,802,680	3,275,759,684
<i>Tobacco</i>	1,568,505,988	940,962,439	975,979,523	567,642,158
<i>Non-</i>				
<i>Tobacco</i>	8,409,469,219	4,277,902,236	4,687,823,157	2,708,117,526
Sales returns (-)	(83,119,790)	(35,087,673)	(41,073,344)	(29,938,419)
Sales discounts (-)	(413,257,744)	(198,448,319)	(126,804,928)	(97,983,363)
	9,481,597,673	4,985,328,683	5,495,924,408	3,147,837,902

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15. REVENUE AND COST OF SALES (Continued)

b) Cost of Sales

	1 January - 30 June 2023	1 April - 30 June 2023	1 January - 30 June 2022	1 April - 30 June 2022
Tobacco	(1,527,410,075)	(916,712,513)	(931,545,271)	(544,824,276)
Non- Tobacco	(6,733,523,556)	(3,472,222,309)	(3,713,637,145)	(2,114,401,098)
	(8,260,933,631)	(4,388,934,822)	(4,645,182,416)	(2,659,225,374)

16. MARKETING AND GENERAL ADMINISTRATION EXPENSES

	1 January - 30 June 2023	1 April - 30 June 2023	1 January - 30 June 2022	1 April - 30 June 2022
Marketing expenses (-)	(795,651,346)	(395,896,998)	(453,487,055)	(254,516,254)
General administrative expenses (-)	(161,927,267)	(85,254,817)	(99,072,332)	(51,818,076)
	(957,578,613)	(481,151,815)	(552,559,387)	(306,334,330)

17. EXPENSES BY NATURE

The details of marketing expenses are as follows:

<u>The details of marketing expenses</u>	1 January – 30 June 2023	1 April – 30 June 2023	1 January – 30 June 2022	1 April – 30 June 2022
Personnel expenses	(406,954,239)	(197,045,535)	(243,264,472)	(137,200,914)
Amortization expenses (Note 9- 10)	(92,990,045)	(51,392,706)	(54,042,099)	(27,074,371)
Logistics expenses	(68,789,204)	(37,671,711)	(41,118,800)	(24,933,367)
Utility expenses (electricity,naturalgas,wateretc.)	(62,995,806)	(26,878,391)	(35,698,648)	(19,444,392)
Advertising expenses	(40,110,122)	(18,831,704)	(23,242,344)	(13,515,064)
Outsourcing expenses	(25,410,748)	(5,863,018)	(14,963,284)	(7,588,038)
Maintenance and repair expenses	(10,546,747)	(5,828,675)	(8,566,635)	(5,313,942)
Other marketing and selling expenses	(87,854,435)	(52,385,258)	(32,590,773)	(19,446,166)
	(795,651,346)	(395,896,998)	(453,487,055)	(254,516,254)

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17. EXPENSES BY NATURE (Continued)

The details of general administrative expenses are as follows:

<u>The details of general administrative expenses</u>	1 January – 30 June 2023	1 April – 30 June 2023	1 January – 30 June 2022	1 April – 30 June 2022
Personnel expenses	(63,430,358)	(33,625,601)	(34,680,605)	(19,467,735)
IT and Accountant expenses	(46,370,168)	(17,917,335)	(40,708,186)	(19,533,014)
Consultancy expenses	(22,420,275)	(17,319,982)	(8,137,203)	(3,662,072)
Amortization and depreciation expenses (Note 9, 10)	(14,903,043)	(6,988,382)	(8,627,935)	(5,279,683)
Outsourcing expenses	(6,267,633)	(3,667,468)	(3,386,445)	(2,221,498)
Travel expenses	(1,054,206)	(429,342)	(755,244)	(451,874)
Other general administrative expenses	(7,481,584)	(5,306,707)	(2,776,714)	(1,202,200)
	(161,927,267)	(85,254,817)	(99,072,332)	(51,818,076)

18. OTHER OPERATING INCOME/EXPENSES

a) The detail of other income related to operating activities is as follows:

	1 January - 30 June 2023	1 April - 30 June 2023	1 January - 30 June 2022	1 April - 30 June 2022
Finance income from credit sales	43,648,887	25,254,718	17,393,903	11,295,290
Rediscount income for trade receivables and payables	44,218,553	33,226,059	4,974,459	812,677
Foreign exchange gains	32,728,734	32,286,312	1,335,309	1,020,978
Provisions no longer required (Note 5)	1,831,345	(541,196)	1,253,738	63,059
Other income	3,859,570	2,446,839	10,762,545	8,219,463
	126,287,089	92,672,732	35,719,954	21,411,467

b) The detail of other expenses related to operating activities are as follows:

	1 January - 30 June 2023	1 April - 30 June 2023	1 January - 30 June 2022	1 April - 30 June 2022
Finance expense from credit purchase	(289,605,066)	(160,191,790)	(150,992,207)	(84,115,482)
Foreign exchange losses	(17,243,982)	(15,978,057)	(3,525,625)	(1,812,728)
Rediscount expense for trade receivables and payables	(12,577,401)	(10,039,123)	(720,636)	275,522
Provision for lawsuits expenses (Note 11)	(291,480)	3,622,189	(9,883,970)	(6,895,981)
Provision for doubtful receivables (Note 5)	(299,008)	(271,865)	(2,660,975)	(2,593,389)
Other expenses	(38,331,153)	(2,505,622)	(9,995,553)	(9,911,682)
	(358,348,090)	(185,364,268)	(177,778,966)	(105,053,740)

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19. INCOME AND EXPENSES FROM INVESTING ACTIVITIES

a) The detail of income related to investing activities is as follows:

	1 January - 30 June 2023	1 April - 30 June 2023	1 January - 30 June 2022	1 April - 30 June 2022
Interest income from non-trade receivables	66,570,181	37,989,548	31,058,459	16,247,641
Allowance for prepaid expenses	-	-	503,150	-
Other income	1,218,905	482,775	2,002,267	(2,294,610)
	67,789,086	38,472,323	33,563,876	13,953,031

b) The detail of expenses related to investing activities are as follows:

	1 January - 30 June 2023	1 April - 30 June 2023	1 January - 30 June 2022	1 April - 30 June 2022
Loss on sale of tangible assets	(78,102)	(63,828)	-	-
Loss on leasehold improvements of closed and moved stores	-	-	(700,303)	(700,303)
	(78,102)	(63,828)	(700,303)	(700,303)

20. FINANCIAL EXPENSES

	1 January - 30 June 2023	1 April - 30 June 2011	1 January - 30 June 2022	1 April - 30 June 2022
Interest on bank overdrafts and loans	(88,809,844)	(47,054,135)	(58,630,676)	(34,913,257)
Leasing operations financial expense	(68,160,812)	(43,181,831)	(30,818,975)	(16,642,017)
Interest expense for benefit obligations	(8,840,962)	(4,420,481)	(654,464)	(329,040)
Guarantee letter commission and other expenses	(3,130,540)	(1,628,455)	(3,510,756)	(3,136,801)
Other interest expense	(3,293,752)	(441,263)	-	-
	(172,235,910)	(96,726,165)	(93,614,871)	(55,021,115)

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21. TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

The Group recognizes deferred tax assets and liabilities for temporary timing differences arising from the differences between the tax base legal financial statements and the financial statements prepared in accordance with TAS. These differences are generally due to the fact that some income and expense items take place in different periods in tax base financial statements and financial statements prepared in accordance with TAS, and these differences are stated below.

In Turkey, provisional tax is calculated and accrued on a quarterly basis. At the stage of taxation of the corporate earnings for the 2023 accounting period as of the temporary tax periods, a provisional tax of 20% is calculated over the corporate earnings (2022: 23%). Losses can be carried forward for a maximum of 5 years, to be deducted from taxable profits in future years. However, the losses incurred cannot be deducted retrospectively from the profits of previous years.

Deferred tax assets/(liabilities)

	30 June 2023	31 December 2022
Restatement and depreciation/ amortization differences, of property, plant and equipment and other intangible assets	(97,298,779)	(112,027,982)
Discount on trade receivables and payables	21,588,829	13,957,107
Performance premiums and other social rights	-	(2,000,000)
Provision for unpaid vacation	(5,157,948)	(3,394,985)
Provision for doubtful receivable	(1,580,608)	(1,217,919)
Provision for lawsuit	(7,188,707)	(7,130,411)
Lease liabilities	(9,489,178)	(7,218,518)
Provision for employee termination benefits	(21,238,914)	(18,853,695)
Expense accruals	(9,278,055)	(17,941,349)
Financial losses	(54,479,010)	-
Other	(7,378,099)	(14,663,409)
	(191,500,469)	(170,491,161)

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21. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Continued)

Movement of deferred tax asset/(liabilities):

<u>Movement of deferred tax asset/(liabilities)</u>	1 January - 30 June 2023	1 January - 30 June 2022
Opening balance at 1 January	(170,491,161)	(37,441,309)
Charged to income statement	(12,453,753)	(15,028,858)
Charged to equity	(8,555,555)	(157,525)
Closing balance at 30 June	(191,500,469)	(52,627,692)

The Group is subject to corporate tax valid in Turkey. Necessary provisions have been made in the financial statements for the estimated tax liabilities of the Group regarding the current period operating results.

Corporation tax

The Group is subject to corporate tax valid in Turkey. Necessary provisions have been made in the accompanying financial statements for the estimated tax liabilities of the Group regarding the current period operating results.

The corporate tax rate to be accrued on taxable corporate income, the addition of non-deductible expenses from the tax base in the determination of business income, and the deduction of tax-exempt gains, non-taxable income and other deductions (past year losses, if any, and investment allowances used if preferred) calculated on.

There is no definitive and definitive agreement procedure for tax assessment in Turkey. Companies prepare their tax returns between April 1 and 25 of the year following the closing period of the relevant year (between 1 and 25 of the fourth month following the closing of the period for those with a special accounting period).

These declarations and the accounting records based on them can be reviewed and changed by the Tax Office within 5 years.

Provision for taxation as of 30 June 2023 and 31 December 2022 are as follows:

	30 June 2023	31 December 2022
Current period corporate tax provision	-	(19,576,110)
Corporate tax assets carried over from 2022	7,999,151	57,217,314
Tax liability in the balance sheet	7,999,151	37,641,204

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21. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Continued)

As of 30 June 2023 and 2022, tax charges are as follows:

	1 January - 30 June 2023	1 January - 30 June 2022
Current tax charge	-	(48,928,635)
Deferred tax income/(expense)	12,453,753	15,028,858
Tax charge	12,453,753	(33,899,777)

Reconciliation of taxation:

	1 January- 30 June 2023	1 January- 30 June 2022
Profit before tax	(73,500,498)	95,372,295
Tax expense ratio	20%	23%
Calculated tax	14,700,100	(21,935,628)
Effect of different tax rates	-	(540,417)
Non-deductible expenses	(2,246,347)	(11,423,732)
Tax charge	12,453,753	(33,899,777)

22. EARNINGS PER SHARE

A summary of the Company’s weighted average number of shares outstanding for the years ended 30 June 2023 and 2022 and computation of earnings per share set out here as follows:

	1 January - 30 June 2023	1 January - 30 June 2022
Basic earnings per share		
Weighted average number of ordinary shares outstanding during the period (in full)	60,000,000	60,000,000
Net income for the period	(61,046,745)	61,472,518
Earnings per share (TRY)	(1,017)	1,025

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23. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

a) The details of receivables from related parties are as follows:

	30 June 2023	31 December 2022
Trade receivable	40,019,143	25,460,057
	40,019,143	25,460,057

The detail of trade receivables is as follows:

	30 June 2023	31 December 2023
	Trade	Trade
Other Related Parties		
Future Teknoloji Ticaret A.Ş.	31,346,190	15,840,733
Aytaç Gıda Yatırım San. Tic. A.Ş.	2,810,380	6,510,264
Donuk Fırın Ür. San. ve Tic. A.Ş.	1,559,081	1,640,388
Ülker Çikolata Sanayi A.Ş.	1,204,228	54,469
Duru G2M Gıda Tarım ve Tem. Ürün. Dağ. Paz. San. A.Ş.	1,057,675	38,751
Ülker Ailesi ve Yönetim Kurulu Üyeleri	988,990	-
G2m Dağıtım Pazarlama ve Tic. A.Ş.	339,137	-
Adapazarı Şeker Fabrikası A.Ş.	176,289	-
Ülker Bisküvi San. A.Ş.	155,846	23,931
CCC Gıda San. ve Tic. A.Ş.	86,116	68,448
Dank Gıda San ve Ticaret A.Ş.	61,265	-
Azmüsebat Çelik Sanayi ve Tic. A.Ş.	48,839	5,052
Önem Gıda San. ve Tic. A.Ş.	45,623	77,122
Kerevitaş Gıda San. ve Tic. A.Ş.	42,970	-
Pendik Marina Yat ve Çekek İşletmesi A.Ş.	34,429	-
Şok Marketler Ticaret A.Ş.	16,345	-
E Star Global E-Ticaret Satış ve Paz. A.Ş.	13,348	32,310
Makina Tarım Endüstrisi A.Ş.	11,634	7,680
Beta Marina Liman Yatırımları A.Ş.	10,708	12,434
İzsal Gayrimenkul Geliştirme A.Ş.	9,465	-
Polinas Plastik San. Tic. A.Ş.	585	-
KV2K Perakende Müşteri Hizmetleri A.Ş.	-	993,301
Biskot Bisküvi Gıda San. Ve Tic. A.Ş.	-	154,874
Northstar Innovation A.Ş.	-	300
	40,019,143	25,460,057

Trade receivables from related parties is mainly composed of sales transactions and approximate maturity is 30 - 60 days. Non-trade receivables are loans given to related parties, and interest is received as quarterly based on effective market interest rate. The interest rate used in 2023 is 24-38% for TRY (31 December 2022: 19-28% for TRY).

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE 6-MONTH PERIOD ENDED 30 JUNE 2023

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

23. BALANCES AND TRANSACTIONS WITH RELATED PARTIED (Continued)

b) The details of payables to related parties are as follows:

	30 June 2023	31 December 2022
Trade Payables	528,971,071	452,124,888
	528,971,071	452,124,888

(*) The balance includes profit distribution commitment,

Payables to related parties are arised from purchases and approximately matured in between 30 and 60 days,

	30 June 2023 Trade	31 December 2022 Trade
Balances with related parties		
<i>Parent company</i>		
Yıldız Holding A.Ş.	1,463,625	6,401,557
<i>Other related parties</i>		
Horizon Hızlı Tüketim Ürün. Paz. Satış ve Dağıtım A.Ş.	314,769,653	232,107,557
Şok Marketler Ticaret A.Ş.	84,493,588	93,492,329
Kerevitaş Gıda San. ve Tic. A.Ş.	38,468,217	28,783,477
G2MEKSPER Satış ve Dağıtım Hizmetleri A.Ş.	23,412,674	18,821,554
Polinas Plastik San. Tic. A.Ş.	20,927,635	13,508,919
Yeni Teközel Markalı Ürünler Dağıtım Hizmetleri A.Ş.	20,054,738	8,690,652
Biskot Bisküvi Gıda San. ve Tic. A.Ş.	15,526,956	16,400,804
İzsal Bilgi Sistemleri ve Gayrimenkul Geliştirme A.Ş.	3,962,551	-
Ülker Çikolata Sanayi A.Ş.	2,411,556	-
Aytaç Gıda Yatırım San. Tic. A.Ş.	1,112,706	3,003,877
Sağlam İnşaat Taahhüt Tic. A.Ş.	754,784	560,922
Penta Teknoloji Ürünleri Dağıtım Tic. A.Ş.	661,193	408,587
İzsal Gayrimenkul Geliştirme A.Ş.	560,694	25,439,328
Kv2k Perakende Müşteri Hizmetleri A.Ş.	166,827	993,301
Pendik Marina Yat ve Çekek İşletmesi A.Ş.	112,728	64,419
Marsa Yağ San. ve Tic. A.Ş.	66,241	409,643
Beta Marina Liman Yat ve Çekek İşletmeciliği A.Ş.	28,754	46,106
Besler Gıda ve Kimya San. ve Tic. A.Ş.	15,862	-
Donuk Fırın. Ür. San. ve Tic. A.Ş.	89	-
Çayırovası İnşaat Taahhüt Tic. A.Ş.	-	2,358,847
Sun Doğal Gıda ve Ambalaj Sanayi A.Ş.	-	580,030
Dank Gıda San. ve Tic. A.Ş.	-	52,120
Adapazarı Şeker Fabrikası A.Ş.	-	859
	528,971,071	452,124,888

The Group's sales to related parties consist of turnover premium, service charge and sales of miscellaneous goods.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE 6-MONTH PERIOD ENDED 30 JUNE 2023

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

23. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

c) The detail of purchases from and sales to related parties is as follows:

Balances with related parties	1 January-30 June 2023		1 April-30 June 2023		1 January-30 June 2022		1 April-30 June 2022	
	Purchases	Sales	Purchases	Sales	Purchases	Sales	Purchases	Sales
<i>Parent company</i>								
Yıldız Holding A.Ş.	-	-	-	-	15,069,574	25,562,977	15,069,574	25,556,756
<i>Other Related Parties</i>								
Adapazarı Şeker Fabrikası A.Ş.	660,529	253,473	145,000	158,860	1,490,063	3,641	148,723	-
Aytaç Gıda Yatırım San. Tic. A.Ş.	24,589,418	14,382,555	17,718,000	11,151,237	1,595,577	56,234	249,917	-
Azmüsebat Çelik San. Tic. A.Ş.	454	63,722	454	27,804	-	8,607	(23,349,517)	(127,075)
Besler Gıda ve Kimya San. ve Tic. A.Ş.	64,287,000	-	23,315,507	-	54,178,151	135,682	54,178,151	119,194
Beta Marina Liman Yat ve Çekrek İşletmesi A.Ş.	-	68,973	-	68,973	6,450	16,488	(12,295,112)	(143,656)
Biskot Bisküvi Gıda San. ve Tic. A.Ş.	47,471,280	3,406,913	18,696,000	2,881,079	14,754,065	521,684	14,754,065	398,165
CCC Gıda San. ve Tic. A.Ş.	-	1,910,000	-	786,737	-	1,047,254	-	1,040,363
Çayırovası İnş. Taah. Tic. A.Ş.	-	-	-	-	1,273,956	-	-	-
Dank Gıda San. ve Tic. A.Ş.	-	94,995	-	(323,100)	21,131	6,891	21,073	(764,403)
Donuk Firm. Ür. San. ve Tic. A.Ş.	-	2,433,454	-	1,368,586	-	1,912,044	-	1,812,850
Duru G2M Gıda Tarım ve Tem. Ürün. Dağ. Paz. San. A.Ş.	-	129,000	-	(585,236)	-	99,194	-	99,194
E Star Global E Ticaret Satış ve Pazarlama A.Ş.	-	556,557	-	556,557	-	1,499,024	-	1,143,166
Future Teknoloji Ticaret A.Ş.	-	16,702,680	-	5,426,249	-	1,110,898	-	-
G2m Eksper Satış Dağıtım Hizm. A.Ş.	115,439,082	18,207,687	51,436,000	17,457,687	28,496,292	2,561,900	19,767,600	-
Gözde Girişim Sermayesi Yatırım Ortaklığı A.Ş.	-	-	-	-	-	-	(4,855,664)	(90,024)
Horizon Hızlı Tüketim Ürün Paz. Satış ve Dağıtım A.Ş.	763,623,000	1,678,387	318,693,932	1,678,387	374,666,738	3,714,674	374,666,738	3,689,892
İzsal Gayrimenkul Geliştirme A.Ş.	-	6,200	-	6,200	867,835	-	867,835	-
İstanbul Gıda Dış Tic. A.Ş.	-	18,498	-	4,668	-	-	-	-
Kereviş Gıda San. ve Tic. A.Ş.	41,331,573	1,839,393	17,430,000	1,839,393	14,861,392	90,024	14,861,392	88,755
Kerpe Gıda San. ve Tic. A.Ş.	-	420,393	-	420,393	-	-	-	-
Makina Takım Endüstrisi A.Ş.	-	73,701	-	22,882	-	41,052	-	24,676
Marsa Yağ San. ve Tic. A.Ş.	20,697	514,378	20,697	487,039	1,085,542	46,631	1,085,542	19,030
Most Bilgi Sistemleri Tic. A.Ş.	-	-	-	-	37,016,421	1,269	26,790,985	(56,356)
Northstar Innovation A.Ş.	-	-	-	-	-	-	-	(812,592)
Önem Gıda San. ve Tic. A.Ş.	-	677,004	-	214,077	-	20,295	-	(46,374)
Pasifik Tüketim Ürünleri Satış ve Tic. A.Ş.	-	-	-	-	-	-	-	(4,629,311)
Pendik Turizm Marina Yat ve Çekrek İşl. A.Ş.	-	88,080	-	88,080	226,721	16,376	226,721	(13,723)
Penta Teknoloji Ürünleri Dağıtım Tic. A.Ş.	-	3,077	-	3,077	8,219	27,601	8,219	2,489
Polinas Plastik San. Tic. A.Ş.	32,996,002	-	14,975,000	-	35,747,848	57,625	32,991,379	26,554
Reform Gıda Paz. San. Tic. A.Ş.	-	1,230,129	-	26,884	-	812,592	-	812,592
Sağlam İnşaat Taahhüt Tic. A.Ş.	-	8,820	-	8,820	1,351,329	66,669	1,267,258	66,088
Sun Doğal Gıda ve Ambalaj San. A.Ş.	-	-	-	-	389,949	-	-	-
Şok Marketler Ticaret A.Ş.	271,280,417	126,139	138,534,417	126,139	135,757,390	4,874	80,237,618	(639,825)
Ülker Ailesi ve Yönetim Kurulu Üyeleri	-	-	-	-	-	4,629,311	-	4,623,666
Ülker Bisküvi San. A.Ş.	-	1,460,670	-	223,518	-	780,183	-	(502,902)
Ülker Çikolata Sanayi A.Ş.	-	5,739,056	-	2,299,728	-	896,694	-	(1,017,424)
Yelken Yönetim Danışmanlık ve Servis Hizmetleri A.Ş.	-	-	-	-	-	1,319	-	1,319
Yeni Teközel Markalı Ürünler Dağıtım Hizmetleri A.Ş.	50,454,379	7,026	33,461,779	7,026	52,710,518	3,956	40,580,921	1,632
	1,412,153,831	72,100,960	634,426,786	46,431,744	771,575,161	45,753,663	637,273,418	30,682,716

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE 6-MONTH PERIOD ENDED 30 JUNE 2023

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

23. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

d) The detail of income and expenses pertaining to interest, rent and services arising from transactions with related parties is as follows:

1 January - 30 June 2023	Interest Income	Interest Expense	Rent Expense	Service Expense	Other Income	Other Expense
<i>Parent company</i>						
Yıldız Holding A.Ş.	58,834,235	(3,130,540)	-	(27,316,215)	-	-
<i>Other related parties</i>						
Aytaç Gıda Yatırım San. Tic. A.Ş.	-	-	-	-	506,474	-
Beta Marina Liman Yat ve Çekek İşletmeciliği A.Ş.	-	-	(60,018)	-	-	-
Clarastra Danışmanlık ve Yönetim A.Ş.	-	-	-	-	-	(228,000)
Continental Conficti	-	-	-	-	-	(1,431)
Çayırovası İnşaat Taahhüt Tic. A.Ş.	-	-	(2,390,000)	-	-	(4,065)
Dank Gıda San. ve Tic. A.Ş.	-	-	-	-	-	(316,462)
Duru G2M Gıda Tarım ve Tem. Ürün. Dağ. Paz. San. A.Ş.	-	-	-	-	-	(35,500)
G2MEKSPER Satış ve Dağıtım Hizmetleri A.Ş.	-	-	(479,209)	-	3,442,365	(251,740)
Horizon Hızlı Tüketim Ürünleri Paz. Sat. ve Dağ. A.Ş.	-	-	-	-	-	(150,000)
İhsaniye Danışmanlık ve Yönetim A.Ş.	-	-	-	-	-	(117,353)
İzsal Gayrimenkul Geliştirme A.Ş. (*)	-	-	-	(84,477,000)	-	-
Kerevitaş Gıda San. ve Tic. A.Ş.	-	-	-	-	-	(12,786)
Kökler Yatırım Holding A.Ş.	-	-	-	-	-	(820,000)
KV2K Perakende Müşteri Hizmetleri A.Ş.	-	-	-	-	169,284	-
Marsa Yağ San. ve Tic. A.Ş.	-	-	(193,773)	-	-	(197,351)
Pendik Turizm Marina Yat ve Çekek İşl. A.Ş.	-	-	(468,672)	-	-	(6,173)
Penta Teknoloji Ürünleri Dağıtım Tic. A.Ş.	-	-	-	-	-	(1,208,047)
Sağlam İnşaat Taahhüt Tic. A.Ş.	-	-	-	(2,030,899)	-	(4,051,426)
Sun Doğal Gıda ve Ambalaj Sanayi A.Ş.	-	-	(644,000)	-	-	-
Şok Marketler Ticaret A.Ş.	-	-	(41,259)	-	-	-
Şükran Danışmanlık ve Yönetim A.Ş.	-	-	-	-	-	(195,000)
	58,834,235	(3,130,540)	(4,276,931)	(113,824,114)	4,118,123	(7,595,334)

(*) Most Bilgi Sistemleri Tic. A.Ş. merged with İzsal Gıda.

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE 6-MONTH PERIOD ENDED 30 JUNE 2023

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

23. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

d) The detail of income and expenses pertaining to interest, rent and services arising from transactions with related parties is as follows:

1 April- 30 June 2023	Interest Income	Interest Expense	Rent Expense	Service Expense	Other Income	Other Expense
<i>Parent Company</i>						
Yıldız Holding A.Ş.	31,589,933	(1,628,455)	-	(14,532,730)	-	-
<i>Other Related Parties</i>						
Aytaç Gıda Yatırım San. Tic. A.Ş.	-	-	-	-	506,474	-
Beta Marina Liman Yat ve Çekek İşletmeciliği A.Ş.	-	-	(46,035)	(12,003)	-	-
Clarastra Danışmanlık ve Yönetim A.Ş.	-	-	-	-	-	(228,000)
Continental Conficti	-	-	-	-	-	(1,431)
Çayırovası İnşaat Taahhüt Tic. A.Ş.	-	-	(1,363,890)	-	-	395,534
Dank Gıda San. ve Tic. A.Ş.	-	-	-	-	-	45,536
Duru G2M Gıda Tarım ve Tem. Ürün. Dağ. Paz. San. A.Ş.	-	-	-	-	-	(65,500)
G2m Eksper Satış Dağıtım Hizm. A.Ş.	-	-	(479,209)	-	2,692,365	(251,740)
Horizon Hızlı Tüketim Ürünleri Paz, Sat. ve Dağ, A.Ş.	-	-	-	-	-	(150,000)
İhsaniye Danışmanlık ve Yönetim A.Ş.	-	-	-	-	-	(117,353)
İzsal Gayrimenkul Geliştirme A.Ş. (*)	-	-	-	(55,513,940)	-	-
Kerevitaş Gıda San. ve Tic. A.Ş.	-	-	-	-	-	(12,786)
Kökler Yatırım Holding A.Ş.	-	-	-	-	-	(820,000)
Marsa Yağ San. ve Tic. A.Ş.	-	-	(48,443)	-	-	(224,690)
Pendik Turizm Marina Yat ve Çekek İşl. A.Ş.	-	-	(105,488)	-	-	(6,173)
Penta Teknoloji Ürünleri Dağıtım Tic. A.Ş.	-	-	-	-	-	(861,628)
Sağlam İnşaat Taahhüt Tic. A.Ş.	-	-	-	-	-	(4,051,426)
Sun Doğal Gıda ve Ambalaj Sanayi A.Ş.	-	-	(316,569)	-	-	-
Şok Marketler Ticaret A.Ş.	-	-	(41,259)	-	-	-
Şükran Danışmanlık ve Yönetim A.Ş.	-	-	-	-	-	(195,000)
	31,589,933	(1,628,455)	(2,400,893)	(70,058,673)	3,198,839	(6,544,657)

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE 6-MONTH PERIOD ENDED 30 JUNE 2023

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

23. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

d) The detail of income and expenses pertaining to interest, rent and services arising from transactions with related parties is as follows:

1 January- June 2022	Interest Income	Interest Expense	Rent Expense	Service Expense	Other Income	Other Expense
Parent Company						
Yıldız Holding A.Ş.	25,556,756	-	-	(13,369,576)	-	(325,279)
Other related parties						
Aytaç Gıda Yatırım San. Tic. A.Ş.	-	-	-	-	39,222	-
Beta Marina Liman Yat ve Çekek İşletmeciliği A.Ş.	-	-	(6,450)	-	-	-
Çayırovası İnşaat Taahhüt Tic. A.Ş.	-	-	(938,317)	-	-	(335,639)
Dank Gıda San. ve Tic. A.Ş.	-	-	-	-	-	(21,131)
G2m Eksper Satış Dağıtım Hizm. A.Ş.	-	-	(6,352)	-	261,652	(2,136)
Horizon Hızlı Tüketim Ürünleri Paz. Sat. ve Dağ. A.Ş.	-	-	-	-	3,714,593	-
İzsal Gayrimenkul Geliştirme A.Ş.	-	-	(374,479)	-	-	(493,356)
Kerevitaş Gıda San. ve Tic. A.Ş.	-	-	-	-	41,625	-
Marsa Yağ San. ve Tic. A.Ş.	-	-	(56,228)	-	-	(34,671)
Most Bilgi Sistemleri Tic. A.Ş.	-	-	-	-	-	(37,016,421)
Pendik Marina Yat ve Çekek İşletmesi A.Ş.	-	-	(124,311)	-	-	(102,410)
Penta Teknoloji Ürünleri Dağıtım Tic. A.Ş.	-	-	-	-	-	(8,219)
Polinas Plastik San. Tic. A.Ş.	-	-	-	-	45,017	-
Sağlam İnşaat Taahhüt Tic. A.Ş.	-	-	-	-	66,240	(1,351,329)
Sun Doğal Gıda ve Ambalaj Sanayi A.Ş.	-	-	(389,949)	-	-	-
Şok Marketler Ticaret A.Ş.	-	-	(22,229)	-	-	-
	25,556,756	-	(1,918,315)	(13,369,576)	4,168,349	(39,690,591)

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE 6-MONTH PERIOD ENDED 30 JUNE 2023

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

23. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

d) The detail of income and expenses pertaining to interest, rent and services arising from transactions with related parties is as follows:

1 April - 30 June 2022	Interest Income	Rent Income	Rent Expense	Service Expense	Other Income	Other Expenses
<i>Parent company</i>						
Yıldız Holding A.Ş.	15,046,742	-	-	(6,774,626)	-	-
<i>Other related parties</i>						
Çayırovası İnşaat Taahhüt Tic. A.Ş.	-	-	(461,342)	-	-	(168,573)
İzsal Gayrimenkul Geliştirme A.Ş.	-	-	(370,072)	-	-	(167,191)
Most Bilgi Sistemleri Tic. A.Ş.	-	-	-	-	-	(18,647,522)
Sağlam İnşaat Taahhüt Tic. A.Ş.	-	-	-	-	-	(671,661)
Sun Doğal Gıda ve Ambalaj Sanayi A.Ş.	-	-	(218,362)	-	-	-
	15,046,742	-	(1,049,776)	(6,774,626)	-	(19,654,947)

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

CONDENSED INTERIM CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY - 30 JUNE 2023

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

23. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

e) Benefits provided to board members and key management personnel:

	1 January - 30 June 2023	1 April - 30 June 2023	1 January - 30 June 2022	1 April - 30 June 2022
Salaries and other short-term benefits	16,412,285	8,677,569	10,586,102	6,220,787
	16,412,285	8,677,569	10,586,102	6,220,787

24. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS

1) Foreign currency risk management

Transactions in foreign currencies expose the Company to foreign currency risk.

This risk mainly arises from fluctuation of foreign currency used in conversion of foreign assets and liabilities into Turkish Lira. Foreign currency risk arises as a result of trading transactions in the future and the difference between the assets and liabilities recognized. In this regard, the Company manages this risk with a method of netting foreign currency denominated assets and liabilities. The management reviews the foreign currency open position and provide measures if required.

The Company is mainly exposed to foreign currency risk in USD and EUR.

	30 June 2023			
	TRY Equivalent (Functional Currency)	USD	EUR	GBP
1. Trade receivables	135,862	4,292	889	-
2a. Monetary financial assets	426,423,214	1,458,042	13,806,943	1,566
2b. Non-monetary financial assets	-	-	-	-
3. Other	-	-	-	-
4. Current Assets	426,559,076	1,462,334	13,807,832	1,566
5. Trade receivables	-	-	-	-
6a. Monetary financial assets	746,356	18,000	10,000	-
6b. Non-monetary financial assets	-	-	-	-
7. Other	-	-	-	-
8. Non-Current Assets	746,356	18,000	10,000	-
9. Total Assets	427,305,432	1,480,334	13,817,832	1,566
10. Trade payables	14,538,257	134,329	392,246	-
11. Financial liabilities	-	-	-	-
12a. Other monetary financial liabilities	-	-	-	-
12b. Other non-monetary financial liabilities	-	-	-	-
13. Current Liabilities	14,538,257	134,329	392,246	-
14. Trade payables	-	-	-	-
15. Financial liabilities	-	-	-	-
16a. Other monetary financial liabilities	-	-	-	-
16b. Other non-monetary financial liabilities	-	-	-	-
17. Non-Current Liabilities	-	-	-	-
18. Total Liabilities	14,538,257	134,329	392,246	-
19. Net foreign currency liability position (9-18)	412,767,175	1,346,005	13,425,586	1,566
20. Net foreign currency asset/liability position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	412,767,175	1,346,005	13,425,586	1,566

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

CONDENSED INTERIM CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY - 30 JUNE 2023

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

24. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

1) Foreign currency risk management (Continued)

	31 December 2022			
	TRY Equivalent (Functional Currency)	USD	EUR	GBP
1. Trade Receivables	12,380	-	621	-
2a. Monetary Financial Assets	2,051,389	44,772	59,134	1,574
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	-	-	-	-
4. CURRENT ASSETS	2,063,769	44,772	59,755	1,574
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets	372,212	12,552	6,898	-
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	-	-	-	-
8. NON-CURRENT ASSETS	372,212	12,552	6,898	-
9. TOTAL ASSETS	2,435,981	57,324	66,653	1,574
10. Trade Payables	11,145,363	47,719	513,324	-
11. Financial Liabilities	-	-	-	-
12a. Other Monetary Financial Liabilities	-	-	-	-
12b. Other Non-Monetary Financial Liabilities	-	-	-	-
13. SHORT TERM LIABILITIES	11,145,363	47,719	513,324	-
14. Trade Payables	-	-	-	-
15. Financial Liabilities	-	-	-	-
16a. Other Monetary Financial Liabilities	-	-	-	-
16b. Other Non-Monetary Financial Liabilities	-	-	-	-
17. LONG TERM LIABILITIES	-	-	-	-
18. TOTAL LIABILITIES	11,145,363	47,719	513,324	-
19. Net foreign currency liability position (9-18)	(8,709,382)	9,605	(446,671)	1,574
20. Net foreign currency asset/liability position				
of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	(8,709,382)	9,605	(446,671)	1,574

Interest rate sensitivity

The Group is exposed to foreign exchange risk arising primarily from USD and EUR currency exposures. In the table below, the foreign currency sensitivity of the Group arising from 20% change in US dollar and TRY rates, 20% is the rate used when reporting to senior management of the Group. This rate is the anticipated rate change of the Group’s senior management. Sensitivity analysis includes only the monetary items in foreign currency at year end and shows the effect of 20% increase in US dollar and TRY foreign currency rates. Positive value implies the effect 20% increase in US dollar and TRY foreign currency.

	30 June 2023	
	Appreciation of foreign currency by 20%	Deppreciation of foreign currency by 20%
1- US Dollar net asset/liability	6,951,604	(6,951,604)
2- Part of hedged from US Dollar risk (-)	-	-
3- US Dollar net effect (1+2)	6,951,604	(6,951,604)
4- Other net assets/liabilities	75,607,065	(75,607,065)
5- Part of hedged from other risk (-)	-	-
6- Other net effect (4+5)	75,607,065	(75,607,065)

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24. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

1) Foreign currency risk management (Continued)

	31 December 2022	
	Appreciation of foreign currency by 20%	Deppreciation of foreign currency by 20%
1- US Dollar net asset/liability	35,919	(35,919)
2- Part of hedged from US Dollar risk (-)	-	-
3- US Dollar net effect (1+2)	35,919	(35,919)
4- Other net assets/liabilities	(1,773,789)	1,773,789
5- Part of hedged from other risk (-)	-	-
6- -Other net effect (4+5)	(1,773,789)	1,773,789

2) Interest rate risk management

Financial liabilities based on fixed and floating interest rates expose the Group to interest rate risk. The related risk is controlled by interest rate swap agreements and floating interest rate agreements by balancing the fixed and floating interest rate borrowings. Risk strategies are reviewed periodically considering the interest rate expectations and predetermined interest risks; which aims to establish optimum interest risk management regarding the balance sheet position and the interest expenses.

30 June 2023	Financial investments valued at amortized cost	Financial liabilities at amortized cost	Carrying value	Note
<u>Financial assets</u>				
Cash and cash equivalents	717,355,264	-	717,355,264	3
Trade receivables	446,191,775	-	446,191,775	5
Due from related parties	40,019,143	-	40,019,143	23
Other financial assets	28,840,666	-	28,840,666	6
<u>Financial liabilities</u>				
Lease liabilities	-	563,492	563,492	4
Leasing liabilities	-	646,240,332	646,240,332	4
Trade payables	-	2,908,130,944	2,908,130,944	5
Due to related parties	-	528,971,071	528,971,071	23
Other financial liabilities	-	167,878,038	167,878,038	12,13

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24. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

2) Interest rate risk management (Continued)

31 December 2022	Financial Assets at amortized cost	Financial Liabilities at amortized cost	Carrying value	Note
<u>Financial assets</u>				
Cash and cash equivalents	634,587,187	-	634,587,187	3
Trade receivables	426,972,235	-	426,972,235	5
Due from related parties	25,460,057	-	25,460,057	23
Other financial assets	15,280,608	-	15,280,608	6
<u>Financial liabilities</u>				
Lease liabilities	-	1,079,277	1,079,277	4
Leasing Liabilities	-	311,070,519	311,070,519	4
Trade payables	-	2,375,788,183	2,375,788,183	5
Due to related parties	-	452,124,888	452,124,888	23
Other financial liabilities	-	82,386,181	82,386,181	12 - 13

As of 30 June 2023 and 31 December 2022 the gross payment plan of the lease liabilities which are not discounted is as follows:

	30 June 2023					
	Net book value	Total contractual cash outflow	Less than 3 months	3 - 12 months	1 - 5 years	5 years and overs
Lease liabilities	646,240,332	1,459,697,666	61,931,638	166,348,198	659,580,689	571,837,141
Total	646,240,332	1,459,697,666	61,931,638	166,348,198	659,580,689	571,837,141
	31 December 2022					
	Net book value	Total contractual cash outflow	Less than 3 months	3 - 12 month	1 - 5 years	5 years and overs
Lease Liabilities	311,070,519	665,498,062	31,712,642	88,276,159	319,024,671	226,484,590
Total	311,070,519	665,498,062	31,712,642	88,276,159	319,024,671	226,484,590

3) Capital Risk Management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance.

The capital structure of the Group consists of debt, which includes the borrowings disclosed in Note 4, other receivables from related parties and other payables to related parties disclosed in Note 23, cash and cash equivalents disclosed in Note 3 and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings as disclosed in Note 14.

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24. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

3) Capital Risk Management (Continued)

Group management reviews capital based on the leverage ratio to be consistent with other companies in industry. This ratio is calculated as net debt divided by the total capital amount. Net debt is calculated as total liability amount (comprises of borrowings, other receivables from related parties and other payables to related parties and interest bearing other payables to non-related parties) less cash and cash equivalents. Total capital is calculated as shareholders' equity plus the net debt amount as presented in the consolidated balance sheet.

	30 June 2023	31 December 2022
Total financial payables and non-trade payables to related parties (*)	563,492	1,079,277
Negative: cash and cash equivalents	(717,355,264)	(634,587,187)
Net debt	(716,791,772)	(633,507,910)
Total equity (*)	383,006,485	519,304,773
Total equity	(333,785,287)	(114,203,137)

(*) TFRS 16 impact is not included.

25. EVENTS AFTER REPORTING DATE

21 of the "Law on the Amendment of Some Laws and Decree Law No. 375, With the Imposition of Additional Motor Vehicles Tax for the Compensation of Economic Losses Caused by the Earthquakes Occurring on 6/2/2023, which was published in the Official Gazette dated 15 July 2023 and numbered 32249. Pursuant to Article ., the first paragraph of Article 32 of the Corporate Tax Law No. 5520 has been amended as follows: "Corporate tax is collected at the rate of 25% on corporate income." Article 21 of the Law, starting from the declarations that must be submitted as of 1/10/2023; It entered into force on the date of its publication to be applied to the earnings of corporations in 2023 and the following taxation periods, and to the earnings of corporations subject to the special accounting period, to the special accounting period starting in the 2023 calendar year and the following taxation periods.

Considering the effective date of the law, the estimated financial impact expected to increase the deferred tax asset carried today is TRY 44,136,203.

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APPENDIX -1 OTHER INFORMATION

As a supportive information note not required by TFRS, it has been evaluated as important by the Group management to show its financial performance, and the calculation table of Earnings Before Interest, Amortization, Depreciation and Tax (EBITDA) and Earnings Before Interest, Depreciation, Amortization, Taxes and Lease Expenses (EBITDA) presented below. The Group calculates (EBITDA) amount by subtracting the period profit, tax expense, financing expenses and expenses from investment activities from the period loss amount in the profit or loss statement and adding the depreciation expense and amortization. EBITDA is prepared by adding other income expenses from operating activities to EBITDA. EBITDA amount is calculated by adding rental expenses to the EBITDA. EBITDA is not a measurement criterion under TFRS. In addition, it has been included in the figures before TFRS 16 to be comparable.

	Current Period	Prior Period
	1 January - 30 June 2023	1 January - 30 June 2022
NET PROFIT FOR THE YEAR (Without TFRS 16)	(52,071,642)	66,942,871
NET PROFIT FOR THE YEAR	(61,046,745)	61,472,518
Tax Expense (Without TFRS 16)	10,183,093	(33,899,777)
Tax Expense	12,453,753	(33,899,777)
PROFIT BEFORE TAX (Without TFRS 16)	(62,254,736)	100,842,648
PROFIT BEFORE TAX	(73,500,498)	95,372,295
Financial expenses (-) (without TFRS 16)	(104,075,098)	(63,512,604)
Financial expenses (-)	(172,235,910)	(93,614,871)
Income (expense) from investing activities	67,710,984	32,863,573
Amortization expense (without IFRS 16)	(51,411,199)	(32,722,262)
Amortization expense	(107,893,088)	(62,670,034)
Other expense from operating activities	(232,061,001)	(142,059,012)
ADJUSTED EBITDA (Without IFRS 16)	314,496,628	306,272,953
ADJUSTED EBITDA	370,978,517	360,852,639
Warehouse, center and shop lease expense (without TFRS 16)	90,473,441	56,470,539
Warehouse, center and shop lease expense	-	4,152,046
ADJUSTED EBITDAL (without TFRS 16)	404,970,069	362,743,492
ADJUSTED EBITDAL	370,978,517	365,004,685

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APPENDIX-1 OTHER INFORMATION (Continued)

Financial statements of the group excluding TFRS 16 Leasing Standard is applied are presented comparatively below:

	Current Period	Prior Period
	31 June	31 December
Assets	2023	2022
Current Assets	3,439,976,487	2,974,830,787
Cash and Cash Equivalents	717,355,264	634,587,187
Trade Receivables	486,210,918	452,432,292
Other Receivables	16,313,360	2,677,726
Inventories	1,889,434,969	1,665,106,201
Prepaid Expenses	193,805,510	94,813,702
Current tax-related assets	7,999,151	37,641,204
Other assets	128,857,315	87,572,475
Non-Current Assets	825,149,876	755,354,199
Other Receivables	12,527,306	12,602,882
Tangible Assets	578,662,718	530,997,668
Intangible Assets	51,948,561	46,142,834
Prepaid Expenses	-	2,338,172
Deferred Tax Assets	182,011,291	163,272,643
Total assets	4,265,126,363	3,730,184,986
	Current Period	Prior Period
LIABILITIES	30 June 2023	31 December 2022
Current Liabilities	3,755,347,125	3,098,195,518
Short-term Borrowings	625,339	1,079,277
Trade Payables	3,437,102,015	2,827,913,071
Liabilities for Employee Benefits	104,742,590	68,368,163
Deferred Revenue	30,394,418	59,949,037
Short-term Provisions	119,347,315	126,867,952
Other Current Liabilities	63,135,448	14,018,018
Non-Current Liabilities	126,772,753	112,684,695
Long-term Borrowings	125,536,876	106,999,667
Deferred Revenue	1,235,877	5,685,028
EQUITY	383,006,485	519,304,773
Shareholders' equity		
Share Capital	60,000,000	60,000,000
Treasury shares	(13,533,492)	(13,533,492)
Other Comprehensive/Expense not to be Reclassified Subsequently to Profit or Loss	(59,822,634)	(25,600,417)
Restricted Reserves Appropriated from Profits	14,330,810	14,330,810
Retained Earnings	434,138,161	201,146,515
Net Profit for the Year	(52,071,643)	282,991,646
Non-controlling interest	(34,717)	(30,289)
Total Liabilities	4,265,126,363	3,730,184,986

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APPENDIX-1 OTHER INFORMATION (Continued)

	Current Period	Prior Period
	1 January - 30 June 2023	1 January - 30 June 2022
Profit or loss		
Revenue	9,481,597,673	5,495,924,408
Cost of sales (-)	(8,260,933,631)	(4,645,182,416)
Gross profit	1,220,664,042	850,741,992
Marketing expenses (-)	(850,897,624)	(477,032,190)
General administrative expenses (-)	(163,596,039)	(100,159,111)
Other income from operating activities	126,287,089	35,719,954
Other expenses from operating activities (-)	(358,348,090)	(177,778,966)
Operating profit	(25,890,622)	131,491,679
Income from investing activities	67,789,086	33,563,876
Expenses from investing activities (-)	(78,102)	(700,303)
Profit before finance expenses	41,820,362	164,355,252
Financial expenses (-)	(104,075,098)	(63,512,604)
Profit before tax	(62,254,736)	100,842,648
Tax Expense	10,183,093	(33,899,777)
Current tax expense	-	(48,928,635)
Deferred tax income	10,183,093	15,028,858
Net Profit for the Year	(52,071,643)	66,942,871
NET PROFIT FOR THE YEAR		
Non-controlling interest	(4,428)	(3,632)
Equity holders of the parent	(52,067,215)	66,946,503
Earnings per share (TRY)	(0,868)	1,116
OTHER COMPREHENSIVE EXPENSE		
Items not to be reclassified to profit or loss	(34,222,217)	(630,098)
Defined benefit plans re-measurement gain / losses	(42,777,772)	(787,623)
Deferred tax (expense) / income on other comprehensive expense that will not be reclassified to profit or loss	8,555,555	157,525
TOTAL COMPREHENSIVE INCOME	(86,293,860)	66,312,773
Distribution of total other comprehensive income		
Non-controlling interest	(4,428)	(3,632)
Equity holders of the parent	(86,289,432)	66,316,405