

**LİNK BİLGİSAYAR SİSTEMLERİ YAZILIMI VE DONANIMI
SANAYİ VE TİCARET ANONİM ŞİRKETİ**

FINANCIAL STATEMENTS FOR THE INTERIM PERIOD BETWEEN
JANUARY 01- JUNE 30, 2020 TOGETHER WITH
AUDITOR'S REVIEW REPORT

**LİNK BİLGİSAYAR SİSTEMLERİ YAZILIMI VE DONANIMI
SANAYİ VE TİCARET ANONİM ŞİRKETİ
FROM 1 JANUARY - 30 JUNE TO 2020 ACCOUNTING PERIOD
INDEPENDENT AUDITOR'S REVIEW REPORT ON FINANCIAL STATEMENTS**

**To the General Assembly of
Link Bilgisayar Sistemleri Yazılımı Ve Donanımı Sanayi Ve Ticaret A.Ş.**

Introduction

We have performed limited review for the accompanying financial statements of Link Bilgisayar Sistemleri ve Donanımı Sanayi ve Ticaret Anonim Şirketi ("the Company"), which comprise the related statement of financial position as of June 30, 2020 includes the statements of profit or loss for the six-month period ended on the same date, the statement of income and expense items accounted for under equity, the statement of cash flows, the statement of changes in equity, and a summary of significant accounting policies and other explanatory notes. Company management, interim mentioned condensed financial information of the Public Oversight Accounting and Auditing Standards Board ("POA") issued by Turkey Accounting Standard 34 "Interim Financial Reporting" Standard ("TAS 34") is responsible for the appropriate as preparation and presentation. Our responsibility is to report a conclusion regarding the interim summary financial information in question, based on our limited audit.

The Scope of Limited Review

The limited review which we performed, has been conducted in compliance with the limited review audit by the auditor who conducting the independent audit of the "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" (ISRE) 2410 "Interim Financial Information and Annual Financial Statements of the Company. The partial audit regarding to interim financial information consists of the questioning of the parties concerned, primarily those responsible for financial and accounting matters, and the application of analytical procedures and other partial audit procedures. Scope of partial audit of interim financial information; is significantly narrow in comparison with the scope of independent audit which is to present an opinion on the intent and the intended financial statements in accordance with the Independent Auditing Standards. As a result, partial audit of interim financial information does not provide assurance that the audit firm may be exposed to all significant aspects that may be identified in an independent audit. For this reason, we do not express an independent audit opinion.

Conclusion

We have performed limited review for the accompanying financial statements of Link Bilgisayar Sistemleri ve Donanımı Sanayi ve Ticaret Anonim Şirketi ("the Company"), which comprise the related statement of financial position as of June 30, 2020, includes the statements of profit or loss for the six-month period ended on the same date, the statement of income and expense items accounted for under equity, the statement of cash flows, the statement of changes in equity, and a summary of significant accounting policies and other explanatory notes.

According to our limited audit, we have not drawn any attention to the conclusion that the attached interim summary financial information is not prepared, in all material respects, in accordance with TAS 34 "Interim Financial Reporting" Standard.

The name of the engagement partner who supervised and concluded this audit is Özkan Cengiz.

İstanbul, 06 August 2020

HSY Danışmanlık ve Bağımsız Denetim Anonim Şirketi

Member, Crowe Global

Özkan Cengiz

Partner, CPA

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LİNK BİLGİSAYAR SİSTEMLERİ YAZILIMI VE DONANIMI SANAYİ VE TİCARET ANONİM ŞİRKETİ
AS OF JUNE 30, 2020 REVIEWED FINANCIAL POSITION STATEMENT (BALANCE SHEET)

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

	Notes	Current Period Reviewed 30.06.2020 TRY	Prior Period Audited 31.12.2019 TRY
ASSETS		44.244.862	40.421.992
CURRENT ASSETS		34.221.364	31.091.224
Cash and Cash Equivalents	51	30.017.820	23.785.106
Trade Receivables	7	4.065.948	7.169.715
- Other Trade Receivables	7	4.065.948	7.169.715
Other Receivables	9	35.967	37.267
- Other Receivables	9	35.967	37.267
Inventories	10	49.705	17.169
Prepaid Expenses	12	51.924	51.948
- Other Prepaid Expenses	12	51.924	51.948
Other Current Assets	29	--	30.019
TOTAL CURRENT ASSETS		34.221.364	31.091.224
NON-CURRENT ASSETS		10.023.498	9.330.768
Other Receivables	9	344	344
- Other Receivables	9	344	344
Investment Properties	13	2.750.000	2.750.000
Tangible Assets	14	411.949	115.233
Intangible Assets	17	6.858.274	6.461.994
Other Intangible Assets	17	6.858.274	6.461.994
Prepaid Expenses	12	2.931	3.197
- Other Prepaid Expenses	12	2.931	3.197
TOTAL NON-CURRENT ASSETS		10.023.498	9.330.768
TOTAL ASSETS		44.244.862	40.421.992

The accompanying accounting policies and notes from an integral part of these financial statements.

LİNK BİLGİSAYAR SİSTEMLERİ YAZILIMI VE DONANIMI SANAYİ VE TİCARET ANONİM ŞİRKETİ
AS OF JUNE 30, 2020 REVIEWED FINANCIAL POSITION STATEMENT (BALANCE SHEET)

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

	Notes	Current Period Reviewed 30.06.2020 TRY	Prior Period Audited 31.12.2019 TRY
LIABILITIES		44.244.862	40.421.992
Short-Term Liabilities		2.344.637	3.400.282
Trade Payables	7	408.639	511.261
- Other Trade Payables	7	408.639	511.261
Liabilities Under Employee Benefits	27	616.225	957.143
Other Payables	9	668.591	849.615
- Other Payables	9	668.591	849.615
Deferred Income	12	179.300	165.801
- Other Deferred Income	12	179.300	165.801
Tax liabilities for The Period Profit	38	471.882	916.462
Total Short-Term Liabilities		2.344.637	3.400.282
Long-Term Liabilities		2.618.224	2.313.120
Long-Term Provisions	25	2.510.908	2.286.208
- Long-Term Provisions for Employee Benefits	25	2.510.908	2.286.208
Deferred Tax Liabilities	38	107.316	26.912
Total Long-Term Liabilities		2.618.224	2.313.120
EQUITY		39.282.001	34.708.590
Parent Company Shareholder's Equity		39.282.001	34.708.590
Paid in Capital	30	5.500.000	5.500.000
Differences in Capital Adjustment	30	4.178.483	4.178.483
Accumulated Other Comprehensive Income/(Expenses) That Will Not Be Reclassified in Profit or Loss Statement	30	722.629	668.074
- Revaluation and Measurement Gains (Losses)	30	722.629	668.074
- Revaluation of Intangible Assets (Impairment)	30	1.728.151	1.728.151
- Defined Benefit Plans Re-Measurement Gains (Losses)	30	(1.005.522)	(1.060.077)
Reserves on Retained Earnings	30	892.011	892.011
Accumulated Profit/Losses	30	23.526.713	16.023.679
Net Profit/Loss for The Period	39	4.462.165	7.446.343
Total Equity		39.282.001	34.708.590
TOTAL EQUITY AND LIABILITIES		44.244.862	40.421.992

The accompanying accounting policies and notes from an integral part of these financial statements.

LİNK BİLGİSAYAR SİSTEMLERİ YAZILIMI VE DONANIMI SANAYİ VE TİCARET ANONİM ŞİRKETİ
REVIEWED INCOME STATEMENT FOR THE PERIOD BETWEEN JANUARY 01 – JUNE 30,2020

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

	Notes	Current Period Reviewed 01.01.2020 30.06.2020 TRY	Current Period 01.04.2020 30.06.2020 TRY	Prior Period Reviewed 01.01.2019 30.06.2019 TRY	Prior Period 01.04.2019 30.06.2019 TRY
Revenue	31	7.630.847	4.514.640	4.451.612	2.177.872
Cost of Sales (-)	31	(1.387.407)	(773.439)	(1.022.007)	(527.632)
GROSS PROFIT/LOSS FROM COMMERCIAL ACTIVITIES		6.243.440	3.741.201	3.429.605	1.650.240
GROSS PROFIT/LOSS		6.243.440	3.741.201	3.429.605	1.650.240
General Administrative Expenses (-)	28	(1.832.333)	(801.539)	(1.323.390)	(468.030)
Marketing Expenses (-)	28	(1.270.046)	(648.672)	(1.196.007)	(612.839)
Research and Development Expenses (-)	28	(1.147.004)	(587.818)	(912.568)	(468.927)
Other Income from Operations	34	127.142	20.680	205.496	(46.711)
Other Expenses from Operations (-)	34	(69.059)	(42.088)	(59.303)	(6.828)
OPERATING PROFIT/LOSS		2.052.140	1.681.764	143.833	46.905
Income from Investing Activities	35	315.953	207.160	528.783	386.779
OPERATING PROFIT/LOSS BEFORE FINANCIAL INCOME/EXPENSES		2.368.093	1.888.924	672.616	433.684
Financial Income	36	3.671.988	1.699.664	1.793.494	556.824
Financial Expenses (-)	36	(611.768)	(525.425)	(66.374)	(16.094)
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS		5.428.313	3.063.163	2.399.736	974.414
Continuing Operations Tax Income/(Expense)		(966.148)	(538.209)	(208.928)	(51.316)
-Tax Income/(Expense) for The Period	38	(899.732)	(493.594)	(102.730)	30.889
-Deferred Tax Income /(Expense)	38	(66.416)	(44.615)	(106.198)	(82.205)
PROFIT/(LOSS) CONTINUING OPERATIONS FOR THE PERIOD		4.462.165	2.524.954	2.190.808	923.098
PROFIT/(LOSS) FOR THE PERIOD		4.462.165	2.524.954	2.190.808	923.098
Profit (Loss) for The Period Distribution		4.462.165	2.524.954	2.190.808	923.098
-Parent Company Shares		4.462.165	2.524.954	2.190.808	923.098
Earnings Per Share		0,81	0,46	0,40	0,17
-Earnings (Loss) Per Share for Continuing Operations	39	0,81	0,46	0,40	0,17
PROFIT/(LOSS) FOR THE PERIOD		4.462.165	2.524.954	2.190.808	923.098
OTHER COMPREHENSIVE INCOME	37	54.555	--	(79.348)	(79.348)
Items that will not be reclassified subsequently to profit or loss		54.555	--	(79.348)	(79.348)
Defined Benefit Plans Re-Measurement Gains (Losses)	37	69.942	--	(101.728)	(101.728)
Taxes Which Will Not Be Reclassified in Profit or Loss, Related to Other Comprehensive Income	37	(15.387)	--	22.380	22.380
- Deferred Tax Expense/Income	37	(15.387)	--	22.380	22.380
OTHER COMPREHENSIVE INCOME		54.555	--	(79.348)	(79.348)
TOTAL COMPREHENSIVE INCOME (EXPENSES)		4.516.720	2.524.954	2.111.460	843.750
-Parent Company Shares		4.516.720	2.524.954	2.111.460	843.750

The accompanying accounting policies and notes from an integral part of these financial statements.

LİNK BİLGİSAYAR SİSTEMLERİ YAZILIMI VE DONANIMI SANAYİ VE TİCARET ANONİM ŞİRKETİ
REVIEWED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD BETWEEN JANUARY 01 – JUNE 30, 2020

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

	Notes	Paid in Capital	Capital Adjustment Differences	Revaluation and Measurement Gains (Losses)		Accumulated Profit			Parent Shareholders' Equity	Total Equity
				Tangible Assets Revaluation (Losses)	Defined Benefit Plans Re-Measurement Gains (Losses)	Restricted Reserves	Retained Earnings	Net Profit/Loss for The Period		
CURRENT PERIOD										
January 1, 2020 (Beginning of The Period)	30	5.500.000	4.178.483	1.728.151	(1.060.077)	892.011	16.023.679	7.446.343	34.708.590	34.708.590
Changes in Accounting Policies		--	--	--	--	--	--	--	--	--
Adjustments in Errors		--	--	--	--	--	--	--	--	--
Other Adjustments		--	--	--	--	--	--	--	--	--
Balance After Adjustments	30	5.500.000	4.178.483	1.728.151	(1.060.077)	892.011	16.023.679	7.446.343	34.708.590	34.708.590
Transfers		--	--	--	--	--	7.446.343	(7.446.343)	--	--
Total Comprehensive Income (Expense)	37,39	--	--	--	54.555	--	--	4.462.165	4.516.720	4.516.720
- Profit/(Loss) For The Period	39	--	--	--	--	--	--	4.462.165	4.462.165	4.462.165
- Other Comprehensive Income (Expense)	37	--	--	--	54.555	--	--	--	54.555	54.555
Increase/(Decrease) for Other Adjustments		--	--	--	--	--	56.691	--	56.691	56.691
December 30, 2020 (Ending of The Period)	30	5.500.000	4.178.483	1.728.151	(1.005.522)	892.011	23.526.713	4.462.165	39.282.001	39.282.001
January 1, 2019 (Beginning of The Period)	30	5.500.000	4.178.483	--	(980.730)	492.616	10.926.208	7.244.222	27.360.799	27.360.799
Changes in Accounting Policies		--	--	--	--	--	--	--	--	--
Adjustments in Errors		--	--	--	--	--	--	--	--	--
Other Adjustments		--	--	--	--	--	--	--	--	--
Balance After Adjustments	30	5.500.000	4.178.483	--	(980.730)	492.616	10.926.208	7.244.222	27.360.799	27.360.799
Transfers		--	--	--	--	334.555	6.909.667	(7.244.222)	--	--
Total Comprehensive Income (Expense)	37,39	--	--	--	(79.347)	--	--	2.190.808	2.111.461	2.111.461
- Profit/(Loss) For The Period	39	--	--	--	--	--	--	2.190.808	2.190.808	2.190.808
- Other Comprehensive Income (Expense)	37	--	--	--	(79.347)	--	--	--	(79.347)	(79.347)
December 30, 2019 (Ending of The Period)	30	5.500.000	4.178.483	--	(1.060.077)	827.171	17.835.875	2.190.808	29.472.260	29.472.260

The accompanying accounting policies and notes from an integral part of these financial statements.

LİNK BİLGİSAYAR SİSTEMLERİ YAZILIMI VE DONANIMI SANAYİ VE TİCARET ANONİM ŞİRKETİ
REVIEWED STATEMENT OF CASH FLOWS FOR THE PERIOD BETWEEN JANUARY 01 – JUNE 30, 2020
(Amounts expressed in Turkish Lira ("TRY") unless otherwise stated.)

		Current Period Reviewed 01.01.2020 30.06.2020 TRY	Prior Period Reviewed 01.01.2019 30.06.2019 TRY
A. CASH FLOWS PROVIDED BY OPERATING ACTIVITIES		7.809.530	5.083.772
Profits (Losses) for The Period (+/-)		4.462.165	2.190.808
- Profit (Loss) from Continuing Operations	39	4.462.165	2.190.808
Net Profit (Loss) Reconciliation Related Adjustments		1.191.791	(141.390)
Adjustments for Depreciation and Amortization	13-17	1.129.039	900.459
Adjustments for Impairment (Reversal) (+/-)	7	--	11.695
- Adjustments for Impairment (Reversal) on Receivables	7	--	11.695
Adjustments for Provisions (+/-)	25	279.255	(239.286)
-Adjustments for Provisions for Employee Benefits (Reversal)	25	279.255	(239.286)
Adjustments for Interest Income and Expenses (+/-)	36	(162.006)	(710.358)
-Adjustments for Interest Income	36	(264.035)	(654.311)
-Adjustments for Interest Expenses	36	153.716	61.783
-Deferred Financing Costs Arising from The Term Purchase	34	61.291	37.298
-Unearned Finance Income Arising from Forward Sales	34	(112.978)	(155.128)
Adjustments for Tax Revenue/Expenditure	38	80.404	83.967
Adjustments for Losses (Earnings) Arising From Disposal of Fixed Assets	13-17	(134.901)	(86.139)
-Adjustments for Losses (Earnings) Arising From Disposal of Tangible Assets		(134.901)	(86.139)
Adjustments for Profit (Loss) Reconciliation		--	(101.728)
Changes in Working Capital		2.600.154	3.264.187
Adjustments for Increase/Decrease in Trade Receivables	7	3.042.476	3.343.562
- Increase/Decrease in Other Trade Receivables	7	3.042.476	3.343.562
Adjustments for Increase/Decrease in Other Receivables Related with Activities	9	1.300	90.557
- Increase/Decrease in Other Receivables Related with Activities from Other Parties	9	1.300	90.557
Adjustments for Increase/Decrease in Inventories	10	(32.536)	(12.470)
Increase/Decrease in Prepaid Expenses	12	290	(7.176)
Adjustments for Increase/Decrease in Trade Payables	7	10.356	107.439
- Increase/Decrease in Trade Payables from Other Parties	7	10.356	107.439
Increase/Decrease in Payables as Part of Employee Benefits	27	(340.918)	169.654
Adjustments for Increase/Decrease in Other Payables Related with Activities	9	(181.024)	(497.423)
-Increase/Decrease in Other Payables Related with Activities to Other Parties	9	(181.024)	(497.423)
Increase/Decrease in Deferred Income	12	13.499	9.595
Adjustments on Other Increase/Decrease in Realized Working Capital	29	86.711	60.449
- Increase/Decrease in Other Assets Related with Activities	29	30.019	--
- Increase/Decrease in Other Liabilities Related with Activities	29	56.692	60.449
The Cash Flow Generated from Operations (+/-)		8.254.110	5.313.605
Tax Refunds (Payments)	38	(444.580)	(229.833)
B. CASH FLOW FROM INVESTING ACTIVITIES		(1.687.135)	(1.316.060)
Cash Inflows for Sales Tangible and Intangible Assets	13-17	134.901	150.221
- Cash inflows arising from The Sale of Tangible Assets	13	134.901	150.221
Cash Outflows for Purchasing Tangible and Intangible Assets	13-17	(1.822.036)	(1.466.281)
- Cash Outflows for Purchasing Tangible Assets	13	(320.814)	--
-Cash Outflows for Purchasing Intangible Assets	17	(1.501.222)	(1.466.281)
C. CASH FLOWS PROVIDED BY FINANCING ACTIVITIES		62.019	354.306
Interest Paid		(153.716)	(61.783)
Interest Received		215.735	416.089
NET INCREASE/(DECREASE) CASH AND CASH EQUIVALENTS BEFORE FOREIGN CURRENCY		6.184.414	4.122.018
NET INCREASE/(DECREASE) CASH AND CASH EQUIVALENTS (A+B+C+D)		6.184.414	4.122.018
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		23.785.106	18.020.039
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (A+B+C+D+E)		29.969.520	22.142.057

The accompanying accounting policies and notes from an integral part of these financial statements

NOTE 1– ORGANIZATION AND NATURE OF OPERATIONS

- **General Information**

Link Bilgisayar Sistemleri Yazılımı ve Donanımı Sanayi ve Ticaret A.Ş. ("Company") was established in İstanbul on 07.01.1985. A certain part of the company's shares (31,00%) are traded on Borsa İstanbul (BIST). Company's address: 'Kısıklı Caddesi No:2 Ak İş Merkezi A Blok Kat:2 Altunizade Üsküdar 34662 İstanbul

Link Bilgisayar Sistemleri Yazılımı ve Donanımı Sanayi ve Ticaret A.Ş., is engaged in software, marketing, sales, consultancy and training activities.

Company's address, trade register, tax office, tax number and communication details are explained in below:

Official address: Kısıklı Caddesi No:2 Ak İş Merkezi A Blok Kat:2 Altunizade / İstanbul
Trade register number: 209892
Tax office: Üsküdar Vergi Dairesi
Tax number: 6090006829
Phone - Fax: 0216 522 00 00– Faks: 0216 474 10 92
Website: <http://www.link.com.tr/>

As of 30 June 2020, the number of staff working in the Company is 48 (December 31, 2019: 45)

- **The Structure of Capital**

The Company's capital is TRY 5.500.000. The capital of the company is divided into 550.000.000 bearer shares of which 68.640.375 A group shares, 107.266.000 B group shares, 374.093.625 C group shares, each with a nominal value of TL 0.01. (31 December 2019: 550.000.000 bearer shares of which 68.640.375 A group shares, 107.266.000 B group shares, 374.093.625 C group shares, each with a nominal value of TRY 0.01.)

The name with share capital of the company is explained in below:

Shareholders	Share ratio (%)	30.06.2020		31.12.2019	
		TRY	Share ratio (%)	TRY	TRY
Murat Kasaroğlu	46,22%	2.542.174	46,22%	2.542.174	
Hayguyi Antikacıoğlu	19,41%	1.067.691	19,41%	1.067.691	
Public	31,00%	1.704.737	31,00%	1.704.737	
Other	3,37%	185.398	3,37%	185.398	
Total	100%	5.500.000	100%	5.500.000	
Capital adjustment difference		4.178.483		4.178.483	
Total		9.678.483		9.678.483	

NOTE 1 – ORGANIZATION AND NATURE OF OPERATIONS (CONT.)

- **The Structure of Capital (Cont.)**

As a whole, all of the assets and liabilities of Link Holding A.Ş which was a shareholder at the ratio of %37,43 before December 31, 2019 taken over by Link Bilgisayar A.Ş. It was decided to unite within.The merger decision was registered on December 31, 2019.

The shares owned by Link Holding A.Ş. in Link Bilgisayar A.Ş. were transferred to other shareholders of Link Bilgisayar A.Ş.

Detailed information regarding the merger is given in Note 3 “Business Combinations”.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS

- **Basis of Presentation**

The accompanying financial statements are prepared in accordance with the Communiqué Serial II, No:14.1, “Principles of Financial Reporting in Capital Markets” (“the Communiqué”) published in the Official Gazette numbered 28676 on 13 June 2013. According to the article 5 of the Communiqué, consolidated financial statements are prepared in accordance with Turkish Financial Reporting Standards (“TFRS”) and its addendum and interpretations (“TFRS”) issued by Public Oversight Accounting and Auditing Standards Authority (“POA”) Turkish Accounting Standards Boards It was also presented in accordance with the TMS taxonomy published by the (“POA”) on April 15, 2019..

Approval of Financial Statements:

The Company's financial statements for the fiscal period dated 30 June 2020 and ending on this date were approved by the Board of Directors on 06 August 2020. The General Assembly has the power to change the financial statements after the publication of the financial statements.

- **Comparatives and adjustment of prior periods consolidated financial statements**

In order to allow for the determination of the financial situation and performance trends the Company’s financial statements have been presented comparatively with the previous year. Where necessary, comparative figures have been reclassified to conform to the changes in presentation in the current period.

- **Functional and reporting currency**

The Company’s functional and reporting currency is Turkish Lira (“TRY”). Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation are recognized in the consolidated statement of income.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)

- **Basis of Presentation (Cont.)**
- **Significant accounting judgments, estimates and assumptions**

The preparation of financial statements requires the Company management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates. Those estimates are reviewed periodically, and as adjustments become necessary, they are reported in earnings in the periods in which they become known.

Significant estimates used in the preparation of these financial statements and the significant judgments with the most significant effect on amounts recognized in the financial statements are as follows:

- a) The cost of defined benefit plans is determined using actuarial valuations which involve making assumptions about discount rates, future salary increases and employee turnover. Due to the long- term nature of these plans, such estimates are subject to significant uncertainty.
- b) The Company assesses whether there is any impairment indicator in investment properties and compares carrying values of the investment property with the fair determined in the valuation report obtained by a property appraiser company licensed by CMB.
- c) Company management has made assumptions based on the experience of the technical staff in determining the useful life of tangible and intangible assets.
- d) Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases which is used in the computation of taxable profit. In determination of deferred tax asset to be recognized, there are certain assumptions and judgments made about future taxable income to be recognized in the future.
- e) The company capitalizes ongoing development expenditures and assesses whether the related asset has an impact on the assets that will increase or decrease the cost of the Company during the useful life of the asset in the subsequent periods and whether there is an impairment of the year. As of June 30, 2020, and December 31, 2019, no impairment was determined for the development expenses that were capitalized.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)

• Changes in Turkey Financial Reporting Standards

The accounting policies adopted in preparation of the consolidated financial statements as at 30 June 2020 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS interpretations effective as of 1 January 2020. The effects of these standards and interpretations on the the Company's financial position and performance have been disclosed in the related paragraphs..

- **The new standards, amendments and interpretations which are effective as at 1 January 2020 are as follows**

Definition of a Business (Amendments to TFRS 3)

In May 2019, the POA issued amendments to the definition of a business in TFRS 3 Business Combinations. The amendments are intended to assist entities to determine whether an acquired set of activities assets is a business or not.

The amendments:

- clarify the minimum requirements for a business;
- remove the assessment of whether market participants are capable of replacing any missing elements;
- add guidance to help entities assess whether an acquired process is substantive;
- narrow the definitions of a business and of outputs; and
- introduce an optional fair value concentration test.

The amendments did not have a significant impact on the financial position or performance of the Company.

(Amendments to TFRS 9, TAS 39 and TFRS 7) Interest Rate Benchmark Reform

The amendments issued to TFRS 9 and TAS 39 which are effective for periods beginning on or after 1 January 2020 provide reliefs which enable hedge accounting to continue. For these reliefs, it is assumed that the benchmark on which the cash flows of hedged risk or item are based and/or, the benchmark on which the cash flows of the hedging instrument are based, are not altered as a result of IBOR reform, in connection with interest rate benchmark reform.

Reliefs used as a result of amendments in TFRS 9 and TAS 39 is aimed to be disclosed in financial statements based on the amendments made in TFRS 7.

The amendments did not have a significant impact on the financial position or performance of the Company.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)

- **Changes in Turkey Financial Reporting Standards(Cont.)**

Definition of Material (Amendments to TAS 1 and TAS 8)

In June 2019, the POA issued amendments to TAS 1 Presentation of Financial Statements and TAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to align the definition of 'material' across the standards and to clarify certain aspects of the definition. The new definition states that, 'Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity. The amendments clarify that materiality will depend on the nature or magnitude of information, or both. An entity will need to assess whether the information, either individually or in combination with other information, is material in the context of the financial statements.

The amendments did not have a significant impact on the financial position or performance of the Company.

Amendments to TFRS 16 – Covid-19 Rent Related Concessions

In June 2020, the POA issued amendments to TFRS 16 Leases to provide relief to lessees from applying TFRS 16 guidance on lease modifications to rent concessions arising a direct consequence of the Covid-19 pandemic. A lessee that makes this election accounts for any change in lease payments related rent concession the same way it would account for the change under the standard, if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of the Covid-19 pandemic and only if all of the following conditions are met:

- The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change.
- Any reduction in lease payments affects only payments originally due on or before 30 June 2021
- There is no substantive change to other terms and conditions of the lease.

The amendments did not have a significant impact on the financial position or performance of the Company.

- **Standards issued but not yet effective and not early adopted**

The new standards, comments and amendments that have been published as of the date of approval of the financial statements but have not yet entered into force for the current reporting period and have not started to be applied early by the Company are as follows. Unless otherwise specified, the company will make the necessary changes that will affect the consolidated financial statements and footnotes after the new standards and interpretations become effective.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)

- **Changes in Turkey Financial Reporting Standards(Cont.)**

- **Standards issued but not yet effective and not early adopted (Cont.)**

TFRS 10 and TAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments)

In December 2017, the POA postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. Early application of the amendments is still permitted. The Company will wait until the final amendment to assess the impacts of the changes.

TFRS 17 - The new Standard for insurance contracts

The POA issued TFRS 17, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. TFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. Certain changes in the estimates of future cash flows and the risk adjustment are also recognised over the period that services are provided. Entities will have an option to present the effect of changes in discount rates either in profit and loss or in OCI. The standard includes specific guidance on measurement and presentation for insurance contracts with participation features. TFRS 17 will become effective for annual reporting periods beginning on or after 1 January 2023; early application is permitted. The Company is in the process of assessing the impact of the standard on financial position or performance of the Company.

Amendments to TAS 1- Classification of Liabilities as Current and Non-Current Liabilities

12 March 2020, the POA issued amendments to TAS 1 Presentation of Financial Statements. The amendments issued to TAS 1 which are effective for periods beginning on or after 1 January 2022, clarify the criteria for the classification of a liability as either current or non-current. Amendments must be applied retrospectively in accordance with TAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Early application is permitted.

The Company is in the process of assessing the impact of the amendments on financial position or performance of the Company.

New and revised standards and comments published by the International Accounting Standards Authority (IASB) but not published by the POA

The new standards, comments and changes to the existing IFRS standards listed below have been published by the IASB but have not yet been put into effect for the current reporting period. However, these new standards, comments and amendments have not yet been adapted / published by POA and therefore they are not part of TFRS. The Group will make the necessary changes to its consolidated financial statements after the new standards and interpretations are issued and become effective under TFRS.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)

- **Changes in Turkey Financial Reporting Standards(Cont.)**

New and revised standards and comments published by the International Accounting Standards Authority (IASB) but not published by the POA (Cont.)

Amendments to IFRS 3 – Reference to the Conceptual Framework

In May 2020, the IASB issued amendments to IFRS 3 Business combinations. The amendments are intended to replace to a reference to a previous version of the IASB’s Conceptual Framework (the 1989 Framework) with a reference to the current version issued in March 2018 (the Conceptual Framework) without significantly changing requirements of IFRS 3. At the same time, the amendments add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date. The amendments issued to IFRS 3 which are effective for periods beginning on or after 1 January 2022 and must be applied retrospectively. Earlier application is permitted if, at the same time or earlier, an entity also applies all of the amendments contained in the Amendments to References to the Conceptual Framework in IFRS standards (March 2018).

The Company is in the process of assessing the impact of the amendments on financial position or performance of the Company.

Amendments to IAS 16 – Proceeds before intended use

In May 2020, the IASB issued amendments to IAS 16 Property, plant and equipment. The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment (PP&E), any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and costs of producing those items, in profit or loss. The amendments issued to IAS 16 which are effective for periods beginning on or after 1 January 2022. Amendments must be applied prospectively only to items of PP&E made available for use on or after beginning of the earliest period presented when the entity first applies the amendment.

The Company is in the process of assessing the impact of the amendments on financial position or performance of the Company.

Amendments to IAS 37 – Onerous contracts – Costs of Fulfilling a Contract

In May 2020, the IASB issued amendments to IAS 37 Provisions, Contingent Liabilities and Contingent assets. The amendments issued to IAS 37 which are effective for periods beginning on or after 1 January 2022, to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making and also apply a “directly related cost approach”. Amendments must be applied retrospectively to contracts for which an entity has not fulfilled all of its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Earlier application is permitted and must be disclosed.

The Company is in the process of assessing the impact of the amendments on financial position or performance of the Company.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)

• Changes in Turkey Financial Reporting Standards(Cont.)

Annual Improvements – 2018–2020 Cycle

In May 2020, the IASB issued Annual Improvements to IFRS Standards 2018–2020 Cycle, amending the followings:

- IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter: The amendment permits a subsidiary to measure cumulative translation differences using the amounts reported by the parent. The amendment is also applied to an associate or joint venture.
- IFRS 9 Financial Instruments – Fees in the “10 per cent test” for derecognition of financial liabilities: The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either borrower or lender on the other’s behalf.
- IAS 41 Agriculture – Taxation in fair value measurements: The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring fair value of assets within the scope of IAS 41.
- Illustrative Examples accompanying IFRS 16 Leases – Lease incentives: The amendment removes the illustration of payments from the lessor relating to leasehold improvements in illustrative Example 13 accompanying IFRS 16 and also removes potential confusion regarding the treatment of lease incentives when applying IFRS 16.

Improvements are effective for annual reporting periods beginning on or after 1 January 2022 except the changes in IFRS 16 Leases (became effective date of issue). Earlier application is permitted for all.

The Company is in the process of assessing the impact of the amendments on financial position or performance of the Company.

• Summary of significant accounting policies

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at banks and short-term highly liquid investments whose risk of value change is not material including time deposits generally having original maturities of three months or less.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)

- **Summary of significant accounting policies (Cont.)**

Financial assets

Trade receivables arising from the provision of products or services to the buyer are accounted for from the amortized value of the amounts to be obtained in the following periods of the receivables recorded from the original invoice value. Short-term receivables with no determined interest rates are shown in the invoice amount if the effect of the original effective interest rate is not very large. The “simplified approach” is applied within the scope of impairment calculations of trade receivables that are recognized at amortized cost in the financial statements and do not contain a significant financing component (with a maturity less than 1 year). With this approach, in cases where trade receivables are not impaired for certain reasons (except for the impairment losses incurred), the provisions for losses related to trade receivables are measured at an amount equal to “lifelong expected credit losses”. In the event that all or some of the amount of the receivable that is impaired is collected following the provision for impairment, the collected amount is deducted from the provision for impairment and recorded in other income from the main activities. Maturity difference incomes / expenses related to commercial transactions and exchange rate profit / losses are recognized in the statement of “Other Income / Expenses from Main Operations” in the profit or loss statement.

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

Investment properties

Investment properties are properties that are held to obtain capital will, such as rent and / or appreciation gains, and are first measured by their cost values and the transaction costs involved. After the initial accounting, investment properties are valued with their fair values reflecting the market conditions as of the reporting period. Gains or losses arising from changes in the fair value of investment properties are included in the consolidated statement of profit or loss in the period when they occur.

Investment properties are excluded from the statement of financial position if they are sold or become unusable and it is determined that there will be no future economic benefits from their sale. Profit / loss arising from the expiration or sale of investment properties is included in the consolidated statement of profit or loss in the period in which they occur.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)

- **Summary of significant accounting policies (Cont.)**

Tangible assets

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss. When assets are sold or retired, their costs and accumulated depreciation are eliminated from the accounts and any gain or loss resulting from their disposal is included in the statement of income.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditures incurred after the property, plant and equipment have been put into the operation, such as repairs and maintenance and overhaul costs are normally charged to income in the period the costs are incurred. Expenditures are added to cost of assets if the expenditures provide economic added value for the future use of the related property, plant and equipment.

Depreciation is computed on a straight-line basis over the estimated useful lives. The useful lives and depreciation methods are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from items of property, plant and equipment (Note 14)

	Useful Life
Motor vehicles	4-5 – years
Furniture and fixtures	3-10 - years
Special costs	4-5 - years

In case of any indication of the impairment in the carrying value of property, plant and equipment, the recoverable amount is reassessed and provision for impairment is reflected in the consolidated financial statements.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Recoverable amount is the higher of net selling price or value in use. Net selling price is determined by deducting any expenses to be incurred for the sale of an asset from the fair value of the asset. Value in use is calculated as the discounted value of the estimated future cash flows the entity expects to receive from the asset. Gains and losses on sale of property, plant and equipment are included in other income and expense from investment activities.

Intangible assets

Intangible assets acquired separately from a business are capitalized at cost. Intangible assets created within the business are not capitalized and expenditure is charged against profits in the year in which it is incurred. Intangible assets are amortized on a straight-line basis over their useful lives. The depreciation period for the intangibles capitalized in relation with the new models will be started after the production of these models is started. The carrying values of intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)

- **Summary of significant accounting policies (Cont.)**

Impairment of assets

The carrying amounts of the Company's tangible and intangible assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. When an indication of impairment exists, the Company compares the carrying amount of the asset with its net realizable value which is the higher of value in use or fair value less costs to sell. Impairment exists if the carrying value of an asset or a cash generating unit is greater than its recoverable amount which is the higher of value in use or fair value less costs to sell. An impairment loss is recognized immediately in the consolidated statement of profit or loss.

The increase in carrying value of the assets (or a cash generated unit) due to the reversal of recognized impairment loss shall not exceed the carrying amount of the asset (net of amortization amount) in case where the impairment loss was reflected in the consolidated financial statements in prior periods. Such a reversal is accounted for in the statement of profit or loss.

Research and development expenditures

Research expenses are recognized as expense on the date it is realized. Development expenses related to a project can be carried forward to the next periods when it is sure its future realizable value. Any expenditure carried is depreciated over the period of expected future sales of the project to which it relates. The Company directly associates research expenses with the income statement in the period it occurs. The total development expense capitalized in the period is TRY 1.501.222 (31.12.2019: TRY 2.948.185).

Government Incentives

Government incentives are not recognized unless the Company meets the requirements related to these incentives and there is no reasonable reason for receiving this incentive. These incentives are accounted as income in the related period to match the costs expected to cover. The income from the incentives provided by the government is accounted for as a discount from an appropriate expense item.

The Ministry of Science, Industry and Technology has issued an R&D Center Certificate to the Company, effective from 16.11.2016. In this context, the Company can benefit from the supports provided by Law No. 5746 on Supporting Research, Development and Design Activities. Detailed information on Government Incentives and Aids is included in Note: 23.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)

- **Summary of significant accounting policies (Cont.)**

Leasing Transactions

Financial Leasing: There are no financial leasing transactions.

Operational Leasing (Company as a lessee): The lease contracts that the lessor holds all the risks and benefits of the property are called operational leases. Lease payments made for an operational lease are recorded as expense during the lease period.

The company and Ak İnşaat Mermercilik ve Gayrimenkul Yatırım Ticaret A.Ş. According to the lease agreement signed on 15.06.2011, TRY 630.000 per year (rent increase based on PPI average for each year) will be paid for the building used as head office. In addition, the Company has a lease agreement as a tenant to use as an office in Ankara in order to carry out its marketing activities. As of June 30, 2020, the lease expense of the Company is TRY 326.250. As distribution of this amount, TRY 88.683 was accounted for within the development expenses and TRY 237.567 was accounted for under operating expenses. As of June 30, 2019, the rental expense is TRY 313.375 and TRY 85.163 of this amount has been accounted for within the development expenses and TRY 228.212 has been accounted for within the operating expenses.

Operational Leasing (Company as Lessor): Rental income arising from operational leasing is recorded as income by normal method during the lease period. Direct costs incurred to earn income from an operational lease are recorded as expense in the income statement of the period in which they are made.

Revenue recognition

Link Bilgisayar Sistemleri Yazılımı ve Donanımı Sanayi ve Ticaret A.Ş., creates income by producing special and package programs that enable production, trade and accounting processes to be carried out in an integrated computer environment. Revenues are package program sales revenues, license renewal agreement sales revenues, special software development project revenues etc. Revenues are shown as the expected amount to be earned in return for these goods and services, reflecting the promised goods and / or services. For this purpose, a 5-step process is applied to record revenue within the framework of the provisions of TFRS 15.

- Identification of contracts with the customer
- Determination of separate performance criteria and obligations in the contract
- Determination of the contract price
- Distribution of Sales Price to Liabilities
- Record revenue as contractual obligations are met

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)

- **Summary of significant accounting policies (Cont.)**

Revenue recognition (Cont.)

If there is a significant financing element in sales, the reasonable value is determined by reducing the future cash flows with the hidden interest rate included in the financing element. The difference is reflected in the financial statements on an accrual basis. Considering that the maturity of the sales is less than 1 year, the sales are reflected in the financial statements over the invoice amount, considering that there is no significant interest component in the sales.

Additional explanations for some important income classifications are given below.

Package Program Sales (License Sales)

In package program sales, customers pay a one-off licensing fee, and only buy the right to use the current version and version indefinitely. The Company has no obligations following the sales of package programs. These revenues are reflected in the income statement at the time of sale.

Package Program Sales (Non-Transfer License Model)

It is the sales model in which license rights are not transferred and customers are given the right to use the package program for a limited time. Sales revenues are accounted on an accrual basis. Where invoicing is made in advance, the portion corresponding to the next months is separated and accounted for as deferred income in the balance sheet.

Package Program Sales (Optionally, the Model That Company Has Right to Take Transfer License.)

In this model, the customer is granted the right to obtain the license with a lower amount than the current license fee if the usage period exceeds the pre-determined periods such as 3-5 years with annual renewals along with the transfer of the right of use for a certain period of time. This sales model has been used in previous years, and currently there is no sale in this model, and accumulation of licenses continues in the current period regarding the contracts issued in the previous year. Since the option of purchasing a low price, which is likely to be used in the coming years, will not create an additional resource outflow from the company as of the field of activity of the company, neither option is reflected in the financial statements nor possible license sales income accrual.

License Renewal Agreement Sales (LRA)

License Renewal Agreements (LRA) are generally accounted on the same principles as License sales, and sales under the LRA are included in the income statement at the time of sale. In the first sale of the same product main software, a free application is made with the license. The company management allocates the entire amount collected from the customer to the main software product in such sales transactions and it is accepted that this product is given free of charge. LRA is a sales model that protects against all legal changes in a year and at the same time provides all paid version changes with free features that add value to the products during the year. Installation, training etc. given to customers due to renewed versions. The services are usually provided by solution partner dealers, and the relevant revenues are generated by these solution partners. The management of the company foresees that this renewal right, which is given free of charge in the first year together with the sale of the product, and the free renewal right granted due to the sales under the License Renewal Agreement, will not cause any additional resource outflow from the Company except for the Research and Development activities that the Company has actually folded.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)

- **Summary of significant accounting policies (Cont.)**

Revenue recognition (Cont.)

After Sales Support Income

Sales support services are mainly provided by dealers who are solution partners and these revenues are formed within these solution partners. Sales support services provided by the company are recorded on an accrual basis at the service hours.

Special Project Revenues

Special software development project revenues are included in the financial statements as income based on the level of completion of the contract activities as of the balance sheet date.

Credit Sales

Credits from integrator companies are sold to customers within the scope of e - applications such as e - invoice, e - archive, e - custody services, e - dispatch. The part sold at the time of sale is directly reflected to the income statement and the company does not have an ongoing liability regarding these sales. Amounts received from the integrator but not sold to customers are tracked in the stocks account group in the financial statements.

Interest Income

Interest income is accrued based on the effective interest method, which brings the remaining principal amount and the estimated cash inflows to be acquired over the expected life of the financial asset to the net book value of the asset. Interest income and foreign exchange gains on trade transactions are recognized as other income from operating activities.

Current and deferred tax

The tax expense for the period comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)

- **Summary of significant accounting policies (Cont.)**

Current and deferred tax (Cont.)

Deferred tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realized, or the deferred tax liability is settled. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred tax liability is recognized on all temporary differences regarding subsidiaries unless neither utilization date of taxable temporary differences is reviewed nor utilization of temporary difference in an estimated period is probable.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Employment termination benefits

In accordance with existing social legislation, the Company is required to make lump sum termination indemnities to each employee who has completed one year of service with the Company and whose employment is terminated due to retirement or for reasons other than resignation or misconduct.

In the financial statement, the Company has reflected a liability calculated using "Projected Method" and based upon factors derived using the Company's experience of personnel terminating their services and being eligible to receive benefits, discounted by using the current market yield at the balance sheet date on government bonds.

The current service cost of the defined benefit plan, recognized in the income statement in employee benefit expense, except where included in the cost of an asset, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes curtailments and settlements. Past-service costs are recognized immediately in income.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the income statement.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)

- **Summary of significant accounting policies (Cont.)**

Provisions

Provisions for environmental restoration, restructuring costs and legal claims are recognized when: the group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Offsetting

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

Foreign currency transactions

Income and expenses arising in foreign currencies during the year have been translated at the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies have been translated at the exchange rates prevailing at the balance sheet dates, which are announced by Central Bank of the Republic of Turkey. Exchange gains or losses arising from the settlement and translation of foreign currency items have been included in the related income and expense accounts, as appropriate.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)

• Summary of significant accounting policies (Cont.)

Related parties

Parties are considered related to the Company if (Note 27);

- (a) directly, or indirectly through one or more intermediaries, the party:
- (i) controls, is controlled by, or is under common control with, the Company (this includes parents, subsidiaries and fellow subsidiaries);
 - (ii) has an interest in the Company that gives it significant influence over the Company; or
 - (iii) has joint control over the Company
- (a) the party is an associate of the Company
- (b) the party is a joint venture in which the Company is a venture
- (c) the party is member of the key management personnel of the Company or its parent
- (e) the party is a close member of the family of any individual referred to in (a) or (d)
- (f) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or
- (g) the party has a post-employment benefit plan for the benefit of employees of the Company, or of an entity that is a related party of the Company.

Investment, research and development incentives

Government grants are recognized at fair value where there is reasonable assurance that the grant will be received, and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognized as income over the period necessary to match the grant on a systemic basis to the costs that it is intended to compensate. Where the grant relates to an asset, it is recorded as deferred income.

Government grants relating to costs are deferred and recognized in the income statement over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the income statement on a straight- line basis over the expected lives of the related assets.

Investment and research and development incentives are recognized when incentive applications of the Company are approved by fiscal authorities.

Subsequent Events

Events after the balance sheet date; Includes all events between the balance sheet date and the date of authorization for the publication of the balance sheet, even if they have occurred after the announcement of any period profit or other selected financial information to the public. In the event of events requiring correction after the balance sheet date, the Company corrects the amounts included in the financial statements in accordance with this new situation.

Matters that do not require correction as of the balance sheet date are explained in the footnotes of the financial statements in case, they are the issues affecting the economic decisions of the users of the financial statements.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)

- **Summary of significant accounting policies (Cont.)**

Cash flow statement

The Company prepares a cash flow statement as an integral part of other financial statements in order to inform the users of the financial statements about the changes in the net assets, the financial structure and the ability to direct the cash flows according to the conditions and timing. Cash flows for the period is classified as operating, investing and financing activities

The cash flows raised from operating activities indicate cash flows due to the Company's operations.

The cash flows due to investing activities indicate the Company cash flows that are used for and obtained from investments (investments in property, plant and equipment and financial investments).

The cash flows due to financing activities indicate the cash obtained from financial arrangements and used in their repayment.

- **Significant Changes Regarding the Current Period**

The necessary actions have been taken by the Company management to minimize the possible effects of COVID-19, which affects the whole world, on the Company's activities and financial status. In the meantime, actions were taken by the Company to minimize investment expenditures and operational expenses, and the cash management strategy was revised to strengthen the liquidity position.

While preparing the interim consolidated financial statements dated June 30, 2020, the Company evaluated the possible effects of the COVID-19 outbreak on the financial statements and reviewed the estimates and assumptions used in the preparation of the financial statements. In this context, the Company has tested the possible impairment of financial assets, tangible assets, and brands in the interim financial statements dated June 30, 2020 and no impairment has been identified.

NOT 3 – BUSINESS COMBINATIONS

None. (As of 31.12.2019, the company has taken over all assets and liabilities of Link Holding A.Ş. , in accordance with the merger report dated 18 November 2019 and the merger agreement dated November 18, 2019. Since the partners of Link Holding A.Ş are the same as the partners of Link Bilgisayar A.Ş., the “Decision to Accounting Business Combinations subject to 2018-1 Joint Control” published by the Public Oversight Accounting and Auditing Standards Authority (“POA”). the merger transactions accounted in accordance resolution published by POA.

The shares owned by Link Holding A.Ş. in Link Bilgisayar A.Ş. have been transferred to other shareholders of Link Bilgisayar A.Ş., and the existing privileges before the merger are still held.)

NOTE 4 – SHARES IN OTHER COMPANIES

None. (December 31, 2019: None).

NOTE 5 – SEGMENT REPORTING

The Company believes that the segments offered in management reporting have similar economic characteristics and that these segments demonstrate similar financial performance in the long run. In addition, the Company's related operating segments; it reports similar product and service qualifications, customer type and class, product distribution and service delivery and is also subject to similar legal regulations, as a single business segment.

NOTE 6 – RELATED PARTY DISCLOSURES

- **Benefits Provided to Senior Executives**

The benefits provided to senior executives are as follows:

	01.01.2020- 30.06.2020	01.04.2020- 30.06.2020	01.01.2019- 30.06.2019	01.04.2019- 30.06.2019
Fees and other short-term benefits (*)	1.321.691	691.844	1.127.850	587.152
	1.321.691	691.844	1.127.850	587.152

(*) Benefits provided to senior executives arise from salary payments.

NOTE 7 – TRADE RECEIVABLES AND PAYABLES

- **Short Term Trade Receivables**

The details of short-term trade receivables as of the balance sheet date of the company are as follows:

	30.06.2020	31.12.2019
Trade receivables	3.512.491	5.448.290
Notes receivables	142.519	505.304
Rediscount of receivables (-)	(53.597)	(104.401)
Credit card receivables (*)	464.535	1.320.522
Doubtful trade receivables (-)	87.874	83.125
Provisions for doubtful receivables (-)	(87.874)	(83.125)
	4.065.948	7.169.715

(*) TRY 464.535 (31 December 2019: TRY 1.320.522) consists of the receivables from the sales made by credit card.

Average maturity of trade receivables is 47 days. (31.12.2019: 23 days)

NOTE 7 – TRADE RECEIVABLES AND PAYABLES

• **Short Term Trade Receivables (Cont.)**

Provision for doubtful trade receivables are as follows:

	30.06.2020	31.12.2019
Opening balance	(83.125)	(95.087)
Expense for the current period	(4.749)	15.462
Cancellation of provision	--	(3.500)
Ending balance	(87.874)	(83.125)

• **Short Term Trade Payables**

The details of short-term trade payables as of the balance sheet date of the company are as follows:

	30.06.2020	31.12.2019
Suppliers	417.216	518.955
Rediscount on suppliers (-)	(8.577)	(7.694)
	408.639	511.261

Average maturity of trade payables is 78 days. (31.12.2019: 56 days)

NOTE 8 – RECEIVABLES AND PAYABLES FROM FINANCE SECTOR OPERATIONS

None. (December 31, 2019: None).

NOTE 9 – OTHER RECEIVABLES AND PAYABLES

- **Other Short-Term Receivables**

The details of other short-term receivables as of the balance sheet date of the company are as follows:

	30.06.2020	31.12.2019
Receivables from personnel	15.000	15.000
Receivables from tax-office	16.920	18.420
Deposits and guarantees given	4.047	3.847
	35.967	37.267

- **Other Long-Term Receivables**

The details of other long-term receivables as of the balance sheet date of the company are as follows:

	30.06.2020	31.12.2019
Deposits and guarantees given	344	344
	344	344

- **Other Short-Term Payables**

The details of other short-term payables as of the balance sheet date of the company are as follows:

	30.06.2020	31.12.2019
Taxes and funds payable	666.569	849.569
Other payables	2.022	46
	668.591	849.615

NOTE 10 – INVENTORIES

The details of the inventories as of the balance sheet date of the company are as follows:

	30.06.2020	31.12.2019
Trade goods	49.705	17.169
	49.705	17.169

There is no pledge or mortgage on the inventories of the company. The company's inventories are not covered by insurance.

NOTE 11 – BIOLOGICAL ASSETS

None. (December 31, 2019: None).

NOTE 12 – PREPAID EXPENSES AND DEFERRED INCOME

• **Short-Term Prepaid Expenses**

The details of the short-term prepaid expenses as of the balance sheet date of the company are as follows:

	30.06.2020	31.12.2019
Advances given	10.565	11.229
Prepaid expenses for future months	31.783	35.502
Job advances	9.576	5.217
	51.924	51.948

• **Long-Term Prepaid Expenses**

The details of the long-term prepaid expenses as of the balance sheet date of the company are as follows:

	30.06.2020	31.12.2019
Expenses for the following years	2.931	3.197
	2.931	3.197

• **Short-Term Deferred Income**

The details of the short-term deferred income as of the balance sheet date of the company are as follows:

	30.06.2020	31.12.2019
Income for following months	89.112	99.793
Advances taken	90.188	66.008
	179.300	165.801

NOTE 13 – INVESTMENT PROPERTIES

The cost value of a 6.543,68 m2 field property in the Dursunköy District 126 Island 19 parcel in Arnavutköy district of İstanbul province is TRY 64.810. The real estate in question is included in the financial statements with its fair value. Movement table of investment properties is as follows.

Real Estate Type	31.12.2018	Addition	Disposal	Fair Value Difference	31.12.2019	Addition	Disposal	Fair Value Difference	30.06.2020
Lands	2.500.000	--	--	250.000	2.750.000	--	--	--	2.750.000
Total	2.500.000	--	--	250.000	2.750.000	--	--	--	2.750.000

As of 30.06.2020, no valuation studies have been carried out. (31 December 2019: The fair value of the Company's investment properties has been determined by Lotus Gayrimenkul Değerleme ve Danışmanlık A.Ş., an independent valuation company independent from the company. Lotus Gayrimenkul Değerleme ve Danışmanlık A.Ş. is authorized by the Capital Markets Board and capital market. It provides real estate valuation services in accordance with its legislation and has sufficient experience and quality in the measurement of fair value of properties in the relevant regions. The fair value of the owned lands has been determined according to the market comparative approach / other methods that reflect the current transaction prices for similar properties. its fair value was determined using the comparable market method based on the latest market prices, without any significant correction on observable market data.

The company does not earn rental income from its investment property.

NOTE 14 – TANGIBLE ASSETS

Movements of tangible assets as of the balance sheet date of the company are as follows;

Cost	31.12.2018	Additions	Disposals	31.12.2019	Additions	Disposals	30.06.2020
Vehicles	538.389	--	(121.996)	416.393	293.957	(81.642)	628.708
Furniture and fixture	407.316	86.185	(74.809)	418.692	26.858	--	445.550
Special cost	133.012	--	--	133.012	--	--	133.012
Total	1.078.717	86.185	(196.805)	968.097	320.815	(81.642)	1.207.270

Accumulated Depreciation (-)							
Vehicles	(515.683)	(11.352)	121.996	(405.039)	(4.764)	81.642	(328.162)
Furniture and fixture	(353.490)	(36.133)	74.809	(314.814)	(19.333)	--	(334.147)
Special cost	(133.012)	--	--	(133.012)	--	--	(133.012)
Total	(1.002.185)	(47.485)	196.805	(852.865)	(24.097)	81.642	(795.321)
Net book value	76.532			115.233			411.949

There is no pledge or mortgage on the Company's tangible assets. There is an insurance coverage of TRY 1.612.108 on the Company's vehicles.

NOTE 15 – RIGHTS IN SHARE FROM THE SERVICE, RESTORATION AND ENVIRONMENT REHABILITATION FUNDS

None. (December 31, 2019: None).

NOTE 16 – SHARES OF MEMBERS IN COOPERATIVE BUSINESSES AND SIMILAR FINANCIAL INSTRUMENTS

None. (December 31, 2019: None).

NOTE 17 – INTANGIBLE ASSETS

Intangible asset movements of the Company as of the balance sheet date are as follows:

Cost	31.12.2018	Additions	Disposals	31.12.2019	Additions	Disposals	30.06.2020
Rights	85	--	--	85	--	--	85
Development Costs	13.170.103	2.948.185	--	16.118.288	1.501.222	--	17.619.510
Other Intangible Assets	95.493	--	--	95.493	--	--	95.493
Total	13.265.681	2.948.185	--	16.213.866	1.501.222	--	17.715.088
Accumulated Depreciation (-)							
Rights	(69)	(16)	--	(85)	--	--	(85)
Development Costs	(7.797.868)	(1.862.281)	--	(9.660.149)	(1.102.887)	--	(10.763.036)
Other Intangible Assets	(87.530)	(4.108)	--	(91.638)	(2.055)	--	(93.693)
Total	(7.885.467)	(1.866.405)	--	(9.751.872)	(1.104.942)	--	(10.856.814)
Net Book Value	5.380.214			6.461.994			6.858.274

NOTE 18 – GOODWILL

None. (December 31, 2019: None).

NOTE 19 – INVESTIGATION AND EVALUATION OF MINERAL RESOURCES

None. (December 31, 2019: None).

NOTE 20 – RENT OPERATIONS

• Rental in Terms of Tenant

The total amount of future minimum lease payments within the framework of the Company's operational leases that cannot be canceled as of the balance sheet date are as follows;

	01.01.2020- 30.06.2020	01.04.2020- 30.06.2020	01.01.2019- 30.06.2019	01.04.2019- 30.06.2019
Less than 1 year	326.250	163.125	313.375	158.125
End of the Period	326.250	163.125	313.375	158.125

The Company leases sales offices (Ankara) and head office (İstanbul). The related lease is generally valid for 1 year. The lease agreement of the Head Office can be terminated if the parties declare that they will not extend the contract 3 months before the end of the contract via a notary. Lease payments are subject to fixed instalments and in case of prolongation of contract, increase in CPI 2 ratio published by TSI.

NOTE 21 – PRIVILEGE SERVICE ARRANGEMENTS

None. (December 31, 2019: None).

NOTE 22 – IMPAIRMENT ON ASSETS

The movements of the doubtful receivable provision are as follows:

	30.06.2020	31.12.2019
Opening balance	(83.125)	(95.087)
Expenses for the period	(4.749)	15.462
Cancellation of provision	--	(3.500)
Ending balance	(87.874)	(83.125)

NOTE 23 – GOVERNMENT INCENTIVES

The company shall provide monthly premium and service documents in accordance with Law No. 5510 within the legal period, due to the fact that SSI does not have any premium, administrative fine, delay penalty and no delayed payment, 5 percent of the employer's share is covered by the Treasury.

The Ministry of Science, Industry and Technology has issued an R&D Center Certificate to the Company, effective from 16.11.2016. In this context, the Company can benefit from the supports provided by Law No. 5746 on Supporting Research, Development and Design Activities. Due to the support provided by Law No. 5746, the rights of the Company are as follows.

- At least 100% of Research and Development expenses are deducted from the corporate tax base ("R&D Discount")
- The Treasury will cover 80-95% of the income tax calculated on the wages of R&D personnel and 10% support personnel,
- The wages of R&D personnel and support personnel up to 10% are exempted from Stamp Tax,
- The Treasury compensates 50% of the Social Security Institution Employer's Share for the wages of R&D personnel and 10% support personnel.

NOTE 24 – BORROWING COSTS

For the period ended at 30 June 2020, there is no borrowing cost added to the cost of assets directly related to the assets. (31 December 2019 - None) Borrowing costs are included in the statement of profit or loss.

NOTE 25 – CONTINGENT ASSETS AND LIABILITIES

There is no lawsuit filed against the company. (31.12.2019: There is one trademark cancellation lawsuit filed against the company and is free of charge due to the nature of the case. In accordance with the settlement protocol between the parties, both parties waived the right of appeal to the local court decision, and thus the local court decision became final on 12.06.2019. The company has 1 enforcement proceedings opened and its amount is 27.441 TRY.)

The details of long term provisions as of the balance sheet date of the company are as follows:

	30.06.2020	31.12.2019
Severance payment	2.510.908	2.286.208
	2.510.908	2.286.208

NOTE 25 – CONTINGENT ASSETS AND LIABILITIES (Cont.)

The company's severance payment reserve has been calculated as explained in Note 2. On 30.06.2020, the provision is calculated over a 30-day fee, with a maximum of TRY 6.379 for each year of service and using the rates at the retirement or departure date. (31.12.2019: TRY 6.379)

The Company has reflected the retirement pay liability calculated on the financial statements for the periods ending on 30.06.2020 and 31.12.2019, calculated on the basis of the foregoing principles, by reducing the expected inflation rate and the real rediscount rate to the balance sheet day.

The rates of the basic assumptions used on the statement of financial position are as follows:

	30.06.2020	31.12.2019
Interest rate	10,00%	10,00%
Inflation rate	8,00%	8,00%
Discount rate	1,85%	1,85%

The movement of Severance payment is as follow:

	30.06.2020	31.12.2019
Opening balance	2.286.208	1.922.355
Service costs	180.645	753.662
Interest cost	113.997	32.671
Payment in the period	--	(320.752)
Actuarial difference	(69.942)	(101.728)
Ending balance	2.510.908	2.286.208

NOTE 26 – COMMITMENTS AND CONTINGENCIES

• **Guarantee-Pledge-Mortgage Receives**

As of the balance sheet date, the details of the guarantees received by the Company for its trade receivables are as follows:

Guarantee Type	30.06.2020		31.12.2019	
	Original Amount	TRY	Original Amount	TRY
Guarantee Check TRY	370.000	370.000	360.000	360.000
Guarantee Notes TRY	1.605.000	1.605.000	1.575.000	1.575.000
Guarantee Check USD	39.000	266.846	39.000	231.668
Guarantee Notes USD	385.012	2.634.329	385.012	2.287.048
Total		4.876.175		4.453.716

NOTE 27 – PAYABLES FOR EMPLOYEE BENEFITS

The details of payables for employee benefits as of the balance sheet date of the company are as follows:

	30.06.2020	31.12.2019
Social security premiums payable	142.374	--
Due to personnel	473.851	957.143
	616.225	957.143

NOTE 28 – EXPENSES ACCORDING TO QUALIFICATIONS

• **General and administrative expenses**

The details of general and administrative expenses are as follows:

	01.01.2020	01.04.2020	01.01.2019	01.04.2019
	30.06.2020	30.06.2020	30.06.2019	30.06.2019
Personnel expenses	(878.797)	(346.188)	(636.760)	(158.475)
Building expenses	(149.424)	(77.686)	(113.887)	(58.833)
Rent expenses	(226.316)	(113.158)	(217.337)	(109.567)
Consulting expenses	(229.607)	(113.755)	(152.152)	(69.566)
Tax, duty, fees expenses	(42.896)	(12.835)	(47.238)	(31.346)
Amortization expenses	(27.354)	(17.219)	(9.788)	7.054
Total	(277.939)	(120.698)	(146.228)	(47.297)
	(1.832.333)	(801.539)	(1.323.390)	(468.030)

• **Marketing Expenses**

The details of marketing expenses are as follows.

	01.01.2020	01.04.2020	01.01.2019	01.04.2019
	30.06.2020	30.06.2020	30.06.2019	30.06.2019
Personnel expenses	(1.253.109)	(641.100)	(1.180.416)	(605.135)
Rent expenses	(11.250)	(5.625)	(10.875)	(5.625)
Other	(5.687)	(1.947)	(4.716)	(2.079)
	(1.270.046)	(648.672)	(1.196.007)	(612.839)

NOTE 28 – EXPENSES ACCORDING TO QUALIFICATIONS (CONT.)

• **Research and Development Expenses**

The details of research and development expenses are as follows:

	01.01.2020 30.06.2020	01.04.2020 30.06.2020	01.01.2019 30.06.2019	01.04.2019 30.06.2019
Amortization expenses	(1.102.887)	(565.305)	(875.088)	(450.817)
Personnel expenses	(44.117)	(22.513)	(37.480)	(18.110)
	(1.147.004)	(587.818)	(912.568)	(468.927)

NOTE 29 – OTHER ASSETS AND LIABILITIES

• **Other Current Assets**

The details of other current assets as of the balance sheet date of the company are as follows:

	30.06.2020	31.12.2019
Deferred V.A.T.	--	30.019
	--	30.019

NOTE 30 – CAPITAL, RESERVES AND OTHER EQUITY ITEMS

• **Paid in Capital**

The Company's capital is TRY 5.500.000. The capital of the company is divided into 550.000.000 bearer shares of which 68.640.375 A group shares, 107.266.000 B group shares, 374.093.625 C group shares, each with a nominal value of TL 0.01. (31 December 2019: 550.000.000 bearer shares of which 68.640.375 A group shares, 107.266.000 B group shares, 374.093.625 C group shares, each with a nominal value of TRY 0.01.)

The names, surnames and capital shares of the shareholders of the company are described below.

Shareholders	Share Ratio (%)	30.06.2020		31.12.2019	
		TRY	Share Ratio (%)	TRY	Share Ratio (%)
Murat Kasaroğlu	46,22%	2.542.174	46,22%	2.542.174	
Hayguyi Antikacıoğlu	19,41%	1.067.691	19,41%	1.067.691	
Public	31,00%	1.704.737	31,00%	1.704.737	
Other	3,37%	185.398	3,37%	185.398	
Other	100%	5.500.000	100%	5.500.000	
Capital adjustment difference		4.178.483		4.178.483	
Total		9.678.483		9.678.483	

NOTE 30 – CAPITAL, RESERVES AND OTHER EQUITY ITEMS(CONT.)

• **Other Accumulated Comprehensive Income That Will Be Reclassified in Profit or Loss**

The details of other accumulated comprehensive income (expenses) that will not be reclassified in profit or loss as of the balance sheet date are as follows:

	30.06.2020	31.12.2019
Tangible assets revaluation increase / decrease (*)	1.728.151	1.728.151
Gains / (losses) on re-measurements of defined benefit plans (**)	(1.005.522)	(1.060.077)
	722.629	668.074

(*) The Company has made to prepare a valuation report to "Emek Taşınmaz Değerleme ve Danışmanlık A.Ş." which is licensed by the Capital Markets Board in order to determine the fair value of the land, buildings and machinery and equipment registered in its assets. The difference between the market value and the net book TRY 2.160.190 is accounted in tangibles in assets; in liabilities, is added to "Revaluation of tangibles gains/losses (After deferred tax assets amounting to TRY 432.038 which is accounted under equity, the Revaluation of Tangible is amount to TRY 1.728.151).

(**) With the amendment in IAS 19 "Employee Benefits" standard, actuarial loss that is taken into account in calculating the provision for severance pay does not allow the recognition of earnings in the income statement. Losses and gains resulting from the change of actuarial assumptions are accounted for under equity. Actuarial loss / gain fund is not to be reclassified in profit or loss.

• **Restricted Reserves**

The details of restricted reserves as of the balance sheet date of the company are as follows:

	30.06.2020	31.12.2019
Restricted reserves	892.011	892.011
	892.011	892.011

• **Retained Earnings**

The details of retained earnings as of the balance sheet date of the company are as follows:

	30.06.2020	31.12.2019
Accumulated profits / (losses)	23.526.713	16.023.679
	23.526.713	16.023.679

NOTE 31 – SALES

The details of the company's revenue and cost of sales are as follows:

	01.01.2020	01.04.2020	01.01.2019	01.04.2019
	30.06.2020	30.06.2020	30.06.2019	30.06.2019
Domestic sales	7.972.716	4.684.503	4.580.783	2.243.851
Export sales	9.219	8.920	95.425	34.537
Sales returns (-)	(68.385)	(22.925)	(18.440)	(4.524)
Sales discounts (-)	(282.703)	(155.857)	(206.156)	(95.992)
Net Sales	7.630.847	4.514.641	4.451.612	2.177.872
Cost of trade goods sold (-)	(527.426)	(293.397)	(343.993)	(175.725)
Cost of services sold (-)	(859.981)	(480.043)	(678.014)	(351.907)
Trade Activity Gross Profit / (Loss)	6.243.440	3.741.201	3.429.605	1.650.240

NOTE 32 – CONSTRUCTION CONTRACTS

None. (December 31, 2019: None).

NOTE 33 – GENERAL ADMINISTRATIVE, MARKETING EXPENSES AND RESEARCH AND DEVELOPMENT EXPENSES

The details of general administrative, marketing expenses and research and development expenses are as follow:

	01.01.2020	01.04.2020	01.01.2019	01.04.2019
	30.06.2020	30.06.2020	30.06.2019	30.06.2019
General and administrative expenses (-)	(1.832.333)	(801.539)	(1.323.390)	(468.030)
Marketing expenses (-)	(1.270.046)	(648.672)	(1.196.007)	(612.839)
Research and development expenses (-)	(1.147.004)	(587.818)	(912.568)	(468.927)
	(4.249.383)	(2.038.029)	(3.431.965)	(1.549.796)

NOTE 34 – OTHER INCOME / (EXPENSES) FROM OPERATING ACTIVITIES

The details of other income from the main activities of the Company are as follows.

	01.01.2020 30.06.2020	01.04.2020 30.06.2020	01.01.2019 30.06.2019	01.04.2019 30.06.2019
Rediscount income	112.978	8.927	155.128	7.577
Commission income	13.389	11.264	38.437	15.753
Other revenues	775	489	11.931	(70.041)
	127.142	20.680	205.496	(46.711)

The details of other expenses from the main activities of the Company are as follows.

	01.01.2020 30.06.2020	01.04.2020 30.06.2020	01.01.2019 30.06.2019	01.04.2019 30.06.2019
Rediscount expenses	(61.291)	(34.320)	(37.298)	4.867
Provision for doubtful receivables	(4.749)	(4.749)	--	--
Severance payment provision expenses	--	--	(11.695)	(11.695)
Other	(3.019)	(3.019)	(10.310)	--
	(69.059)	(42.088)	(59.303)	(6.828)

NOTE 35 - INCOME / (EXPENSES) FROM INVESTING ACTIVITIES

Details of income from investment activities are as follows:

	01.01.2020 30.06.2020	01.04.2020 30.06.2020	01.01.2019 30.06.2019	01.04.2019 30.06.2019
Liquid fund sales profits	181.052	72.259	447.805	305.801
Fixed asset sales profits	134.901	134.901	80.978	80.978
Total	315.953	207.160	528.783	386.779

NOTE 36 – FINANCIAL INCOME / (EXPENSES)

The details of the company's financing income are as follows:

	01.01.2020 30.06.2020	01.04.2020 30.06.2020	01.01.2019 30.06.2019	01.04.2019 30.06.2019
Foreign exchange income	3.456.253	1.573.720	1.377.405	374.648
Interest income	215.735	125.944	416.089	182.176
	3.671.988	1.699.664	1.793.494	556.824

The details of the company's financing expenses are as follows:

	01.01.2020 30.06.2020	01.04.2020 30.06.2020	01.01.2019 30.06.2019	01.04.2019 30.06.2019
Foreign exchange expenses	(458.052)	(458.052)	(4.591)	(4.013)
Severance pay interest cost (-)	(113.997)	(113.997)	--	--
Interest and bank commission expenses	(39.719)	46.624	(61.783)	(12.081)
	(611.768)	(525.425)	(66.374)	(16.094)

NOTE 37 – ANALYSIS OF OTHER COMPREHENSIVE INCOME ELEMENTS

The details of the company's other comprehensive income / (expenses) are as follows:

	01.01.2020 30.06.2020	01.04.2020 30.06.2020	01.01.2019 30.06.2019	01.04.2019 30.06.2019
Defined benefit plans re-measurement gains / losses	69.942	--	(101.728)	(101.728)
Deferred tax expense / income	(15.387)	--	22.380	22.380
Income that not to be Reclassified in Profit or Loss - Total	54.555	--	(79.348)	(79.348)

NOTE 38 – INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

• **Deferred Tax**

The Company recognizes deferred tax assets and liabilities for temporary timing differences arising from differences between tax-based legal financial statements and financial statements prepared in accordance with TAS. These differences are generally caused by the fact that some income and expense items take place in different periods in the tax-based financial statements and financial statements prepared in accordance with TAS. These differences are stated below.

Deferred tax is calculated by %20. (2019: %22).

	30.06.2020		31.12.2019	
	Total Temporary Differences	Deferred Tax Assets/liabilities	Total Temporary Differences	Deferred tax Assets/liabilities
Deferred Tax Assets				
Provision for severance pay	2.510.908	502.182	2.286.208	457.242
Rediscount on trade receivables	60.364	12.073	104.401	20.880
Doubtful receivable provision	4.749	950	24.273	4.855
Deferred Tax Assets	2.576.021	515.204	2.414.882	482.977
Deferred Tax Liabilities				
Tangible and intangible assets net difference between registered values and tax base	(1.757.249)	(351.450)	(1.199.151)	(239.830)
Investment properties	(2.685.190)	(268.519)	(2.685.190)	(268.519)
Rediscount on trade payables	(12.756)	(2.551)	(7.694)	(1.540)
Deferred Tax Liabilities	(4.455.195)	(622.520)	(3.892.035)	(509.889)
Deferred tax assets/(Liabilities), Net		(107.316)		(26.912)

NOTE 38 – INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (CONT.)

• **Corporate Tax**

The Company is subject to corporation tax applicable in Turkey. Necessary provisions are reserved in the attached financial statements for the estimated tax liabilities of the Company for the current period activity results.

The tax base that remains after deducting the corporate tax rate to be accrued over the taxable corporate income, the addition of the expenses that cannot be deducted from the tax base that is written as expense in the determination of the commercial income, tax exemptions, non-taxable income and other discounts (previous year losses and investment discounts used if preferred) calculated on.

The effective tax rate applied in 2020 is 22%. (31.12.2019: 22%)

Provisional tax in Turkey is calculated as three-month period and are accrued. The advance tax rate that needs to be calculated over the corporate earnings at the taxation stage of 2019 corporate earnings as of temporary tax periods is 22%. (31.12.2019: 22%)

There is no procedure for a final and definitive agreement on tax assessments in Turkey. Companies prepare their tax returns between 1-25 April of the year following the closing period of the relevant year (between 1-25 of the fourth month following the period closing in those with a special accounting period). These statements and the accounting records that are based on this can be examined and changed by the Tax Office within 5 years.

Details of the company's current tax assets as of 30.06.2020 and 31.12.2019 are as follows:

	01.01.2020 30.06.2020	01.04.2020 30.06.2020	01.01.2019 30.06.2019	01.04.2019 30.06.2019
Current period corporate tax	(899.732)	(493.594)	(102.730)	30.889
Deferred tax income / (expense)	(66.416)	(44.615)	(106.198)	(82.205)
Total	(966.148)	(538.209)	(208.928)	(51.316)

	30.06.2020	31.12.2019
Corporate tax provision	899.732	1.133.820
Prepaid corporate tax (-)	(427.850)	(217.358)
Corporate tax that (to be paid)/to be returned	471.882	916.462

There are exceptions for corporations in the Corporate Tax Law. These exceptions related to the Company are explained below:

Deductible Financial Losses

According to the Turkish tax legislation, financial losses shown on the declaration can be deducted from the period's corporate income, provided that they do not exceed 5 years. However financial losses cannot be offsetted from last year's profits.

NOTE 38 – INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (CONT..)

• **Corporate Tax (Cont.)**

Real Estate and Participation Stock Sales Gain Exemption

50% of the corporations' earnings arising from the sale of participation shares, real estates, pre-emptive rights, founder bonds and usufruct securities in their assets for at least two full years are exempt from corporate tax. In order to benefit from the exemption, the said income should be kept in a passive fund account and should not be withdrawn for 5 years. The sales price must be collected until the end of the second calendar year following the year in which the sale was made. The earnings obtained by the institutions dealing with the trade and leasing of securities and real estate from the sale of the values they hold for this purpose are excluded from the scope of the exception.

Income Tax Withholding

In addition to corporate taxes, in case of allocating get a profit share and incorporate this dividend at the company's income statement that the full liability corporations and foreign companies through dividends except for those distributed to branches in Turkey also income tax withholding should be calculated. As of 23 July 2006, the income tax withholding rate was changed to 15%. Dividends that are not distributed and added to the capital are not subject to income tax withholding. Based on the investment incentive certificates obtained before April 24, 2003, 19.8% tax withholding is required over the investment allowance amount. 25% of the incentive certificate investment expenditures made directly after the companies' production activity can be deducted from taxable income. No tax withholding is made from investment expenditures without incentive certificate.

NOTE 39 – EARNINGS PER SHARE

According to the main contract of the company, although each unit share hits the nominal value of TRY 0.01, the earnings per share is expressed in terms of the value that corresponds to the nominal value of TRY 1 in Borsa Istanbul, and the earnings per share is TRY 1. According to the weighted average number, it is calculated as follows.

	01.01.2020 30.06.2020	01.04.2020 30.06.2020	01.01.2019 30.06.2019	01.04.2019 30.06.2019
Net profit / (loss) for the period	4.462.165	2.524.954	2.190.808	923.098
Total number of shares	5.500.000	5.500.000	5.500.000	5.500.000
Simple and divided earnings / (loss) per share (TRY)	0,81	0,46	0,40	0,17

NOTE 40 – SHARE-BASED PAYMENTS

None. (December 31, 2019: None).

NOTE 41 – INSURANCE CONTRACTS

None. (December 31, 2019: None).

NOTE 42 – THE EFFECTS OF CHANGES IN FOREIGN EXCHANGE RATES

The foreign exchange risk of the company as of 30 June 2020 is shown in the table in Note: 47, as of the accounting period ending on 30 June 2020, foreign exchange income and foreign exchange difference expense are included in other income / expenses and financial income / expenses in the financial statements.

NOTE 43 – HYPERINFLATIONARY ECONOMY REPORTING

None. (December 31, 2019: None).

NOTE 44 – DERIVATIVE FINANCIAL INSTRUMENTS

None. (December 31, 2019: None).

NOTE 45 - FIXED ASSETS HELD FOR SALE

None. (December 31, 2019: None).

NOTE 46 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

• **Financial Instruments Interest Rate Risk**

Fluctuations in the values of financial instruments can occur with the changes in the market prices. These fluctuations may be due to the price change in securities or factors that are specific to the party that issued this security or that affect the entire market. The Company's interest rate risk mainly depends on bank loans.

Although the interest rate of interest-bearing financial debts varies, interest bearing financial assets have a fixed interest rate and the cash flow in the coming years does not change with the size of these assets. The risk gap against the changes in the market interest rates of the Company depends primarily on the Company's variable interest rate debt obligations. The Company's policy in this regard is to manage the interest cost by using fixed and variable interest loans.

	Book value	Book value
	30.06.2020	31.12.2019
Fixed interest instruments		
Financial assets	26.049.054	19.548.231
Total	26.049.054	19.548.231
Variable interest instruments		
Financial assets	3.941.053	4.199.557
Total	3.941.053	4.199.557

NOTE 46 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONT.)

• **Financial Instruments Credit Risk (Cont.)**

	Assets				
	Trade Receivables		Other Receivables		Bank
Current Period	Related Parties	Other	Related Parties	Other	Deposits
Maximum credit risk exposed as of the reporting date	--	4.065.948	--	36.311	30.017.345
- The portion of the maximum risk secured by collateral		4.876.175			
A- not overdue or impaired net book value of financial assets	--	4.065.948	--	36.311	30.017.345
B- Book value of financial assets whose conditions have been renegotiated, which would otherwise be deemed to be overdue or impaired	--	--	--	--	--
C- Overdue but not impaired net book value of assets	--	--	--	--	--
D- Net book values of impaired assets					
-overdue	--	87.874	--	--	--
- impairment	--	(87.874)	--	--	--
E- Items that include off-balance credit risk	--	--	--	--	--

NOTE 46 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONT.)

• **Financial Instruments Credit Risk (Cont.)**

Prior Period	Assets				
	Trade Receivables		Other Receivables		Trade Receivables
	Related Parties	Other	Related Parties	Other	Related Parties
Maximum credit risk exposed as of the reporting date	--	7.169.715	--	37.611	23.783.222
- The portion of the maximum risk secured by collateral	--	4.453.716	--	--	--
A- not overdue or impaired net book value of financial assets	--	7.169.715	--	37.611	23.783.222
B- Book value of financial assets whose conditions have been renegotiated, which would otherwise be deemed to be overdue or impaired	--	--	--	--	--
C- Overdue but not impaired net book value of assets	--	--	--	--	--
D- Net book values of impaired assets					
-overdue	--	83.125	--	--	--
- impairment	--	(83.125)	--	--	--
E- Items that include off-balance credit risk	--	--	--	--	--

NOTE 46 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONT.)

• **Financial Risk Factors**

Foreign currency transactions cause currency risk. The distribution of the Company's foreign currency denominated monetary and non-monetary assets and monetary and non-monetary liabilities as of the balance sheet date is as follows:

	30.06.2020			31.12.2019		
	TRY Equivalent	USD Dollar	Euro	TRY Equivalent	USD Dollar	Euro
1. Trade Receivables	--	--	--	--	--	--
2a. Monetary Financial Assets (including cash, banks)	24.036.052	3.255.185	228.773	19.548.231	3.034.951	228.553
2b. Non-monetary financial assets	--	--	--	--	--	--
3. Other	--	--	--	--	--	--
4. Current Assets(1+2+3)	24.036.052	3.255.185	228.773	19.548.231	3.034.951	228.553
5. Trade Receivables	--	--	--	--	--	--
6a. Monetary financial assets	--	--	--	--	--	--
6b. Non-monetary financial assets	--	--	--	--	--	--
7. Other	--	--	--	--	--	--
8. Non-Current Assets(5+6+7)	--	--	--	--	--	--
9. Total Assets(4+8)	24.036.052	3.255.185	228.773	19.548.231	3.034.951	228.553
10. Trade Payables	--	--	--	--	--	--
11. Financial Liabilities	--	--	--	--	--	--
12a. Other monetary financial liabilities	--	--	--	--	--	--
12b. Other non-monetary financial liabilities	--	--	--	--	--	--
13. Current Liabilities(10+11+12)	--	--	--	--	--	--
14. Trade Payables	--	--	--	--	--	--
15. Financial Liabilities	--	--	--	--	--	--
16 a. Other monetary financial liabilities	--	--	--	--	--	--
16 b. Other non-monetary financial liabilities	--	--	--	--	--	--
17. Non-Current Liabilities(14+15+16)	--	--	--	--	--	--
18. Total Liabilities(13+17)	--	--	--	--	--	--
19. Net asset / liability position of off- balance sheet derivative instruments	--	--	--	--	--	--
19a. Hedged amount of assets	--	--	--	--	--	--
19b. Hedged amount of liabilities position	--	--	--	--	--	--
20. Net foreign currency position asset / liabilities(9-18+19)	24.036.052	3.255.185	228.773	19.548.231	3.034.951	228.553
21. Net foreign currency asset/liability position of monetary items	24.036.052	3.255.185	228.773	19.548.231	3.034.951	228.553

NOTE 46 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONT.)

• **Currency Risk Management (Cont.)**

	Profit/Loss		Equity	
	Foreign Currency Appreciation	Foreign Currency Depreciation	Foreign Currency Appreciation	Foreign Currency Depreciation
30.06.2020				
If the USD rate changes by 20%:				
1- USD net asset / liability	4.454.525	(4.454.525)	4.454.525	(4.454.525)
2- Amount hedged for USD risk (-)	--	--	--	--
3- US Dollar Net Effect (1 + 2)	4.454.525	(4.454.525)	4.454.525	(4.454.525)
If the Euro exchange rate changes by 20%:				
4- Euro net asset / liability	352.685	(352.685)	352.685	(352.685)
5- Amount hedged for Euro risk (-)	--	--	--	--
6- Euro Net Effect (4+5)	352.685	(352.685)	352.685	(352.685)
Total (3+6+9)	4.807.210	(4.807.210)	4.807.210	(4.807.210)
31.12.2019				
If the USD rate changes by 20%:				
1- USD net asset / liability	3.193.315	(3.193.315)	3.193.315	(3.193.315)
2- Amount hedged for USD risk (-)	--	--	--	--
3- US Dollar Net Effect (1 + 2)	3.193.315	(3.193.315)	3.193.315	(3.193.315)
If the Euro exchange rate changes by 20%:				
4- Euro net asset / liability	275.543	(275.543)	275.543	(275.543)
5- Amount hedged for Euro risk (-)	--	--	--	--
6- Euro Net Effect (4+5)	275.543	(275.543)	275.543	(275.543)
Total (3+6+9)	3.468.858	(3.468.858)	3.468.858	(3.468.858)

According to the foreign currency position as of 30.06.2020, if the Turkish Lira appreciated / lost 20% against the US Dollar and the Euro and if all other variables remained constant, it was composed of assets and liabilities in the foreign currency in the accounting period ending on the same date. net loss as a result of exchange rate profit / loss would be higher / lower for US Dollar, TRY 4.454.525 and TRY 352.685 for Euro. (31 December 2019: TRY 3.193.315 for US Dollars and TRY 275.543 for Euro).

NOTE 46 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONT.)

• **Financial Instruments Liquidity Risk**

Current Period	Book Value	Cash Outflow Per Agreement (I+II+III+IV+V)	Shorter Than 3 Months(I)	3-12 Months (II)	1-5 Months (III)	4-5 Years
Non-derivative financial liabilities:	1.693.455	3.207.492	3.207.492	--	--	--
Liabilities Within The Scope Of Employee Benefits	616.225	2.130.262	2.130.262	--	--	--
Trade and Other Payables	1.077.230	1.077.230	1.077.230	--	--	--
Derivative financial liabilities:	--	--	--	--	--	--
Total	1.693.455	3.207.492	3.207.492	--	--	--

Prior Period	Book Value	Cash Outflow Per Agreement (I+II+III+IV+V)	Shorter Than 3 Months(I)	3-12 Months (II)	1-5 Months (III)	4-5 Years
Non-derivative financial liabilities:	2.318.019	2.318.019	2.318.019	--	--	--
Liabilities Within The Scope Of Employee Benefits	957.143	957.143	957.143	--	--	--
Trade and Other Payables	1.360.876	1.360.876	1.360.876	--	--	--
Derivative financial liabilities:	--	--	--	--	--	--
Total	2.318.019	2.318.019	2.318.019	--	--	--

NOTE 47 – FINANCIAL INSTRUMENTS (FAIR VALUE EXPLANATIONS AND EXPLANATIONS IN THE FRAMEWORK OF FINANCIAL RISK PROTECTION)

It refers to the price of a financial instrument subject to trading between the willing parties in a current transaction, except for reasonable value, compulsory sales or liquidation. Quoted market price, if any, is the value that best reflects the reasonable value of a financial instrument. The Company's financial instruments at fair value on the financial markets in Turkey and to the extent that reliable information is available, was estimated. The estimations presented here may not reflect the amounts that the Company can obtain in a market transaction. The following methods and assumptions are used in estimating the reasonable values of the Company's financial instruments

Forecasting fair values of financial instruments that are practically possible to estimate fair values, the following methods and assumptions are used:

NOTE 47 – FINANCIAL INSTRUMENTS (FAIR VALUE EXPLANATIONS AND EXPLANATIONS IN THE FRAMEWORK OF FINANCIAL RISK PROTECTION) (CONT.)

Financial Assets

Monetary assets whose fair value approaches the book value:

- Foreign currency balances are converted at the end of period exchange rate.
- It is assumed that the fair values of some financial assets (cash-bank) shown in the financial statement in terms of their cost value are approximate to those of the financial statement.
- The fair value of the trade receivables is estimated to be close to the value they carry after the provisions are reserved.

Financial Liabilities

Monetary liabilities, the fair value of which approximates the carrying amount:

- Fair values of short-term loans and other monetary liabilities are assumed to be approximate due to their short-term nature.
- It is assumed that the reasonable value of the long-term debts, which are in foreign currency and are converted at the end of the exchange rates, is equal to the carrying amount.
- Trade values carried in the statement of financial position of the trade payables and accrued expenses representing the estimated amounts to be paid to third parties are assumed to be approximately to the market values.

Fair value measurements hierarchy table

The Company classifies the fair value measurements of financial instruments reflected at fair value in the financial statements according to the source of the inputs of each financial instrument class, using a three-level hierarchy as follows

First level: Financial assets and liabilities are valued at the stock market prices traded in the active market for the same assets and liabilities.

Second level: Financial assets and liabilities are valued from the inputs used to find the price of the relevant asset or liability directly or indirectly in the market other than the stock exchange price specified in the first level.

Third level: Financial assets and liabilities are valued from inputs that are not based on any observable data in the market used in finding the fair value of the asset or liability.

30.06.2020	Level 1	Level 2	Level 3
Investment properties	--	--	2.750.000
Total	--	--	2.750.000
31.12.2019	Level 1	Level 2	Level 3
Investment properties	--	--	2.500.000
Total	--	--	2.500.000

NOTE 48 – SUBSEQUENT EVENTS

The company decided to distribute a profit distribution propose at the board meeting dated 06.07.2020. It will be proposed to make the dividend payments on 19.08.2020 following the general assembly meeting.

(31.12.2019: None.)

NOTE 49 – OTHER MATTERS THAT MAY HAVE A MATERIAL EFFECT ON, OR PREVENT THE CLEAR UNDERSTANDING OF THE FINANCIAL STATEMENTS

None. (31 December 2019: As of 31.12.2019, the company has taken over all assets and liabilities of Link Holding A.Ş. , in accordance with the merger report dated 18 November 2019 and the merger agreement dated November 18, 2019. Since the partners of Link Holding A.Ş are the same as the partners of Link Bilgisayar A.Ş., the “Decision to Accounting Business Combinations subject to 2018-1 Joint Control” published by the Public Oversight Accounting and Auditing Standards Authority (“POA”). the merger transactions accounted in accordance resolution published by POA.

The shares owned by Link Holding A.Ş. in Link Bilgisayar A.Ş. have been transferred to other shareholders of Link Bilgisayar A.Ş., and the existing privileges before the merger are still continue.

NOTE 50 – FIRST TRANSITION TO IAS

None. (31.12.2019: None).

NOTE 51 – EXPLANATIONS ON CASH FLOW STATEMENT

The details of cash and cash equivalents of the Company as of the balance sheet date are as follows:

	30.06.2020	31.12.2019
Cash	475	1.884
Banks	26.097.352	19.583.665
- <i>Time deposits</i>	26.035.966	19.548.231
- <i>Demand deposits</i>	61.386	35.434
Type B liquid fund (*)	3.919.993	4.199.557
	30.017.820	23.785.106

NOTE 51 – EXPLANATIONS ON CASH FLOW STATEMENT (CONT.)

The details of the cash equivalents in the cash flow statement of the Company as of the balance sheet date are as follows:

	30.06.2020	30.06.2019
Cash and cash equivalents	30.017.820	22.380.279
Interest income accrual (-)	(48.300)	(238.222)
Total	29.969.520	22.142.057

(*) B type liquid fund amount is TRY 3.919.993 and it is shown in the balance sheet with its current market value.
 (31.12.2019: TRY 4.199.557)

The details of time deposits are as follows:

Currency	30.06.2020			31.12.2019		
	Amount	Currency Amount	Effective rate of Interest	Amount	Currency Amount	Effective rate of Interest
TRY	2.000.000	2.000.000	8,25%	--	--	--
EURO	1.763.425	228.773	0,05%	1.520.015	228.553	0,28%
USD	22.272.541	3.255.172	0,80%	18.028.216	3.034.951	1,76%
Total	26.035.966			19.548.231		

NOTE 52 – DISCLOSURES OF CHANGES IN EQUITY

The effects of changes in the accounting policies explained in Note 2 and the accumulated profit / loss account and the effects of other accumulated comprehensive income / expenses that will not be reclassified as profit or loss in other comprehensive income are shown in the statement of changes in equity.