

**CONVENIENCE TRANSLATION INTO ENGLISH OF CONSOLIDATED
FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH**

HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2021**

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

	Note	(Reviewed) Current Period	(Audited) Prior Period
	references	30 June 2021	31 December 2020
ASSETS			
Current Assets			
Cash and cash equivalents		13,482,699	4,591,178
Financial investments		107,308	104,565
Trade receivables			
-Trade receivables from related parties	19	186,911,882	169,376,055
-Trade receivables from non-related parties	5	51,027,545	53,441,846
Other receivables			
-Other receivables from related parties	19	-	8,328,313
-Other receivables from non-related parties		2,838,574	2,821,212
Inventories		19,300,986	17,577,262
Prepaid expenses		9,278,913	9,780,244
Other current assets		2,340,902	1,381,682
Total Current Asset		285,288,809	267,402,357
Non-current Assets			
Financial investments		313,923	313,923
Other receivables			
-Other receivables from non-related parties		10,134,379	9,604,087
Financial investments accounted for using the equity method			
Investment properties	6	158,571,359	156,248,359
Tangible assets	7	523,829,308	517,444,015
Intangible assets			
-Other intangible assets	8	11,445,757	11,445,797
Deferred tax asset	17	1,832,265	2,044,037
Other non-current assets		170,800	260,800
Total Non-current Assets		706,297,791	697,361,018
Total Assets		991,586,600	964,763,375

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

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	Note references	(Reviewed) Current Period 30 June 2021	(Audited) Prior Period 31 December 2020
LIABILITIES			
Current Liabilities			
Short-term lease liability	4		
-Lease payables to related parties		2,184,316	2.184.316
-Lease payables to others		3,338,402	3,480,863
Short-term portion of long-term borrowings			
Trade payables			
-Trade payables to related parties	19	128,024,972	74,509,525
-Trade payables to non-related parties	5	56,590,436	59,163,429
Employee benefit payables		14,114,980	6,883,329
Other payables			
-Other payables to non-related parties		16,784,511	5,422,700
Deferred income		4,608,412	6,353,389
Current income tax liabilities	17	194,593	305,755
Short-term provisions			
-Short-term provisions for employment benefits	9	43,133,606	31,590,195
-Other short-term provisions	9	16,964,402	17,051,578
Other short-term liabilities		15,280,254	12,340,127
Total Current Liabilities		301,218,884	219,285,206
Non-current liabilities			
Long-term lease liabilities	4		
-Lease payables to related parties		7,295,109	7,836,237
-Lease payables to others		3,910,122	5,184,568
Deferred income		1,649,522	1,034,238
Long-term provisions			
-Long-term provisions for employment benefits	11	65,262,688	57.141.651
Deferred tax liability		34,963,317	34,727,284
Other long-term liabilities	17	1,677,917	-
Total Non-Current Liabilities		114,758,675	105,923,978
Total Liabilities		415,977,559	325,209,184

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**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2021**

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

	Note references	(Reviewed) Current Period 30 June 2021	(Audited) Prior Period 31 December 2020
EQUITY			
Total Equity		575,609,041	639,554,191
Equity attributable to Equity holders of the parent company		578,351,012	641,415,420
Share capital	12	592,000,000	592,000,000
Inflation adjustment to share capital	12	77,198,813	77,198,813
Share premiums (discounts)		76,944	76,944
Other comprehensive income and expenses that will not be reclassified subsequently to profit or loss			
- Gain (loss) on remeasurement			
- Gain (loss) on revaluation of property	12	348,347,644	348,347,644
- Gain (loss) on remeasurement of defined benefit plans	12	(22,029,402)	(22,029,402)
Other comprehensive income and expenses that may be reclassified subsequently to profit or loss			
- Currency translation differences	12	63,154,201	76,554,966
Restricted reserves	12	117,176,268	117,176,268
Retained earnings/Accumulated deficit		(547,909,813)	(467,047,129)
Net profit (loss) for the period		(49.663.643)	(80,862,684)
Non-controlling interests		(2,741,971)	(1,861,229)
Total Liabilities and Equity		991,586,600	964,763,375

These condensed consolidated interim financial statements as at and for the period ended 30 June 2021 were approved by the Board of Directors on 19 August 2021.

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

**CONVENIENCE TRANSLATION INTO ENGLISH OF CONSOLIDATED
FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH**

HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE INTERIM PERIOD 1 JANUARY- 30 JUNE 2021**

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

	Note references	(Reviewed) Current Period 1 January - 30 June 2021	(Not Reviewed) Current Period 1 April - 30 June 2021	(Reviewed) Prior Period 1 January - 30 June 2020	(Not Reviewed) Prior Period 1 April - 30 June 2020
Sales	13	153,642,810	74,273,972	145,304,482	62,440,155
Cost of sales (-)	13	(158,357,457)	(83,136,383)	(143,487,776)	(71,924,400)
Gross profit (loss)		4,714,647	(8,862,411)	1,816,706	(9,484,245)
General administrative expenses (-)		(44,253,637)	(21,720,127)	(37,690,653)	(18,728,297)
Marketing expenses (-)		(34,718,172)	(19,289,950)	(28,415,446)	(14,368,284)
Other operating income		52,475,532	21,147,045	52,448,257	27,389,886
Other operating expenses (-)		(18,962,094)	(11,098,466)	(16,844,171)	(9,065,357)
Operating profit (loss)		(50,173,018)	(39,823,909)	(28,685,307)	(24,256,297)
Share of (gain) loss of investments accounted by the equity method		-	-	(2,882,401)	(1,910,643)
Income from investing activities	14	3,464,820	2,114,486	2,065,075	466,298
Expenses from investing activities (-)	15	(71,755)	-	(445,569)	(251,398)
Operating profit (loss) before finance income(expense)		(46,779,953)	(37,709,423)	(29,948,202)	(25,952,040)
Finance expenses (-)	16	(3,274,422)	(1,268,927)	(9,410,942)	(4,326,156)
Profit (loss) before tax from continuing operations		(50,054,375)	(38,978,350)	(39,359,144)	(30,278,196)
Tax income (expense) of continuing operations		797,117	(373,175)	3,869,778	2,143,837
Current tax income (expense)	17	(194,593)	(102,834)	(179,324)	(100,890)
Deferred tax income (expense)	17	991,710	(270,341)	4,049,102	2,244,727
Profit (loss) for the period from continuing operations		(49,257,258)	(39,351,525)	(35,489,366)	(28,134,359)
Profit (loss) for the period from discontinued operations		(538,761)	2,964,093	(11,949,722)	10,222,947
Net profit (loss) for the period		(49,796,019)	(36,387,432)	(47,439,088)	(17,911,412)
Allocation of net profit (loss) for the period					
Attributable to non-controlling interests		(132,376)	341,627	(706,752)	64,441
Attributable to equity holders of the parent company		(49,663,643)	(36,729,059)	(46,732,336)	(17,975,853)
Loss per share (TRY)					
Attributable to shareholders of the parent company (Losses)		(0,0839)	(0,0620)	(0,0789)	(0,0304)

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

**CONVENIENCE TRANSLATION INTO ENGLISH OF CONSOLIDATED
FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH**

HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.

**CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE
INCOME FOR THE INTERIM PERIOD 1 JANUARY- 30 JUNE 2021**

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

Note references	(Reviewed) Current Period 1 January - 30 June 2021	(Not Reviewed) Current Period 1 April - 30 June 2021	(Reviewed) Prior Period 1 January - 30 June 2020	(Not Reviewed) Prior Period 1 April - 30 June 2020
Other comprehensive income statement				
Net profit (loss) for the period	(49,796,019)	(36,387,432)	(47,439,088)	(17,911,412)
Other comprehensive income				
Other comprehensive income (expense) that will not be subsequently reclassified to profit and loss				
- Gain (loss) on revaluation of property	-	-	-	-
- Gain (loss) on revaluation for defined benefits	-	-	-	-
Taxes related to other comprehensive income (expense) that will not be subsequently reclassified to profit and loss				
- Gain (loss) on revaluation of property, tax effect	-	-	-	-
- Gain (loss) on revaluation for defined benefits, tax effect	-	-	-	-
Other comprehensive Income (expense) that will be subsequently reclassified to profit and loss				
- Currency translation differences	(14,149,131)	(7,099,281)	4,905,936	(12,942,604)
Other comprehensive income (expense)	(14,149,131)	(7,099,281)	4,905,936	(12,942,604)
Total comprehensive income (expense)	(63,945,150)	(43,486,713)	(42,533,152)	(30,854,016)
Allocation of total comprehensive Income (expense)				
Attributable to non-controlling interests	(880,742)	(308,063)	(846,081)	(437,751)
Attributable to shareholders of the parent company	(63,064,408)	(43,178,650)	(41,687,071)	(30,416,265)

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

CONVENIENCE TRANSLATION INTO ENGLISH OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE INTERIM PERIOD 1 JANUARY- 30 JUNE 2020

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

	Note references	Share capital	Inflation adjustment to share capital	Share premiums (discounts)	Other comprehensive Income (expense) that will be subsequently Reclassified to Profit or loss		Other comprehensive Income (expense) that will not be subsequently Reclassified to Profit or loss		Accumulated Profits		Equity attributable to shareholders		Non-controlling interests	Total equity
					Currency translation differences ⁽¹⁾	Gain (losses) on property revaluation	Gain (losses) on remeasurement of defined benefit plan	Restricted reserves ⁽²⁾	Retained earnings / (losses)	Net profit / (loss) for the period	of the parent company			
Balances at 1 January 2020	12	592,000,000	77,198,813	76,944	64,537,704	294,701,211	(23,594,600)	117,176,268	(417,649,879)	(49,397,250)	655,049,211	(468,912)	654,580,299	
Transfers		-	-	-	-	-	-	-	(49,397,250)	49,397,250	-	-	-	
Total comprehensive income / (expense)		-	-	-	5,045,265	-	-	-	-	(46,732,336)	(41,687,071)	(846,081)	(42,533,152)	
-Other comprehensive income (expense)		-	-	-	5,045,265	-	-	-	-	-	5,045,265	(139,329)	4,905,936	
-Net profit (loss) for the period		-	-	-	-	-	-	-	-	(46,732,336)	(46,732,336)	(706,752)	(47,439,088)	
Balances at 30 June 2020	12	592,000,000	77,198,813	76,944	69,582,969	294,701,211	(23,594,600)	117,176,268	(467,047,129)	(46,732,336)	613,362,140	(1,314,993)	612,047,147	
Balances at 1 January 2020	12	592,000,000	77,198,813	76,944	76,554,966	348,347,644	(22,029,402)	117,176,268	(467,047,129)	(80,862,684)	641,415,420	(1,861,229)	639,554,191	
Transfers		-	-	-	-	-	-	-	(80,862,684)	80,862,684	-	-	-	
Total comprehensive income / (expense)		-	-	-	(13,400,765)	-	-	-	-	(49,663,643)	(63,064,408)	(880,742)	(63,945,150)	
-Other comprehensive income (expense)		-	-	-	(13,400,765)	-	-	-	-	-	(13,400,765)	(748,366)	(14,149,131)	
-Net profit (loss) for the period		-	-	-	-	-	-	-	-	(49,663,643)	(49,663,643)	(132,376)	(49,796,019)	
Balances at 30 June 2021	12	592,000,000	77,198,813	76,944	63,154,201	348,347,644	(22,029,402)	117,176,268	(547,909,813)	(49,663,643)	578,351,012	(2,741,971)	575,609,041	

⁽¹⁾ In accordance with the board decision dated 22 November 2017 of Pronto Media Holding, which is located in Russia as the indirect subsidiary of Trader Media East Ltd. of which of the Group owns 97.29% shares, the Group decided to discontinue the digital operations within its body and impairment losses of such operations have been recognized under “discontinued operations” in the in statement of profit (loss). Additionally, currency translation differences recognized under equity attributable to TME activities will be transferred from equity to the statement of profit or loss when the necessary conditions are met.

⁽²⁾ In 2019, The transfer is subjected to the restricted reserves.

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HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE
INTERIM PERIOD 1 JANUARY – 30 JUNE 2021**

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

	Note Reference	(Reviewed) 1 January - 30 June 2021	(Reviewed) 1 January - 30 June 2020
CASH FLOWS FROM OPERATING ACTIVITIES		41,168,437	8,059,964
Net profit (loss) for the period		(49,796,019)	(47,439,088)
Profit (loss) from continuing operations		(49,257,258)	(35,489,366)
Profit (loss) from discontinued operations		(538,761)	(11,949,722)
Adjustments to reconcile profit (loss) for the period		47,064,871	54,128,474
Adjustments related to depreciation and amortization expenses	7,8	7,465,100	7,746,494
Adjustments related to impairment / (reversal)			
Adjustments related to impairment (reversal) of receivables	5	9,484	2,342,657
Adjustments related to provision for impairment of inventories		64,464	635,755
Adjustments related to impairment (reversal) of investment property	6	(1,071,009)	304,989
Adjustments related to provision			
Adjustments related to (reversal) of provision for employment benefits	9,11	20,799,866	11,886,507
Adjustments related to litigation and legal provisions (reversal)	9	1,692,278	8,539,687
Adjustment related to general provisions (reversals)		(197,011)	(111,686)
Adjustment related to other provisions (reversals)		(1,228,527)	(439,192)
Adjustments related to interest (income) expense			
Adjustments related to interest income		(127,126)	(118,468)
Adjustments related to interest expense	16	3,255,166	8,209,751
Deferred Financial Expense from Credit Purchases		17,109,786	12,704,865
Unearned Financial Income from Credit Sales		(4,256,294)	(931,319)
Adjustments related to undistributed profits of investments accounted at equity method			
Adjustments related to undistributed profits of associates	6	-	2,882,401
Adjustments related to tax (income) expense	17	(797,117)	(3,869,778)
Adjustments related to profit (loss) confirmation		4,345,811	4,345,811
Changes in working capital		45,107,060	3,883,722
Adjustments related to (increase) decrease in trade receivables			
(Increase) decrease in trade receivables from related parties		(17,535,827)	(46,177,007)
(Increase) decrease in trade receivables from third parties		(14,130,987)	4,889,830
Adjustments related to (increase) decrease in inventories		(1,705,129)	581,546
(Increase) decrease in prepaid expenses		501,331	57,498
Adjustments related to increase (decrease) in trade payables			
Increase (decrease) in trade payables to related parties		53,515,447	(731,694)
Increase (decrease) in trade payables to third parties		(2,572,993)	6,703,861
Increase (decrease) in payables related to employee benefits		7,231,651	8,697,120
Increase (decrease) in deferred income		(1,129,693)	(286,862)
Adjustments related to other increase (decrease) in working capital			
(Increase) decrease in other assets related to operating activities		6,911,441	35,446,436
Increase (decrease) in other liabilities related to operating activities		14,021,818	(5,297,006)

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INTERIM PERIOD 1 JANUARY – 30 JUNE 2021**

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

	Note Reference	(Reviewed) 1 January - 30 June 2021	(Reviewed) 1 January - 30 June 2020
Cash generated from operations		42,375,912	10,573,108
Employment benefits paid	9,11	(1,324,967)	(2,588,515)
Payments related to other provisions	9	(133,863)	(18,501)
Taxes returns (payments)	17	(305,755)	(169,198)
Other cash inflows (outflows)	5	557,110	263,070
CASH FLOWS FROM INVESTING ACTIVITIES		(4,062,827)	(1,368,689)
Cash inflows from sale of tangible and intangible assets		32,203	25,115
Cash outflows from purchase of tangible and intangible assets			
Cash inflows from sale of investment property	7	(3,800,906)	(1,512,272)
Cash outflows from purchases of investment property	8	(421,250)	-
Interests received		127,126	118,468
CASH FLOWS FROM FINANCING ACTIVITIES		(7,603,720)	(12,591,099)
Cash outflow from rent agreements		(4,345,811)	(4,345,811)
Interests paid	16	(3,255,166)	(8,209,751)
Other cash inflows (outflows)		(2,743)	(35,537)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE THE EFFECT OF EXCHANGE RATE CHANGES		29,501,890	(5,899,824)
Effects of currency translation rate changes on cash and cash equivalents		(20,610,369)	(1,678,231)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		8,891,521	(7,578,055)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		4,591,178	14,156,497
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		13,482,699	6,578,442

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