



YDA

2020

INTERIM
ANNUAL
REPORT

JUNE 2020



***“Carry your integrity as
your most precious cargo
and you might get weak at
limbs, but never at heart...”***



Yaşar Dede ARSLAN
Founder and Honorary President of YDA Group

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MANAGEMENT

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YDA IN 2020

Aviation Projects	100
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INDEPENDENT AUDITOR'S REPORT

CONTACT

Overview

Account Period	: 01.01.2020 - 30.06.2020
Trade Name	: YDA İnşaat Sanayi ve Ticaret Anonim Şirketi
Trade Registry Number	: 92203
Ankara Trade Registry	: Mersis no / 0946-0172-2980-0019
Tax Office and Tax ID Number	: Cumhuriyet Tax Office / 9460172298
Headquarters Contact Information	
Address	: Büyükesat Mah. Vedat Dalokay Cad. No:112 Çankaya / ANKARA
Telephone and Fax	: Tel: 0 312 459 44 00 / Fax: 0 312 436 82 79

The corporate website of YDA Construction Industry and Trade, Inc. is <http://www.yda.com.tr>. All information on the Company's website is available in Turkish and English and updated on a regular basis.

Shareholder	31.12.2019		30.06.2020	
	Amount (TRY)	Ratio (%)	Ratio (%)	Oran (%)
HÜSEYİN ARSLAN	35,937,500	47.92	47.92	47,92
CÜNEYT ARSLAN	35,937,500	47.92	47.92	47,92
MELİKHAN CÜNEYT ARSLAN	781,250	1.04	1.04	1,04
EMİRHAN YAŞAR ARSLAN	781,250	1.04	1.04	1,04
YAŞAR ARSLAN	1,562,500	2.08	2.08	2,08
Total	75.000.000	100	75.000.000	100



PRODUCTIVE POWER OF TURKEY: **YDA**

With its foundation dating back to 1954, YDA Group has left behind 46 years with its first construction and contracting company AKSA Construction and 26 years with YDA Construction, was founded in the name of the late Yaşar Dede Arslan, the Honorary Chairman and Founder of the Group, and continues its steady growth momentum with more than half a century of experience.

In the construction industry, which is its main field of activity, YDA Group delivers turnkey projects, Build-Operate-Transfer (BOT) and Public-Private Partnership (PPP) models and health campus and airport investment projects, high-tech buildings, industrial plants, cement factories, infrastructure projects, roads, bridges, intersections, high-rise buildings, mass housing projects, business centers, shopping malls, hospitals, school complexes, apartment complexes, luxury houses, villas, and real estate development projects and continues to serve by creating subsidiary industries and service categories in addition to construction with its wide range of activities and planned and steady growth policy to meet the evolving needs of the market and the expectations of the customers.

Operating in ten main areas including Construction and Contracting, Real Estate Development, Aviation, Medical and Health, Energy, Support Services (Health, Catering, Facility Management), Agriculture, Information Technologies (IT), Defense and Aerospace, Mining, and Outdoor and Digital Advertising sectors, YDA Group has adopted

the principle of providing world-class services in every sector in which it operates. The company proves its quality and reliability with international certificates such as ISO 9001:2015 Quality Management Standard, ISO 14001:2015 Environmental Standard, OHSAS 18001 Occupational Health and Safety Management Systems Standard, and ISO 15504 (SPICE).

Having expanded to international markets beginning from the early 2000s and implemented successful project in many countries such as Kazakhstan, Ukraine, United Arab Emirates, Russia, Saudi Arabia, Afghanistan, and Moldova, in addition to real estate development projects, YDA Group maintains its position as one of the pioneering and experienced companies in infrastructure projects, city hospitals and airport management in particular, implemented with the Build-Operate-Transfer and Public-Private Partnership models at home and abroad.

With companies operating in different sectors and partnerships at home and abroad, YDA Group creates international business volume and is one of the leading group of companies of Turkey today with completed projects approaching USD 9.6 billion, ongoing and planned projects worth approximately USD 8.5 billion, and employment power of 10,000.

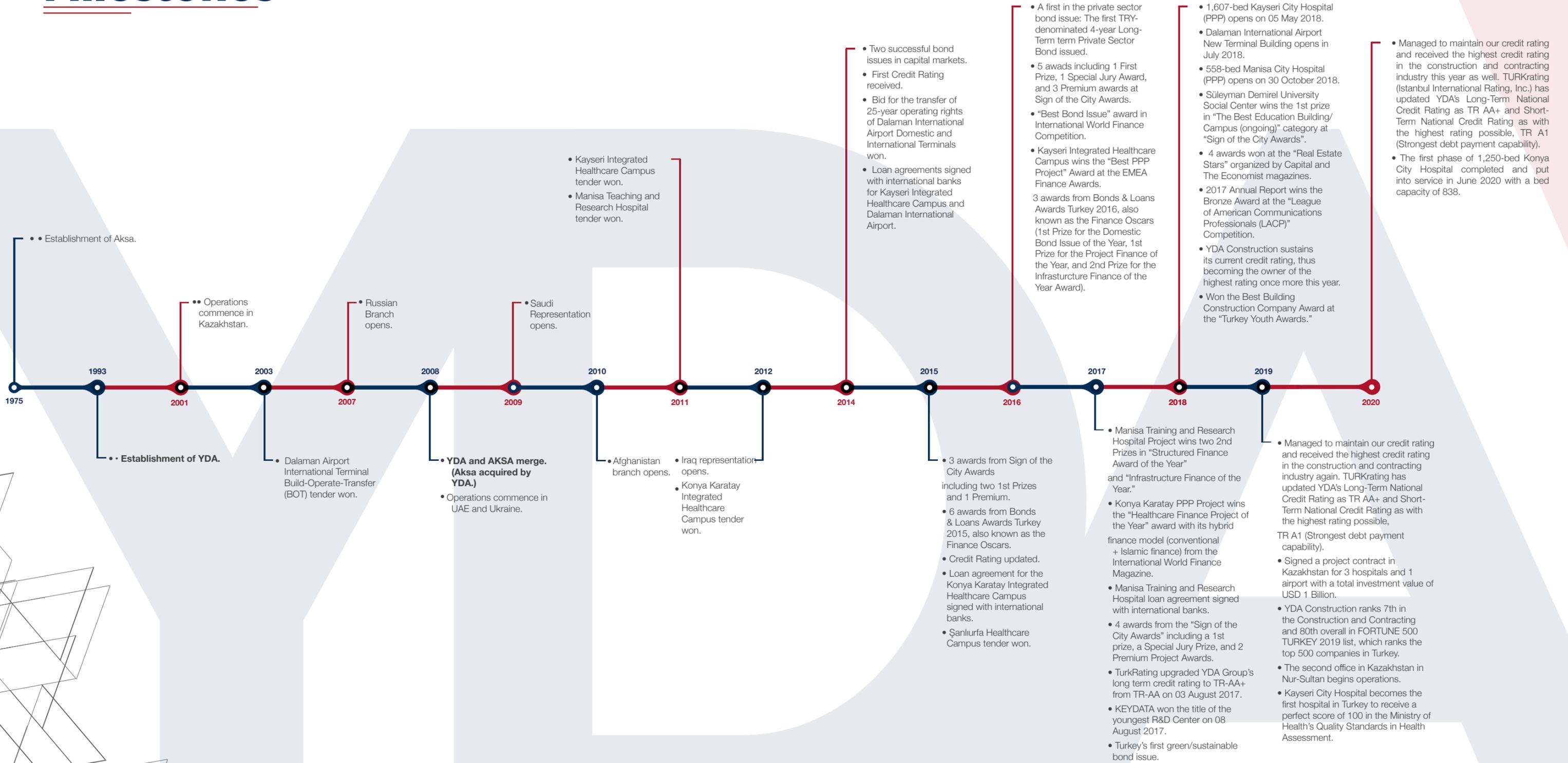
***As of the end of 2019.*

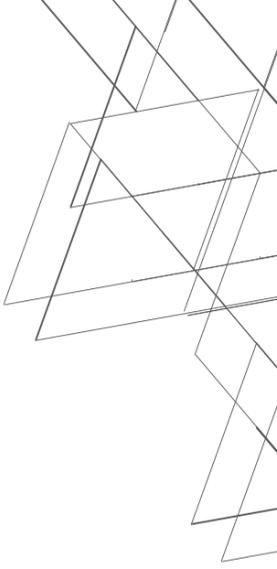
YURT DIŞI MÜTEAHHİTLİK BELGESİ Overseas Contracting Certificate	
Yurtiçi Numarası Domestic Registration Number	9460172298
Şirket Adı Name of the Company	YDA İnşaat Sanayi ve Ticaret A.Ş.
Market Adresi Head Office Address	Büyükesat Mah. Vedat Dalokay Cad. No: 112 Gaziosmanpaşa / Çankaya / ANKARA
Şirket Sicil Numarası Trade Register Number	92203
Şirket Kuruluş Tarihi Date of Trade Register	21/01/1993
Yurtiçi Mühürleşme Belgesi Numarası Overseas Contracting Certificate Number	254
Geçerlilik Tarihi Date of Expiry	21-11-2019
MÜTEAHHİTLİK KONUSU Fields of Contracting	TAVAN AZAMI MİKTARI (A.B.D. \$) Maximum Contract Amount (U.S. \$)
Yapı, Tesis, Bakım ve Onarım İşleri Civil Engineering, Construction, Maintenance and Repair Works	Limitsiz (Unlimited)
Sanal ve Teknolojik İmalat, Tutar ve Montaj İşleri Industrial and Technological Manufacturing, Installation and Assembly Works	--
Proje - Mühendislik - Müşavirlik İşleri Design - Engineering - Consultancy Works	--
İşletme, Yürütme, Bakım ve İzleme İşleri Operation, Management, Maintenance Works	--



* Overseas Contracting Certificate.

Milestones





Vision and Principles

- Leading in core businesses and offering world-class service,
- Acting with integrity in dealings with the state, consumers, shareholders, employees and suppliers,
- Maintaining customer satisfaction built through product and service quality by prioritizing customer demands,
- Entering into long-term relationships with all stakeholders based on professionalism and mutual trust,
- Showing due diligence to schedules and technical specifications, and ensuring the timely completion and delivery of projects,
- Recruiting qualified staff and employing a modern management system,
- Developing workforce and promoting higher quality by in-service training,
- Creating team spirit by sharing the profit, loss, achievements, and mistakes in equal terms,
- Making sure the staff is happy and proud to be working for the YDA Group,
- Maintaining high ethical standards,
- Being committed to environmental protection and occupational health and safety,
- Demonstrating civic involvement and social awareness by transferring a portion of the profits to social aid projects supported by Yaşar Dede Arslan Education, Culture, and Solidarity Foundation.

Strengths

Financial Resources

YDA stands out from other companies operating in the same industries with its strong equity structure, high liquidity, robust balance sheet structure, long-term borrowing capacity, ability to use a variety of capital market tools, and access to international financial resources (such as EBRD, IFC, IsDB, BSTDB, UniCredit, Siemens Bank, Credit Europe).

Technical Competence

Machinery and equipment capacity, strong organizational capabilities, vast in-house know-how based on experience, references from completed works, overseas contracting certificate demonstrating unlimited business competence, engineering background of the principal shareholders coupled by a young, energetic and dynamic grassroots staff lead by an experienced team of executives create a synergy that is indicative of YDA's technical competence in completing projects on time, within budget, and of the specified quality.

Leadership

YDA's leadership position in the fields in which it operates is further strengthened by the many pioneering and innovative projects it carries out, and the strong and steady increase in its performance.

Experience

As YDA views each project as a means to gain experience and learning opportunities, it continuously improves itself as an organization, and employs strategies to pass on this experience to younger generations.

46

**YEARS OF
EXPERIENCE**

9,6

**BILLION USD
OF COMPLETED
PROJECTS**

8,5

**BILLION USD OF
ONGOING &
PLANNED
PROJECTS**

Workforce

Having recorded stable growth and making great contributions to the country's economy since its establishment, YDA employs over 10,000 qualified employees.

Reputation

YDA stands out from its competitors with its strong reputation in the market and the fields it operates; its long-lasting and stable relations with stakeholders such as employees, customers, and suppliers; its strong business ethics; and its positioning in various sectors with strategic projects.

Innovative Capacity

YDA continually enhances its innovative capacity to obtain and sustain a competitive edge in this ever changing and developing world that gets ever more complicated.

**As of the end of 2019.*

COMPLETED PROJECTS

Industrial Structures

- Coal Washing Plant (2005, Soma, Manisa)
- Nobel Pharmaceuticals Plant (2004, Kazakhstan)
- Tobacco Warehouse (2000, Hatay)
- An Limited Liability Small Industrial Estate Constr. Cooperative Section 1 (1994, Ankara)
- Elbistan Industrial Estate Constr. Cooperative Section 1 (1993, Ankara)
- Cement Plant (1987, Denizli)
- Iskenderun Supplementary Cement Grinder and Bunker (1986, Hatay)
- Cement and Clinker Grinder and Bunker (1984, Adiyaman)
- Kurtalan Cement Plant (1982, Siirt)
- Ergani Cement Plant (1980, Diyarbakır)
- Flour Plant (1979, Zonguldak)

Cultural and Educational Buildings

- Hasan Doğan Stadium (2013, Karabük)
- The Epic of Gallipoli Promotion Center (2012, Çanakkale)
- Bulancak Sports Complex (2007, Giresun)
- Sports Center with A Capacity of 1000 (2007, Trabzon)
- 25 School Projects (1999-2001)

Infrastructure Projects

- Potable, Waste, and Rainwater Pipe Construction for Ankara Water and Sewage Administration, ASKI (2020, Ankara)
- HBM Road Construction Works in the District Centers and Rural Areas within Municipal Boundaries (2019, Şanlıurfa)
- Turkish State Railways Akçagöze Başpınar Variant (2019, Gaziantep)
- Diyarbakır Southwest Ring Road (2018, Diyarbakır)
- Ordu Ring Road (2018, Ordu)
- Astana Potable Water Filtering Station Reconstruction Works (2017, Kazakhstan)
- Potable Water Filtering Station Reconstruction Works (2017, Kazakhstan)
- Astana Expo 2017 Infrastructure Works (2017, Kazakhstan)
- İvedik Potable Water Treatment Plant (2014, Ankara)
- Tram Line Extension Project (2014, Eskişehir)
- Ceylanpınar Directorate of Agricultural Enterprises 1st and 2nd Center Pivot Irrigation System (2012, Şanlıurfa)
- E-90 Highway Tugay Flyover Junction (2006, Gaziantep)
- 100. Yıl Boulevard and Ağabali Road Flyover Junction (2005, Samsun)
- İnönü Boulevard Underpass Construction (2003, Ankara)
- Bayburt Dam Irrigation Canal (2002, Kars)
- Çankaya Dikmen Sewage and Rain Water Pipeline

Airports

- Adnan Menderes Airport Apron Construction (2019, İzmir)
- Dalaman International Airport New International and Domestic Terminal (2018, Muğla)
- Diyarbakır International Airport (2015, Diyarbakır)
- Sabiha Gökçen Airport Aviation Maintenance Repair and Overhaul Center (2014, İstanbul)
- Boryspil International Airport Project (2013, Ukraine)
- Hatay International Airport New Terminal Building (2010, Hatay)
- Korkit Ata Airport Project and Technical Bidding Consultancy (2008, Kazakhstan)
- Aktau International Airport (2007, Kazakhstan)
- Dalaman International Airport New International Terminal (2006, Muğla)
- Erhaç Domestic Terminal HVAC and Electromechanical Systems (2003, Malatya)
- Antalya Airport Terminal HVAC and Electromechanical Systems (2001, Antalya)

Service Buildings

- Süleyman Demirel University, Social Center (2019, Isparta)
- Istanbul Regional Court of Justice (2017, İstanbul)
- Almaty Financial Center Halyk Bank HQ Fine Finishing Works (2017, Kazakhstan)
- Astana City 1,500-seat Amphitheater Building (2017, Kazakhstan)
- Kazakhstan National History Museum (2015, Kazakhstan)
- Technology Development Zone Construction (2014, Gaziantep)
- Technology Development Zone Construction (2014, Elazığ)
- Forum Kayseri Shopping Mall (2012, Kayseri)
- Esentai Shopping Mall (2012, Kazakhstan)
- Turkish Atomic Energy Authority Proton Accelerator Facility (2012, Ankara)
- Bank Turan Alem (BTA) HQ Building (2009, Kazakhstan)
- Kazkommertsbank HQ Building (2009, Kazakhstan)
- Court of Appeals Construction (2008, Diyarbakır)
- Almaty Financial District (2007, Kazakhstan)
- Almaty CP Logistics HQ Construction (2007, Kazakhstan)
- Samsun Tax Office Refurbishment and Decoration Works (1999, Samsun)

Residential Projects

- YDA Söğütözü Residences & Offices (2020, Ankara)
 - YDA Center (2019, Ankara)
 - YDA Park Avenue Twin (2018, Ankara)
 - Gölbaşı TOKİ İncek Residences (2018, Ankara)
 - YDA Park Avenue 2nd Phase (2017, Ankara)
 - The Kayseri Residences (2016, Kayseri)
 - YDA Park Avenue 1st Phase (2016, Ankara)
 - Mamak Urban Transformation Project (1,550 Units) (2016, Ankara)
 - The İstanbul Residences (2016, İstanbul)
 - Nevbahçe Residences (2015, Ankara)
 - The İstanbul Veliefendi Residences (2014, İstanbul)
 - Nevbahar Botanik Residences (2013, Ankara)
 - Sahilpark Residences (2011, İstanbul)
 - TOKİ Kayabaşı Residences (2011, İstanbul)
 - Nevbahar Residences (2010, Ankara)
 - Maxima Residences (2009, Kazakhstan)
 - Arman Ville 1st Phase (2008, Kazakhstan)
 - TOKİ Yenişehir Residences (740 Units) (2008, Bursa)
 - TOKİ Bursa Urban Residences (716 Adet) (2008, Bursa)
 - TOKİ Amasya Merzifon Konutları (512 Adet) (2008, Amasya)
 - Almaata Country Club (2006, Kazakhstan)
 - Almaata Turkuaz Tower (2006, Kazakhstan)
 - Samal Turkuaz Tower (2005, Kazakhstan)
 - Alkent İstanbul Rezidans İnşaatı (2001, İstanbul)
 - S.S. An Küçük Sanayi Sitesi İnşaat Kooperatifi 1. Kısım İnşaatı (1994, Ankara)
- ## Hospital Projects
- Sarıyer State Hospital - 350 Beds (2018, İstanbul)
 - Ağrı Suçatağı State Hospital - 300 Beds (2018, Ağrı)
 - Ümraniye Maternity and Pediatric Hospital - 484 Beds (2015, İstanbul)
 - Muş State Hospital - 300 Beds (2014, Muş)
 - Malatya State Hospital - 640 Beds (2013, Malatya)
 - Niğde State Hospital - 300 Beds (2013, Niğde)
- ## PPP Hastaneler
- Konya City Hospital - 1250 Beds (1st Phase of 838 Beds Completed) (Konya, 2020)
 - Kayseri Integrated Healthcare Campus - 1607 Beds (2018, Kayseri)
 - Manisa Training and Research Hospital

ONGOING PROJECTS

Infrastructure Projects

- Ankara-Izmir High-Speed Rail Infrastructure Works (Afyon-Polatli)
- Elmadağ Kırıkkale & Polatlı Afyon High-Speed Railway Safety Tunnels (Afyon-Polatli)
- Kars Kağızman Road (Kars)
- Ankara-Sivas High-Speed Rail Project Infrastructure Works (Kayaş-Kırıkkale)
- Ordu Ring Road (Ordu) Km: 21+000-42 + 414,784 Section Supply Construction Works (Ordu)
- Türkeli Ayancık & Erfelek Sinop Boyabat Highway (Sinop)
- Sinop Dikmen Durağan Road (Sinop)

Residential & Office Projects

- YDA Parkline Residence Project, (Ankara)
- YDA West Avenue Residential & Commercial Areas, (Ankara)

Airports

- Turkistan International Airport (Turkistan)
- Yozgat Airport Infrastructure and Miscellaneous Works (Yozgat)
- Diyarbakır Airport Transformation from Parallel Taxiway to Emergency Landing Strip (Diyarbakır)

Service Buildings

- ROKETSAN Elmadağ Campus Service Building Construction (Ankara)
- HAVELSAN Technology Campus (Ankara)
- Ulus Cultural Center (Ankara)
- Uludağ University Social Center (Bursa)

Service Buildings

- Dir. Gen. of Turkish Coal Enterprises, Directorate of Ege Lignite Enterprise, 20,000,000 Ton Coal-Washing Service Procurement Works (Manisa)
- Integrated Medical Support Services Kayseri, Manisa, and Konya City Hospitals

PPP Projects

- Petropavlovsk City Hospital - 510 Beds (Kazakhstan)
- Turkistan City Hospital - 630 Beds (Turkistan)
- Nur-Sultan University City Hospital - 800 Beds (Nur-Sultan City)
- Şanlıurfa Healthcare Campus - 1,700 Beds (Şanlıurfa)



Creating Synergy Across A Diverse

Although the flagship of the YDA Group, YDA Construction Industry and Trade, Inc. was established in 1993, the history of the group dates back to 1975 with AKSA Construction, Inc.

To meet the ever-growing needs of the market and the expectations of its customers, the YDA Group operates in a host of industries in addition to Construction, such as Aviation, Energy, Agriculture, Medical & Healthcare, Outdoor Digital Advertising, Information Technologies (IT), Mining, and Support Services and pursues a planned and stable growth policy creating synergy between different Business Lines.

In addition to its willingness to continue its construction activities in line with the growth targets of Turkey, the YDA Group also seeks to foster investment and activities in areas such as medical & healthcare, aviation, energy, information technologies, mining, agriculture, and outdoor digital advertising in order to contribute to a more sustainable structure thanks to improved profitability and cash flow.

The YDA Group aims to continue its activities in the above-mentioned industries with a view to the opportunities and threats in the market, to achieve a stronger structure by investing in these industries, and consequently, to be able to offer a wider range of services to its clientele originating from the residence sector in particular, thereby fully catering to the expectations of YDA's individual and corporate investors in the capital markets, where it is a relatively new actor.

As employment opportunities arise in the field of construction thanks to YDA's prospective investments in aviation, healthcare, energy, and to a certain extent, agriculture projects; brand

recognition is reinforced in

the fields of construction and contracting through YDA's prestigious real estate development projects, which in turn, play a positive role in YDA's sales in other fields (particularly in agriculture, medical and healthcare).

The experience and know-how gathered in the fields of Hospital and Airport Operations, and conventional contracting works are synergistic. Having experience in hospital construction has a positive impact on PPP Hospital constructions. Similarly, experience gained from airport terminals built for the Ministry of Transport on a contractual basis is valuable for the construction of the Dalaman International Airport New Domestic Terminal.

Other synergies are created by cross selling. In addition to the income to be generated throughout the operating period of the PPP Hospital and Airport Terminal tenders, construction income will be generated from the contracting works of the EPC Construction Contracts.

A Group affiliate, KEYDATA, offers Hospital Information Management System (HIMS) software to be utilized in Hospital Projects, which will be operated by the YDA Group upon completion, as well as other types of software in the other lines of Group's business. KEYDATA extends support to all YDA Group Companies for the latter to take full advantage of information technologies to create efficiencies and add value to their work and their projects in all the fields they operate.

These synergies created across various business fields of YDA are projected to have a positive impact on the future performance of the company and a multiplier effect on its growth.

GROUP COMPANIES & PARTNERSHIPS

Construction & Contracting

- YDA Construction Industry and Trade, Inc.
- Doğuş-Alarko-YDA Construction Co., Ltd.
- ATM Management Construction Ind. and Trade, Inc.
- ATM Contracting Construction Ind. and Trade, Inc.
- Artun Real Estate, Inc.
- Ardem Yapı Real Estate Construction, Contracting, Fuel Oil, Mining and Trade, Inc.
- Yüksel-Turkuaz-YDA Construction Co., Ltd. (Kazakhstan)
- Turkuaz Construction (Kazakhstan)
- TEYDA-YDA Ordinary Partnership (ASKI Infrastructure)
- TEYDA-YDA-Kibris Ordinary Partnership
- Ardem-Ezekar Ordinary Partnership
- Yüksel-YDA 3 Ordinary Partnership (Incek TOKI)
- YDA-EMT Ordinary Partnership (Yozgat Airport)
- Doğuş-YDA Partnership (Highway)
- NuroI-YDA-Yüksel-Özka Ordinary Partnership (Highway)
- NuroI-Yüksel-YDA-Özka Ordinary Partnership (Highway)
- YDA-Sigma-Makimsan-Burkay Partnership (High-Speed)
- YDA-Yüksel Partnership-3
- YDA-Bortor Joint Venture (Söğütözü Residences & Offices)
- YDA-ATM 2 Ordinary Partnership

Airport Construction and Management

- YDA Airport Construction and Management, Inc (Dalaman)
- ATM Group International Airport Construction Co., Ltd. (Aktau-Kazakhstan)

Defense and Aviation Industry

- YDA Defense and Aviation Industry, Inc.

Agriculture

- YDA Agriculture Food Industry and Trade, Inc.

Agriculture

- ATM Health Kayseri Investment and Management, Inc. (PPP)
- ATM Health Manisa Investment and Management, Inc. (PPP)
- ATM Health Konya Investment and Management, Inc. (PPP)
- ATM Health Şanlıurfa Investment and Management, Inc. (PPP)
- MEYDA Medical Construction IT and Management Industry Trade, Inc.
- FMS Health Services, Inc.
- FMS-ISS Ordinary Partnership

SUPPORT SERVICES

- ATM Food and Beverage Services, Inc.
- KSH Kayseri Investment and Management, Inc.
- YDA Health Investment and Management, Inc.

REAL ESTATE DEVELOPMENT

- ATM Construction Investment and Management, Inc.
- YDA Construction Industry and Trade, Inc.
- YDA-Kuruluş Partnership

Smart Digital Advertising

- YDA Construction Industry and Trade, Inc.
- Storm Advertising and Marketing, Inc.
- Metropol Ankara Telecommunication and Advertising Services, Inc.

Mining

- Çiftay-Ardem Ordinary Partnership
- MAYDA Mining, Inc.

INFORMATION TEHNOLOGIES

- KEYDATA Information Technology Systems, Inc.
- YDA International Investments, Inc.

GROUP COMPANIES & PARTNERSHIPS

ATM Group International Airport Construction Co., Ltd. (JSC International Airport Aktau)

Established in 2006 with construction and contracting work as its core business, the Company is currently responsible for the operations of the Aktau International Airport and its affiliates. Operating activities will be carried out for a period of 30 years (until 2038).

ATM Contracting Construction Ind. and Trade, Inc.

Established in 2005 to operate in the private security market, the company changed its title in 2016 and currently continues its activities in the field of construction and contracting.

Ardem Yapı Real Estate Construction, Contracting, Fuel Oil, Mining and Trade, Inc.

The Company joined the Group in 2015 and carries out construction and contracting activities as a subcontractor for ASKI Infrastructure and TOKI Incek Residences Projects.

Artun Real Estate, Inc.

Established in 2009, the Partnership deals with machinery rentals and concrete production in addition to its core business of construction and contracting.

ATM Management Construction Ind. and Trade, Inc.

Established in 2004, the Company undertook the Build-Operate-Transfer construction works of the International Terminal of the Dalaman International Airport, and within the scope of the BOT contract, operated the International Terminal from 2006 until the end of April 2015. The company changed its title in 2016 and currently continues its activities in the construction, contracting and PVC production industries.

ATM Construction Investment and Management, Inc.

Established in 2007 with construction, contracting and investment as its core business, the Company carries

out dormitory, school and housing constructions across the country.

ATM Health Kayseri Investment and Management, Inc.

Established in 2011 for the construction and management operations of the Kayseri City Hospital. Established as a SPV for PPP projects, the Company will undertake the operations of the City Hospital for 25 years.

ATM Health Manisa Investment and Management, Inc.

Established in 2013 for the construction and management operations of the Manisa City Hospital. Established as a SPV for PPP projects, the Company will undertake the operations of the City Hospital for 25 years.

ATM Health Konya Investment and Management, Inc.

Established in 2013 for the construction and management operations of the Konya Karatay City Hospital. Established as a SPV for PPP projects, the Company will undertake the operations of the City Hospital for 25 years once the construction has been completed.

ATM Health Şanlıurfa Investment and Management, Inc.

Established in 2016 for the construction and management operations of the Şanlıurfa Health Campus. Established as a SPV for PPP projects, the Company will undertake the operations of the City Hospital for 25 years upon land allocation and completion of the construction works.

ATM Food and Beverage Services, Inc.

Established in 2006, the company has a branch at The Dalaman Airport in Dalaman, Muğla, and it Provides food and beverage (catering) Services to the Dalaman Airport from this branch.

FMS Health Services, Inc.

Established to provide the support services needed in domestic and international health facilities in the most effective way, the Company operates in Kayseri and Manisa City Hospitals through the partnership established with ISS, a reputable organization in the global facility management industry. The market research for new domestic and international projects is carried out as an in-house operation.

KSH Kayseri Investment and Management, Inc.

The Company was established in 2014 to provide management services for ATM Health Kayseri Investment and Management, Inc. in line with the provisions of the Project Contract the latter signed with the Administration of Public-Private Partnership of the Ministry of Health of the Republic of Turkey for the construction and investment of the Kayseri Integrated Healthcare Campus.

KEYDATA Information Technology Systems, Inc.

KEYDATA Information Technology Systems, Inc. was established in 2017 to become one of the few 100% local integrator companies in Turkey to develop and update the Hospital Information Management System (HIMS) software in line with the needs of the Group to respond to the IT and software demands within the YDA Group, and, having the backing of the YDA Group, to address the needs of the public and private sectors with successful projects.

MAYDA Mining, Inc.

The YDA Group's affiliate in mining, MAYDA Mining, Inc. was established to operate in the mining and energy industries. The Company operates at the Soma Coal Washing Plant commissioned in 2006 as Turkey's and Europe's biggest coal washing and enrichment plant in terms of capacity, lying on 25,000 m2 of land. MAYDA continues to contribute to Turkey's economy by making sure that domestic coal resources of the highest quality are used at maximum yield by processing 1,200 tons/hour in the plant, which has a capacity of 5 million tons and an installed power of 5 Megawatts.



GROUP COMPANIES & PARTNERSHIPS

MEYDA Medical Construction IT and Management Industry Trade, Inc.

Established in 1992, the Company imports medical supplies and devices, and acts as a wholesaler in the domestic market through its dealers. The Company is also the Turkish distributor of a range of medical suppliers.

Metropol Ankara Telecommunication and Advertising Services, Inc.

The Company was established in 2014 for the commercialization and high-value marketing of 2,900 portable media in Ankara to accommodate in the best way the practices and habits of the advertising industry.

Storm Advertising and Marketing, Inc.

The Company was established in 2018 for the commercialization and high-value marketing of the YDA Group's own advertising media to accommodate in the best way the practices and habits of the advertising industry.

YDA Airport Investment and Management, Inc.

The Company has been operating the existing Domestic Terminal of the Dalaman Airport since 01 August 2014, and the International Terminal of the same airport since 28 April 2015. Established in 2014 as an SPV within the scope of the concession agreement signed with the General Directorate of State Airports Authority (DHMI), YDA Airport Investment and Management, Inc. will operate the International and Domestic Terminals of the Dalaman International Airport until 31 December 2040; and invested in the renovation of the New Domestic Terminal of the Dalaman Airport between 2015-2018 as per the same contract.

YDA Health Investment and Management, Inc.

Established in 2011, the Company continues

to offer management services and other facility management solutions to all YDA Group Companies in all Public-Private Partnership (PPP) projects that the YDA Construction Industry and Trade, Inc. ("YDA")

carries out with the Ministry of Health's Department of Public Private Partnership.

YDA Agriculture Food Industry and Trade, Inc.

Established in 2009, the Partnership is located in the Dikili district of Izmir on a total area of 800 decares. There are three fully automated new generation closed greenhouses equipped with solar energy on 150 decares of the area allocated to tomato cultivation, and the rest of the area is for outdoor ovine breeding. The heating needs of the facility is met by geothermal

YDA International Investments, Inc.

Established in 2015, the Company invests in various start-ups in the IT industry.

Ardem-Ezekar Ordinary Partnership

Established in 2017, the Partnership has undertaken the project titled "HBM Road Construction works in the district centers and rural areas of the Metropolitan Municipality of Şanlıurfa."

Çiftay-Ardem Ordinary Partnership

Established in 2017, the Partnership has undertaken and currently carries out the "Washing of 20,000,000 tons of coal for the Directorate of Ege Lignite Enterprise under the Directorate General of Turkish Coal Enterprises."

Doğuş-Alarko-YDA Construction Co., Ltd.

Established in 2008 and having completed the construction of Kiev Boryspil International Airport, the Partnership now seeks to undertake similar contracting and investment works in Ukraine.

NUROL-YÜKSEL-ÖZKA-YDA Ordinary Partnership

Established in 2013, the Partnership has undertaken and currently carries out the "ORDU RING ROAD CONSTRUCTION" works.

YDA-EMT Ordinary Partnership

Established in 2018, the Partnership has undertaken and currently carries out the "Yozgat Airport Infrastructure and Miscellaneous Works."

YDA Defense and Aviation Industry, Inc.

Having started its operations in 2019 to serve and become one of the leading companies of the rapidly growing defense industry of Turkey, the Company will carry out Production, Agency, and Distributorship activities.

YDA-ATM 2 Ordinary Partnership

The Partnership was established to carry out infrastructure projects with the combination of two Group Companies in 2019 and continues its activities.

YDA-TEYDA Ordinary Partnership

Established in 2014, the Partnership implements infrastructure projects in Ankara.

TEYDA-YDA-Kıbrıs Ordinary Partnership

The Partnership was established in 2016 for the construction of the Kötek Road on the Kars Selim Highway, which is an ongoing project.

Doğuş-YDA Partnership

Established as an ordinary partnership in 2013, the Partnership undertook the construction of the Tokat-Niksar Highway KM:0+000 -48+962 section and completed the construction at the end of 2018.

YDA-Sigma-Makimsan-Burkay Partnership

Established in 2012, the Partnership has undertaken and is currently continuing the construction of the "Infrastructure of the Ankara (Polatlı)-Afyon Line of the Ankara-Izmir High-Speed Rail Project."

YDA-Bortor Joint Venture

Established in 2011, the Partnership has undertaken and currently carries out the construction of residences, office towers/business center & shopping mall within the scope of the "YDA Söğütözü" Project.

YDA Kazakhstan

Registered on the 17 March 2011, the branch was established to carry out construction, contracting and real estate development projects in Kazakhstan. Having undersigned various construction and contracting projects in Kazakhstan since its establishment, the branch continues its operations and submits bids for various PPP and contracting projects.

FMS-ISS Ordinary Partnership

The Partnership between ISS and FMS Health Services, Inc. provide services for the Kayseri and Manisa City Hospitals and continues its preparations for the Konya City Hospital, which is to be opened in 2020



YDA Education, Culture, and Solidarity

Established following the decease of the founder and honorary president of the YDA Group, Yaşar Dede ARSLAN, and dedicated to his memory, the YDA Education, Culture, and Solidarity Foundation aims to meet the basic needs of vulnerable families and communities in Turkey and abroad irrespective of their language, religion, race, or belief with the condition that such aid is in conformity with national unity and solidarity. The Foundation further grants non-refundable scholarships to successful young people with limited resources so that they become beneficial individuals to the society by improving themselves.

The activities of the Foundation include:

- Providing scholarships to successful students in need,
- Providing food, fuel oil, and clothing aid to families in need,
- Providing technology grants for educational institutions,
- Construction of mosques, schools, dormitories, and gyms for the public,
- Carrying out social responsibility projects to contribute to the fostering of education and
- In-kind donations to underprivileged countries via the Red Crescent for civic involvement.

FIELDS OF ACTIVITY

-  Construction & Contracting
-  Real Estate Development
-  Aviation
-  Medical & Health
-  Support Services
-  Agriculture
-  Outdoor Digital Advertising
-  Energy
-  Information Technologies (IT)
-  Mining
-  Defense and Aviation Industry



CONSTRUCTION & CONTRACTING



46 Years of Experience

With 46 years of experience in the construction industry YDA Group delivers health campus and airport investment projects, high-tech buildings, industrial plants, cement factories, infrastructure projects, road and rail construction projects, subway and light rail systems, tunnels and bridges, intersections, high-rise buildings, mass housing projects, business centers, shopping malls, hospitals, school complexes, apartment complexes, luxury houses, villas, and real estate development projects using the Build-Operate-Transfer (BOT) and Public-Private Partnership (PPP) models. YDA has obtained an "Unlimited Overseas Contracting Certificate," which demonstrates its ability to build any type and number of buildings locally and abroad. YDA carries out projects either on its own or participates in tenders through joint ventures.

Overseas Contracting

YDA implemented airport, financial center, logistics center, treatment plant, mass housing, smart building, luxury home, residence, museum, city park and shopping mall projects in Kazakhstan. YDA previously completed the construction of major projects such as the Milcon DLA Logistics Center in Kandahar, Afghanistan, Kazakhstan Aktau International Airport, and the Boryspil International Airport in Kiev, Ukraine. YDA also engages in BOT and PPP constructions and management activities outside of Turkey in Kazakhstan and carries out real estate investment projects.



REAL ESTATE DEVELOPMENT



In the real estate industry, the YDA Group carries out high-quality residential projects with special themes and uniquely different recreational areas at home and abroad as an investor. The YDA Group manages the sales and marketing of real estate projects it develops in-house thanks to years of experience and also has a significant place in the industry when it comes to urban transformation projects. Having carried out the first urban transformation project in Istanbul, the YDA Group started to implement urban transformation projects in Ankara in 2014. The real estate development projects by YDA include prestigious residence and office projects such as the 2,098-unit YDA Park Avenue Residences, YDA Park Avenue Twin, Nevbahçe Residences, YDA Business and Recreational Center, YDA Söğütözü Residences & Offices with residential and commercial areas, YDA Parkline Residences, YDA West Avenue Residences & Commercial Areas in Ankara; The Istanbul Residences in İstanbul, and The Kayseri Forum Residences in Kayseri as well as living-space projects such as the

Social Center of Süleyman Demirel University, Isparta and the Social Center of Uludağ University, Bursa.

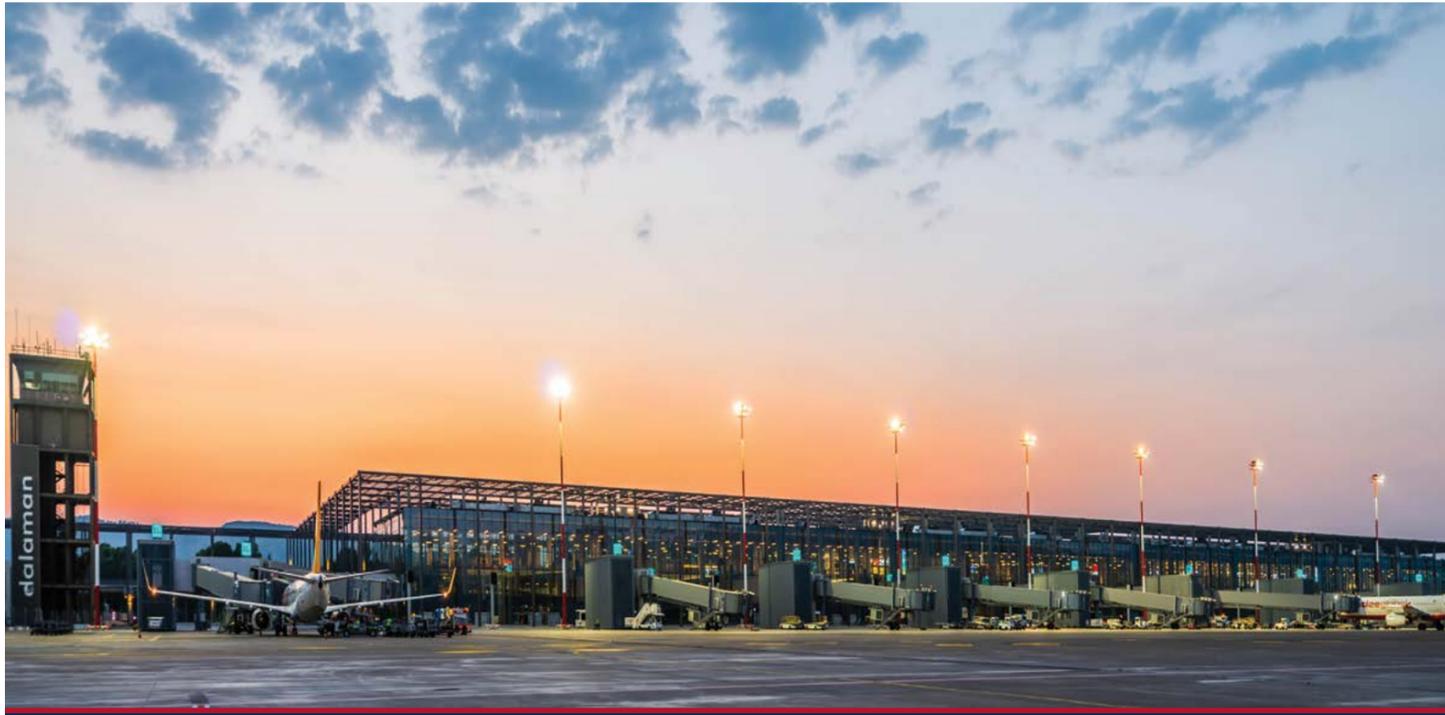
What sets the ongoing real estate development projects apart from others in the industry are their location, abundance of green space, unique recreational areas, reasonable pricing, customized payment options, high investment value, effective after-sales services network, and high-quality and reliable brand recognition.

The YDA Group uses a Customer Relationship Management (CRM) program specially designed for the Company for customer and sales tracking, customer analysis, target audience selection, and market research.

Currently, the sales offices at the YDA Center and YDA Söğütözü Residences & Offices projects are actively using this CRM program.



AVIATION



Domestic and International Aviation Experience

The YDA Group is among the few groups of companies in the world which offers integrated service delivery in consultancy, project development, financing, construction, and operation services in the field of aviation.

Having won the General Directorate of State Airports Authority's (DHMI) Build-Operate-Transfer tender for the building and operation of the International Terminal of the Dalaman Airport in 2003, the YDA Group has increased the International Terminal's annual passenger capacity to 10,000,000 and aircraft parking capacity to 35 since it started operating the Airport in 2006.

The Dalaman International Airport has been awarded many domestic and international awards including the "AR Awards for Emerging Architecture" and earned a place in the aviation literature as the 13th most beautiful airport worldwide in 2007.

Having completed and still operating the New Domestic and International Terminals of the Dalaman International Airport,

the YDA Group continues to operate the Aktau International Airport in Kazakhstan. The YDA Group has gained a significant position in the aviation industry successfully completing the Boryspil International Airport in Ukraine, the Hatay International Airport, and the Diyarbakir International Airport as well as the Turkish Airlines HABOM, one of the few aviation maintenance, repair, and overhaul centers of the world.

An Annual Passenger Capacity of 3 Million Is Targeted in The Turkistan International Airport

The YDA Group implemented another important project in the process of becoming one of the leading brands of the international markets with its experience in the aviation industry and started the construction of the Turkistan International Airport using the PPP model. Planned to have an annual capacity of 3 million passengers, the Turkistan International Airport project is also of particular importance as the first "green field" airport developed after the Soviet period.



AIRPORT CONCESSIONS



Operating Rights EUR 705 Million + KDV

Operating Rights: 26 years (2040)

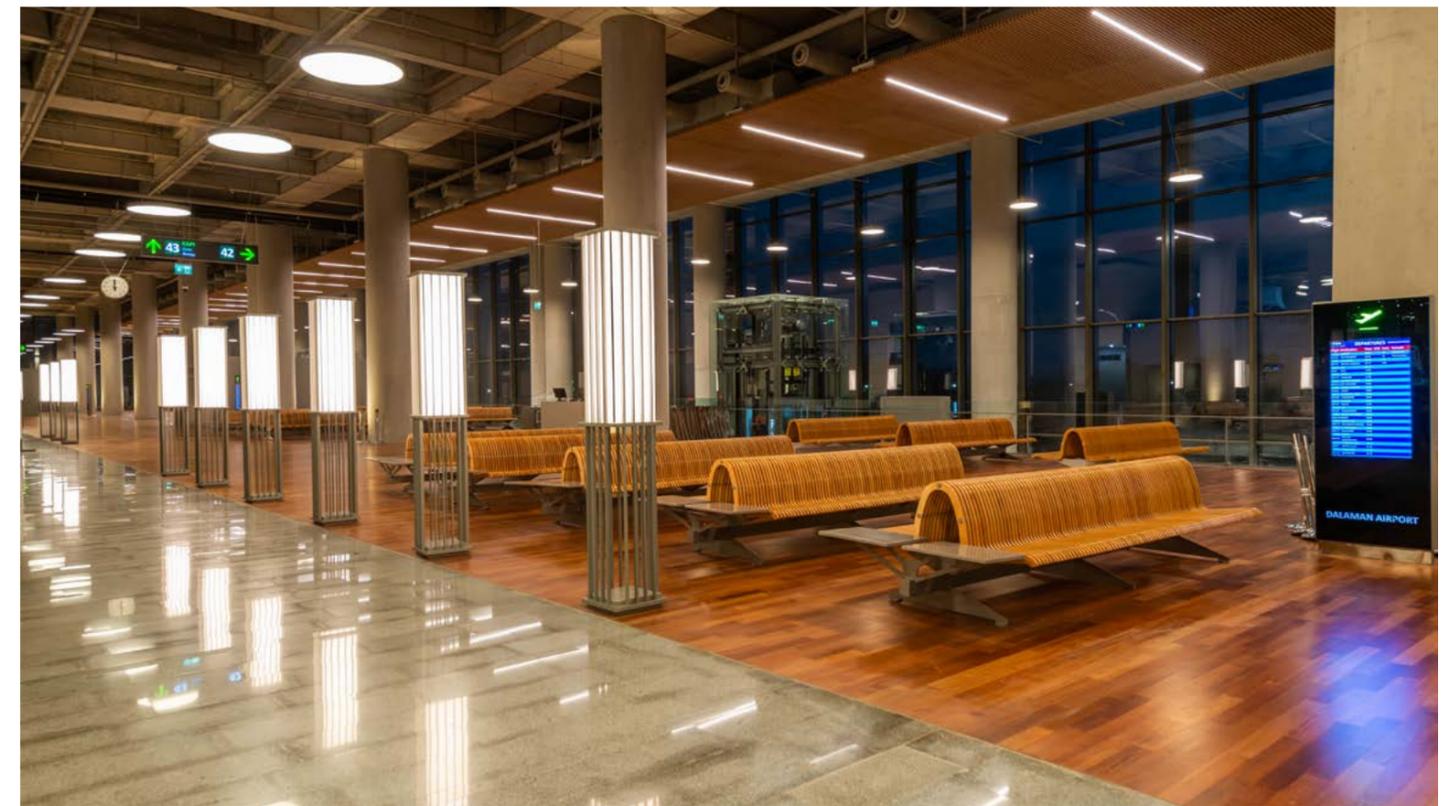
New Terminal Building Completed (Terminal 2) EUR 232 Million Annual

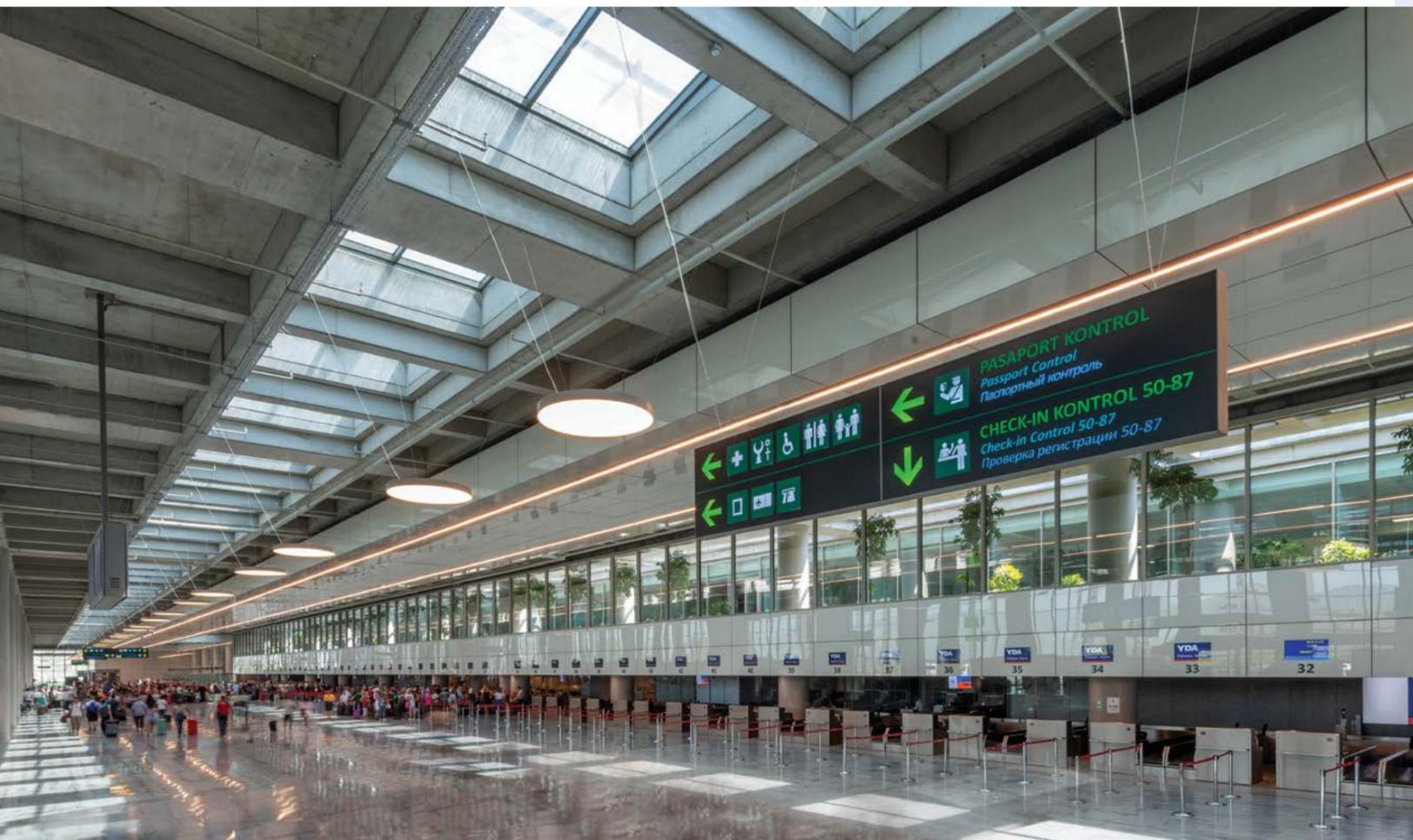
Domestic & International Passenger Capacity: 20 Million(10+10)

DALAMAN INTERNATIONAL AIRPORT

In the aviation industry, Turkey has been outperforming the global market in terms of the growth rate for the last 10 years. The aviation industry continues its growth momentum in our country with an increasing number of airports, planes, and passengers. The number of active airports in our country was 26 in 2003, which increased to 56 in 2019; the number of passengers using domestic terminals reached 100 million in 2019; and the number of passengers using the international terminals reached 109 million.

The YDA Group was awarded the tender issued by DHMI in 2003 for the construction and operation of the International Terminal (Terminal-1) of the Dalaman Airport based on the BOT model and completed the project in 22 months. Currently, the YDA Group carries out all of the Domestic and International Terminal services of the Dalaman Airport through Terminal-2 built by the YDA Group in 2018.







AKTAU AIRPORT

Aktau is the capital of the Mangystau Region on the Mangyshlak Peninsula in Kazakhstan and the only port city along the Caspian Sea.

The YDA Group won the Build-Operate-Transfer tender organized by the Governorship of Mangystau for the construction and 30-year operation of the Aktau Airport in 2007; completed the new Domestic and International Terminal with an indoor area of 13,300 m² and a passenger capacity of 2 million using state-of-the-art technology and systems in 13 months, and the Aktau Airport has been opened with a capacity of 2 million passengers.

The YDA Group runs the entire airdrome operations (such as ground services, aircraft fueling services, etc.)

of the project with the exception of navigation services. The Aktau Airport is the first successful Build-Operate-Transfer (BOT) project of the country.

The total capacity of the Aktau Airport increased from 2008 to over 1 million in 2018. The Aktau Airport has been awarded with “The Fastest Growing Airport” and “The Best Airport” across all CIS countries, and is the most modern and functional airport in Kazakhstan with a capacity of 2.5 million passengers, 288 parking lots, technological infrastructure and premium comfort for passengers thanks to the renovation work.



AKTAU AIRPORT

All of the outstanding USD-denominated loans from the Development Bank of Kazakhstan (BRK Bank) to finance the project involving the construction of the new terminal and runway of the Aktau Airport were restructured by an agreement signed in September 2015 with the BRK Bank to offset exposure risk due to revenues in Kazakhstani Tenge with no additional collateral required.

The Aktau Airport successfully passed the IATA IASGO (IATA Safety Audit for Ground Operations) renewal audit carried out by Aeroflot Airlines on 5-8 September 2016 and registered for the second time as a Safety Provider. It is the first and only airport to successfully pass all audits related to ground handling operations and become an IATA-registered airport in Kazakhstan.

It is also the only airport that provides airdrome and ground handling operations in compliance with international standards. To reach international standards, the Aktau Airport’s efforts to change the widely practiced system in CIS (former Soviet) countries started in 2012, whereby the ground handling operations of the airport were separated from other operations followed by investment in the acquisition of standard equipment and training of staff.

Attaching great importance to the training of staff, the airport operator established a ground handling services and security training center at the airport and provided in-service training to all staff in 2016. The center also began to offer training to external parties in 2017. The center became the first in West Kazakhstan to give “hazardous materials” training by adding this subject in its curriculum in 2018. The security and ground handling staff of the airport are also trained at the center.

The airport operator supported Bek Air and state-owned Qazaq Air as well as Scat Airlines which fly to the Caspian region, which made the Aktau Airport a Western hub. The operator has also increased the number of flights to Astana and Almaty from a few flights per week in the past to three flights per day today. Having reinstated the Istanbul route, the airport operator now plans to establish links with countries such as Iran, Turkmenistan, and Uzbekistan. Currently there are flights to all cities surrounding the Caspian Sea and there is a daily connection among the cities of the West Kazakhstan.

MEDICAL & HEALTH



The YDA Group has vast experience in medicine and healthcare in Turkey and abroad with its companies including ATM Health Kayseri Investment and Management, Inc., ATM Health Konya Investment and Management, Inc., ATM Health Manisa Investment and Management, Inc., ATM Health Şanlıurfa Investment and Management, Inc., and MEYDA Medical, Inc.

Hospital Experience

The YDA Group constructed the 640-bed Malatya Hospital, 400-bed Muş Hospital, 300-bed Niğde Hospital, 347-bed Ümraniye Maternity and Pediatric Hospital funded by the European Investment Bank (EIB), the 350-bed Saryer State Hospital, and the 300-bed Ağrı State Hospital. Being the investor of the four integrated health campuses in Turkey, the YDA Group is a pioneer in Public Private Partnership (PPP) projects.

City Hospitals (PPP)

A major trend in the healthcare industry is the deployment of Public and Private Partnership (PPP) model in hospital projects. As the first of the PPP hospital tenders awarded by the Ministry of Health, the 1,607-bed Kayseri Integrated Health

Campus and 558-bed Manisa Integrated Health Campus were

completed and put into service by the YDA Group in 2018. The first phase of 1,250-bed Konya City Hospital was completed and put into service in June 2020 with a bed capacity of 838. The YDA Group continues the works for the 1,700-bed Şanlıurfa Integrated Health Campus and carries its experience in PPP projects abroad by implementing three city hospital projects in Kazakhstan.

MEYDA Medical

MEYDA Medical was established in 2000 to trade in medical consumables. Acting as a distributor of 70 different products in Turkey, MEYDA Medical has 35 sub-dealers operating under 50 regional dealers, as well as those in Cyprus and Azerbaijan. With significant public, private, and university hospitals in its portfolio, MEYDA Medical has been the Turkish distributor of Poly Medicure since 2001. It won the country-wide distributorship of the only locally produced sterile and non-sterile hospital textile products, Cleanset and Medstar, in 2015 and now has a presence in the market with 50 different types of products.





KAYSERİ CITY HOSPITAL

Total Investment Amount: EUR 415 Million

Operating Period: 25 years + 4 months

Duration: 3 years following the land delivery

Construction Project Area: 466,379 m²

General information: A city hospital with 464 thousand m² indoor area and a total of 1,607 beds including a 200-bed physical therapy and rehabilitation unit, 412-bed cardiovascular unit, 275-bed maternity and pediatric unit, 120-bed psychiatric unit, 100-bed high-security forensic psychiatric unit, 20-bed burns unit, and 480-bed general hospital unit.

Administration: General Directorate of Public Hospitals

Sponsors: YDA Construction Industry and Trade, Inc.

Project Company/YDA's Capital Share: ATM Health Kayseri

Investment and Management, Inc. / 100%

Financing: Fixed interest rate loan with a total maturity of 15-years without recourse to sponsors in terms of guarantee or collateral and with a grace period covering the construction period issued by a group of banks including the International Finance Corporation (IFC), Ziraat Bank, and QNB Finansbank according to the international PPP project finance rules and British laws.

*Kayseri City Hospital was opened for service in 2018.



MANISA CITY HOSPITAL

Total Investment Amount: EUR 235 Million

Operating Period: 25 years + 3 months

Construction Time: 2 years + 3 months following the land delivery

Construction Project Area: 179,559 m²

General information: A city hospital with a 178 thousand m² indoor area serving in all branches of medicine, and a total of 558 beds, including a 122-bed ICU.

Administration: General Directorate of Public Hospitals

Project Company/YDA's Capital Share: ATM Health Manisa Investment and Management, Inc. / 100%

Financing: Financing is planned in line with the international PPP project finance rules and without recourse to recourse to sponsors in terms of guarantee or collateral for the fully Islamic-funded project, whose financial term ended on 23 May 2017. The creditors include the Islamic Development Bank (IsDB), Islamic Corporation for Development of the Private Sector (ICD), Ziraat Participation Bank, Inc. (Ziraat Katılım), Siemens Bank GmbH (Siemens Bank), and OPEC Fund for International Development (OFID).

*Manisa City Hospital was opened for service in 2018.



KONYA CITY HOSPITAL

Total Investment Amount: EUR 350 Million
(Estimated to reach EUR 475 Million after increasing the bed capacity to 1,250.)

Operating Period: 25 years

Construction Time: 3 years following the land delivery

Construction Project Area: 412,187 m²

General information: A city hospital with 279 thousand m² closed area and a total of 838 beds including a 418-bed maternity and pediatric unit, and a 420-bed general hospital unit. It is planned to increase the bed capacity to 1,250.

Administration: Administration of Public-Private Partnership, General Directorate of Health Investments, Ministry of Health
Sponsor: YDA Construction Industry and Trade, Inc.

Project Company/YDA's Capital Share: ATM Health Konya Investment and Management, Inc. / 100%

Financing: Fixed interest rate loan with a total maturity of 18 years without recourse to sponsors in terms of guarantee or collateral and with a grace period covering the construction period issued by a group of banks including the European Bank for Reconstruction and Development (EBRD), Islamic Development Bank (IsDB), Black Sea Trade and Development Bank (BSTDB), Unicredit, and Siemensbank according to the international PPP project finance rules and British laws.

Konya Karatay City Hospital was opened for service in June 2020.



ŞANLIURFA CITY HOSPITAL

Total Investment Amount: ~ EUR 550 Million

Operating Period: 25 years

Construction Time: 3 years following the land delivery

Construction Project Area: 436,172 m²

General information: A city hospital with a bed capacity of 1,700, including a 520-bed training and research hospital, 600-bed gynecology and pediatric hospital, a 200-bed cardiovascular hospital, a 200-bed oncology hospital, and a 100-bed rehabilitation hospital, and an 80-bed psychiatric hospital.

Administration: Administration of Public-Private Partnership, General Directorate of Health Investments, Ministry of Health

Sponsor: YDA Construction Industry and Trade, Inc.

Project Company/YDA's Capital Share: ATM Health Şanlıurfa Investment and Management, Inc. / 100%

Financing: Financing is planned in line with the international PPP project finance rules and without recourse to sponsors in terms of guarantee or collateral.

SUPPORT SERVICES



HEALTH

YDA Health Investment and Management, Inc. was established in 2011 for the purpose of providing management services and developing various facility management solutions to all YDA Group Companies in all Public-Private Partnership (PPP) projects implemented by the YDA Construction Industry and Trade, Inc. (YDA) in cooperation with the Ministry of Health's Department of Public Private Partnership.

The Company provides operation mechanisms to meet all managerial needs of the city hospitals and integrated healthcare facility management services for the city hospitals operated





HEALTHCARE

YDA Group has taken the first important step towards its goal of bringing its know-how in PPP projects including 5,000 beds in total and EUR 2 Billion to the international market in Kazakhstan.

YDA Health aims to achieve significant success in the Kazakh health industry with its Medical Support Services and Other Support Services within the framework of Integrated Health Support Services.

It also plans to close the large gap in terms of Integrated Health Support Services in the Middle East, Africa and the Commonwealth of Independent States (CIS) countries, both in terms of construction and in the field of management.

HEALTH SUPPORT SERVICES



MEDICAL SUPPORT SERVICES

Laboratory Services

In terms of laboratory services, YDA Health Investment and Management, Inc. provides accurate results and offers quick and reliable service through fully-automated 24/7 continuous systems with Bio-chemistry, Micro-biology, Pathology, and Genetics laboratories by adopting scientific approaches and employing latest diagnostic technologies fully integrated to the HIMS. The system which provides accurate and reliable results in all laboratory processes is of great importance in ensuring patient safety.

Imaging Services

In terms of imaging services, YDA Health Investment and Management, Inc. offers efficient, quick and high-quality radio-diagnostic studies, nuclear medicine studies, and radiotherapy

treatments with state-of-the-art devices employing advanced technologies. Fully digital systems allow for detailed, quick, and diagnostically sufficient images.

Other Medical Equipment Support Services

In terms of Other Medical Equipment Support Services, YDA provides function tests, protective periodical maintenance and calibration for Medical Devices by accredited laboratories in accordance with international standards, and ensures safe operation of devices by providing training for device operators.





MEDICAL SUPPORT SERVICES

Sterilization and Disinfection Services

Within the framework of Sterilization Services, kits and equipment to be used in surgical operations are sterilized using state-of-the-art devices in line with the international methods specified by the World Health Organization.

In Central Sterilization Units, all processes during the sterilization and preparation for reuse of the surgical kits and equipment are recorded by the Automated Record System, which ensures the traceability of each process. Within the scope of Disinfection Services; operation theaters, sterile areas, and the other relevant areas are disinfected systematically and reliably in accordance with the principles of the infection control committee.

Rehabilitation Services

YDA Health Investment and Management, Inc. provides Rehabilitation Services for individuals with restrictions in daily life activities due to orthopedic, neurological, and musculoskeletal disorders by a professional team of expert physiotherapists, physiotherapy,

technicians and assistant healthcare personnel. For the equipment and devices in our units to provide better service for patients, the professional management team continues to work to improve the service quality by constantly following the most recent developments.

With the Robotic Rehabilitation in the Kayseri City Hospital, YDA helps patients to walk comfortably and improve their ability by selecting the right and most suitable walking model.

Walking and gripping robots are used to treat patients having difficulties with foot and hand use due to stroke, spinal cord damage, Cerebral Palsy, Multiple Sclerosis, Parkinson's Disease, orthopedic trauma, and surgery.



OTHER SUPPORT SERVICES

Cleaning Services

Hygienic conditions are of vital importance in hospital environments to prevent the risk of infection. YDA provides efficient, sustainable, and high-quality cleaning services for any kind of cleaning needs and in accordance with the special requirements of hospitals with special machines, equipment, and consumables/chemicals for any area. Within this scope, YDA follows all technological developments for protection of the environment, the nature, and the human health, and creates a healthy and safe environment for patients and personnel in accordance with universal standards by providing continuous in-service training to cleaning personnel.

Patient Guidance, Accompaniment, Reception, and Transportation Services

Within the scope of the Patient Guidance, Accompaniment, Reception, and Transportation Services, YDA respond to the needs of patients, patient relatives, and visitors with a professional and friendly approach and by considering their rights and privacy. Patients applying to our hospitals and their relatives are welcomed by Patient Guidance personnel and referred to the relevant service/unit.

Disabled, old, vulnerable, and aidless (on a stretcher, on a wheelchair, with crutches) patients are accompanied and supported until they receive the care that they need.

Catering Services

Catering is provided by expert chefs considering any dietary and nutritional needs of patients, patient relatives, and personnel under hygienic conditions in accordance with international standards, ISO 9001 Quality Management System, and ISO 22000 Food Safety Standard.

Opinions and suggestions of patients and personnel are considered by assessing the service satisfaction through a periodical Catering Satisfaction Survey, and it is ensured that menus suit the local culture and taste.

Whether or not a patient is given the right food is checked using the "Patient-Food Verification System" for inpatients, possible health risks that might put the patient's safety in danger are avoided, and it is ensured that the patient safely eats on time.



OTHER SUPPORT SERVICES

Laundry Services

Operating in the field of Health within the YDA Group, MEYDA Medical, Inc. has included the design, installation and operation of laundry units in its arsenal of services since 2018. MEYDA Laundry Services has achieved international standards in a very short time and is on its way to become one of the most significant solution partners of the health industry in its department with its management approach based on innovation and state-of-the-art equipment and constant improvement in terms of technology and innovation.

The Company has adopted the principle of providing the best service with the best equipment particularly as part of the "City Hospitals" concept. Having adopted a service approach focused on protecting the human health and the environment, MEYDA Laundry Services uses an optimum amount of energy, water, and chemicals thanks to its world class equipment pool designed based on the principle of efficiency. This contributes to the protection of nature for a sustainable life by saving 11 million liters of water every year with modern technology at two facilities established at Kayseri City Hospital and Manisa City Hospital.

Security Services

Within the framework of Security Services, all areas are monitored with CCTV rooms equipped with high-tech systems and security cameras, any unauthorized access is prevented by card entrance check points, and a 24/7 secure environment is ensured within the healthcare facility and the campus area in accordance with the Law No. 5188 on Private Security Services and other relevant regulations by trained personnel for safety and comfort of patients, patient relatives, personnel, and visitors, for regulation of traffic when necessary, for protection of warehouses and areas containing valuable goods and consumables,

for protection of buildings, and for preventing those with bad intentions and possible damages to public order, life, and property within the limits of the law.

Parking Services

Patients, patient relatives, visitors, and personnel are provided with free indoor or outdoor parking. The Parking Services involve ensuring the continuation and organization of the traffic flow on roads within the hospital site, minimizing wrong or faulty parking, relieving the traffic with guide signs within the hospital site, and providing valet service in case of emergencies.



OTHER SUPPORT SERVICES

Disinfestation Services

The Disinfestation Service is provided in the hospital, the yard and all other areas using permitted insecticides and rodenticides in accordance with the relevant legislation without harming the human and environmental health based on a schedule and when needed. Reliable and effective methods are used for the capture and safe disposal of pests. Within the scope of Disinfestation Services, all insect and rodent control systems are provided at a high level for human health.

Waste Services

A 24/7 continuous and comprehensive Waste Management Service is provided in line with national and international standards and the Waste Management Regulation involving picking up wastes from storage points, sorting, transport to the arrival point, and disposal in order to eliminate risks arising from wastes and to protect human and environmental health.

Building and Land Services

Preventive maintenance and repairs of structural building elements, electromechanical systems, and equipment in the health facility are carried out within the scope of Building and Land Services. Corrective maintenance allows for eliminating any failure. Preventive maintenance and regular periodic checks on the system or equipment prevent potential failures, and parts and consumables with a certain life span are replaced to ensure the

continuity of the system. All systems are checked periodically in line with the maintenance plans and procedures, the frequency of which is evaluated and revised by expert teams when necessary. This allows for minimizing the possibility of failure and preventing risks that threaten the patient and employee safety.



OTHER SUPPORT SERVICES

Furnishing Services

Textiles, furniture, and furnishing materials in the hospital are recorded using an inventory management system, all defects and wear are minimized, operation with optimum performance is ensured within the scope of Furnishing Services. Preventive maintenance programs are implemented throughout the facility, especially for furniture, to ensure healthy and ergonomic working conditions. By making the necessary corrections and interventions with proactive checks before failures occur; problems and inconveniences related to furniture in living and working environments of patients, employees, and visitors are minimized.

Ground and Yard Maintenance Services

All maintenance and repair activities are performed in landscape areas, roads, and pavements to ensure a healthy working and living environment within the scope of Ground and Yard Maintenance Services. Snow removal and anti-snow solution applications are carried out with special equipment to prevent interruption of transportation within the campus on snowy and frost days in winter with the support of local governments when necessary.

Hospital Information Management System (HIMS) Implementation and Operation Services

An affiliate of the YDA Group, KEYDATA Information Technology Systems, Inc. provides solutions and services related to system integration and critical business operations particularly for the public sector and the healthcare industry with the goal of becoming the leading system and IT solutions company of Turkey.

As an IT company, KEYDATA provides portal and workflow, customer relations management, document and corporate content management, help desk and service management, identity management, messaging and unified communication, data center, network and security components, system management, data storage and data virtualization, business continuity, ERP, and healthcare industry solutions. Hospital Information Management System Services in our hospitals

SUPPORT SERVICES CATERING



CATERING

With international HACCP certification, ATM Food and Beverage Services, Inc. operates at the Domestic and International Terminals of the Dalaman International Airport as well as in some of YDA Group's construction sites.

The employee cafeteria at the Dalaman International Airport has the capacity to serve 150 people at a time.

Additionally, fixed-menu meals are offered to all employees in the terminal 24-hours a day. On average, over 200,000 meals are prepared and served per year.

ATM Food and Beverages, Inc. operates Café Turka in the Check-in Hall in the departure floor of the airport, providing food and beverages and fixed-menu meals. The Company also provides food-beverage and catering services in the VIP lounge of the Domestic Terminal, catering services in the General Aviation Terminal (GAT), CIP Lounge services in the International Departures Hall, baggage wrapping and massage chair services in the Check-in Hall, and safekeeping services in the Arrivals Exit Hall.



AGRICULTURE



The subsidiary of the YDA Group in the agricultural industry, YDA Agriculture, Inc. is one of the leading agricultural organizations in Turkey with its technological greenhouse investments. Currently, Naturagreen, the registered brand under which the Company offers its products, maintains its leading position in Turkey in terms of both product quality and price. YDA Agriculture has made a difference in Turkey as a special project with its greenhouses with geothermal heating and a new-generation fully-automated system planned to grow truss tomatoes. Greenhouse tomatoes produced by YDA Agriculture with the latest technology are exported throughout the year to food industries and major grocery chains around the world. YDA Agriculture continues its short-, medium-, and long-term strategic investments in order to bring Turkish agriculture to the top of the global market. In this context, the Company aims to maintain its 'Unconditional Customer Satisfaction' policy, maintain its quality and reliability, follow and implement new technologies, and maintain its position among the leading companies in Turkey and in the world with its new investments and various brands. Striving to take its success further, YDA Agriculture identifies, assesses, and keeps in check all hazards related to food safety in the production process from the receipt of raw material all the way to the consumption of the product. Applying high technology and global standards to align its production with universal norms, and certifying this with national and international certificates, documents and awards, YDA Agriculture's products conform with the Turkish Food Codex and standards in Turkey and with the specifications of importers abroad.

Having become a household brand in a short time with its healthy and reliable products, YDA Agriculture owes its success to its experience and expertise, its theoretical and technical knowledge, delicious and healthy products offered to consumers and customers, its commercial and ethical values, its collective work mentality, and the value it gives to its employees.

Creating a difference in Turkey with its new-generation fully-automated greenhouse project equipped with geothermal heating to cultivate truss tomatoes, and planned to occupy a land of 400 decares in 2009, with 150 decares already completed, YDA Agriculture Food Industry and Trade, Inc. currently continues its operations with 3 greenhouses of 150,000 m² lying on 1,875 lots of 718,868 m² field on the 10th km of the Dikili-Bergama Highway in the Kaynarca district of Bergama, Izmir.

YDA Agriculture is a leading company in truss tomato production with hydroponic farming and has received Good Agricultural Practices and GlobalGap certifications. Surrounded by Izmir on the West, Bergama on the East, Çandarlı on the South, and Altınova, Balıkesir on the North, the facility taps into the geothermal resources of the Kaynarca District, where it is located, to heat its greenhouses.

Hydroponic farming, also known as soilless agriculture, has reached a global size of USD 40 Billion. YDA Agriculture is one of the leading companies using this technique in Turkey. About 8,000 decares of 61,000 hectares of greenhouses in Turkey have switched to hydroponic farming. Today, the greenhouses owned by YDA Agriculture, Inc., make up 3% of the modern greenhouse investment areas in the country. The yield per decare is 50-55 tons in Summer, and 30 tons in Winter.

Biological Partners

Cultivation in our greenhouses is carried out without using chemicals. Instead, *Bombus terrestris* bees are used for the pollination of tomato flowers, and predators such as *Nesidiocoris tenuis* are used to combat pests.

Global GAP Certificate

YDA Agriculture operates within the framework of a quality system recognized around the world and by the European Union for good agricultural practices to cultivate hormone-free and highly aromatic produce with a longer shelf life, which focuses on human, plant, and environmental health, and where each stage is traceable





GLOBALG.A.P. RISK ASSESSMENT ON SOCIAL PRACTICE (GRASP) - PROOF OF ASSESSMENT

GGN: 4050373318550
 Registration number of producer/
 producer group (from CB): NAVIGA 500005

GLOBALG.A.P. RISK ASSESSMENT ON SOCIAL PRACTICE (GRASP)

PROOF OF ASSESSMENT
 According to
 GRASP General Rules V1.3 July 2015
 Option 1

Issued to
 Producer YDA TARIM GIDA SAN.VE TİC. A.Ş.
 Büyükesat Mah. Vedat Dalokay Cad. No :112 Gaziosmanpaşa - Çankaya, Bergama Dikili Karayolu üzeri 17.Km Kaynarca Mevkii,, 06700

The Annex contains details of the GRASP results.

The Certification Body Naviga Ul. Belgeleme ve Eğitim Hizm. Ltd. Sti. declares that the producer group mentioned on this proof has been assessed according to the GLOBALG.A.P. Risk Assessment on Social Practice Version 1.3 July 2015.



OUTDOOR DIGITAL ADVERTISING



The YDA Group's Outdoor Digital Advertising services are divided into three categories: site rentals for GSM operators, ATM vestibule rentals for banks, and advertising services with a network of digital racket boards.

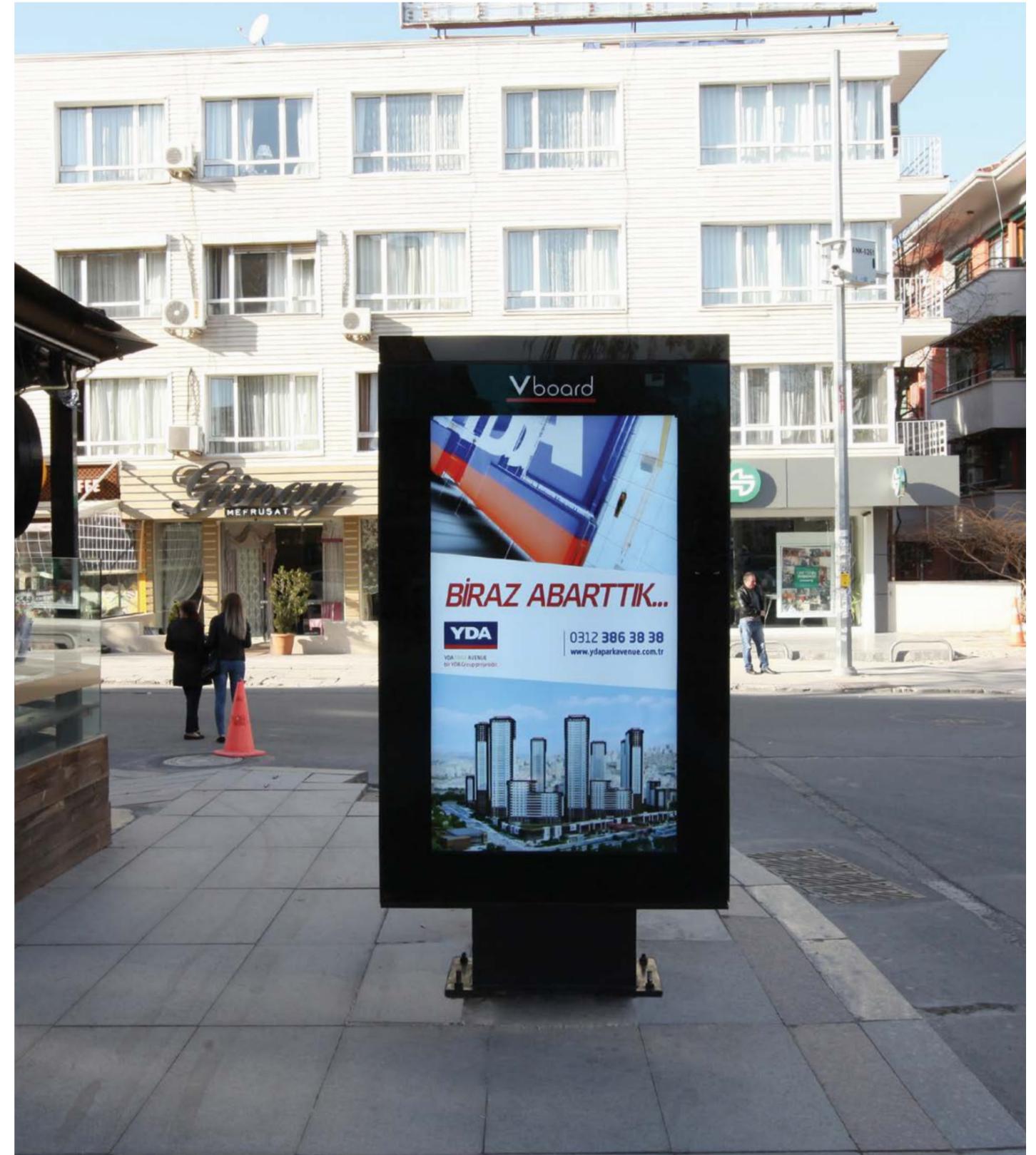
Rental contracts for 2 different base station models have been concluded with 3 GSM operators since the beginning of the project, and YDA serves operators with over 140 contracts.

Having reached agreements with banks for ATM vestibule rentals, the YDA Group has completed the site selection and design of ATM vestibules of appropriate sizes, and signed contracts with 11 different banks, providing services with more than 40 vestibules.

A First in The Turkish Advertising Industry

YDA launched the Vboard LCD screen digital CLP project in 2015, a first in the Turkish advertising industry. Installation continues in accordance with the demands and needs of the industry. Live-data based advertising is now offered by YDA on screens designed for "Programmatic Marketing" applications.

Storm Advertising and Marketing, Inc was established for the commercialization and high-value marketing of the YDA Group's own advertising media to accommodate in the best way the practices and habits of the advertising industry. Its fundamental principle is to focus on digital out-of-home (DOOH) media and meet the domestic needs regarding out-of-home (OOH) media. The Company is also working on creating advertising media using digital platforms and new technologies.



ENERGY



In parallel with the steadily developing economy and rapid urbanization, Turkey's energy needs are growing rapidly. The energy market was liberalized and opened to competition in 2001 and the energy industry was opened for investors. In this context, the YDA Group operates under the YDA Energy brand in the energy industry.

YDA Energy has started its investments in the field of renewable energy, and has been working on comprehensive development activities and feasibility studies for power plants across the country utilizing various renewable energy resources, and is interested in energy fields which are in the licensing phase.



INFORMATION TECHNOLOGIES



KEYDATA

Having entered the Information Technologies industry by establishing KEYDATA Information Technology Systems, Inc. (KEYDATA) in 2017, the YDA Group continues its efforts to develop and update the Hospital Information Management System (HBYS) according to the needs of PPP City Hospital projects implemented by the YDA Group, to meet the IT and software needs of the YDA Group, and to meet the needs of the public and private sector by implementing successful projects in the industry. One of the few 100% local integrator companies in Turkey, KEYDATA offers systems integration solutions using the latest technologies to all organizations in telecommunication, finance, manufacturing, and services industries and the public sector, with a focus on Public-Private Partnership projects in the healthcare industry.

As one of the leading IT companies in Turkey employing about 550 employees and focusing on systems integration and critical business applications particularly for the public sector and the healthcare industry, KEYDATA provides portal and workflow, customer relations management, document and corporate content management, help desk and service management, identity management, messaging and unified communication, data center, network and security components, system management, data storage and data virtualization, business continuity, ERP, and healthcare industry solutions.

KEYDATA R&D Center

KEYDATA, which operates in the IT industry offering high-tech software and computing solutions, has been awarded the R&D Center certificate by the Ministry of Science, Industry, and Technology on 08 August 2017.



KEYDATA continuously develops and implements R&D projects. Therefore, the Company continuously responds to the need to develop new products/services, to enhance the technical features/capabilities of the existing product s/services, to develop new technologies, to make improvements in products/services in line with customer feedback, and to support the Company's continuous self-development.

R&D centers need to have access to national and international scientific databases in order to review up-to-date academic resources. Reviewing the existing academic studies related to the R&D activities to be carried out, using these resources to develop products/services, verifying or improving the existing methods allow for producing academic publications based on the activities carried out in the R&D Center.

Therefore, KEYDATA constantly reviews academic resources with the help of its employees with Graduate and Post-graduate degrees.

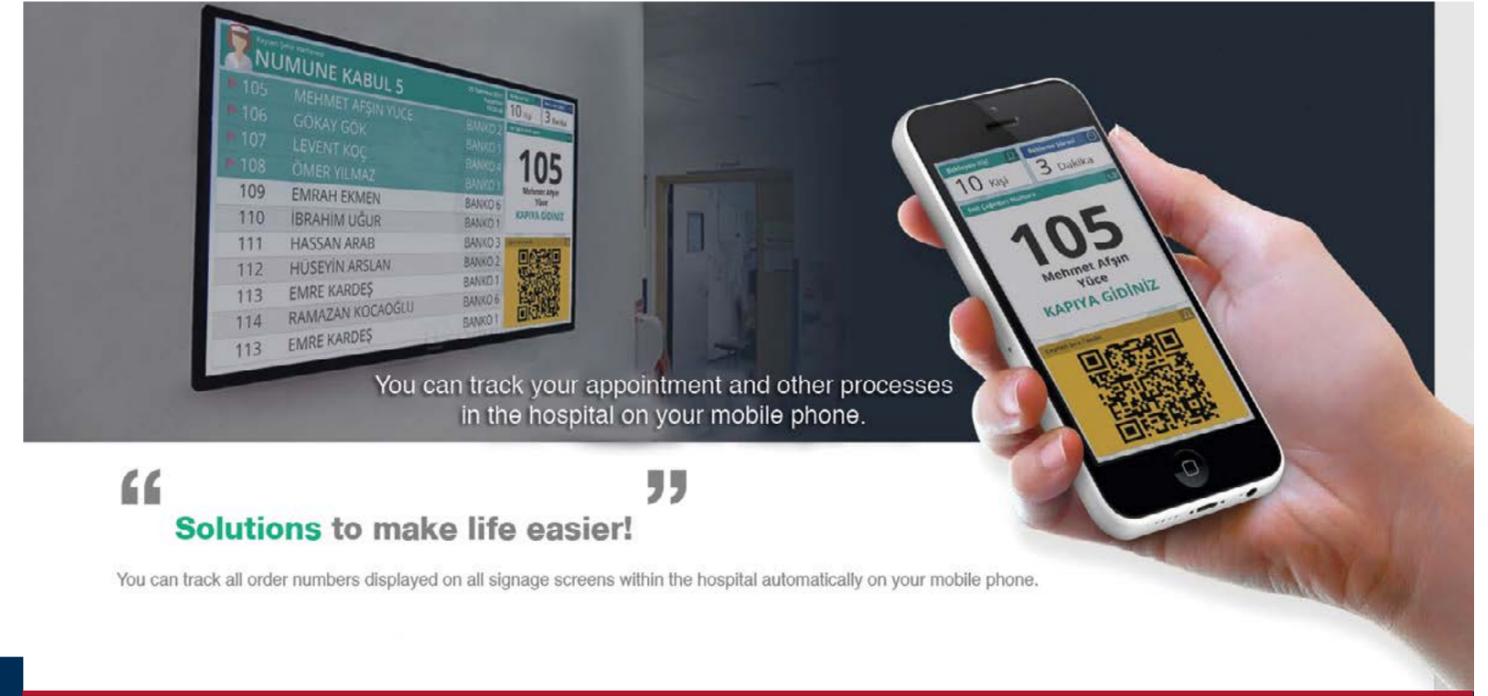
HIMS Project for City Hospitals

The Hospital Information Management System (HIMS) provided as an "all-inclusive" monthly subscription service to meet the hardware, software, applications, and operating system requirements based on the service level of the Kayseri, Manisa, and Konya City Hospitals including provision, maintenance, upkeep, support, authorization and data entry items. The service is provided continuously 24 (twenty four) hours and 7 days.



Analysis Results on Mobile

The result set selected with the QR code scanned via kiosks is sent to your mobile phone or e-mail in pdf format, without using paper.



You can track your appointment and other processes in the hospital on your mobile phone.

“ Solutions to make life easier! ”

You can track all order numbers displayed on all signage screens within the hospital automatically on your mobile phone.

The HIMS constitutes the “nervous system” of the hospital, and ensures continuous and real-time traceability and manageability. Viewed as the administrative, medical, and organizational backbone of the hospital, the HIMS provides the hospital with decision-making capabilities in relation to medical services. HIMS has a strong infrastructure to be able to provide functionalities adaptable to the ever-changing, dynamic structure of the healthcare industry. Such service requires the deployment of the most up-to-date systems infrastructure to cater to the hospital’s entire functional and processing requirements. To this end, a fully-integrated HIS incorporating Picture Archiving Communication Systems (PACS) and other Information Technologies (IT), a secure database infrastructure designed to ensure uninterrupted service, servers, storage units, backup units, security infrastructure, cable and/or wireless network infrastructure, and peripheral components (such as PC/tablet, monitor, printer, kiosk,

queue ticket dispenser, etc.) for the end users are supplied, installed, and all necessary maintenance, repair and operation services are provided.

HIMS aims to enable a practical/cultural switch from a paper-based to a paperless environment for improved quality in healthcare services so that healthcare data is accessible to all healthcare stakeholders and the service becomes integrated, interoperable, and paperless.

The purpose of the HIMS service is to provide an integrated automation system infrastructure that enables a qualitative and quantitative assessment of the assets of a healthcare organization, and that incorporates the workflows and medical processes of the organization that are to be either kept in place or renewed/updated. Within this framework, a system that fulfills the fundamental targets below, and is in conformity with the performance criteria in the Contract Annex No. 14 is planned:

- The continuity of service and product quality shall be monitored and evaluated to enhance efficiency and improve quality;
- To offer better, more efficient, and higher-quality healthcare services, the aim is to create a functionality which will enable all relevant clinical and support staff to access patient information within the framework of the principles of confidentiality and privacy in a timely and convenient manner, and share such data to be used in a range of processes.

KEY’OS Operating System

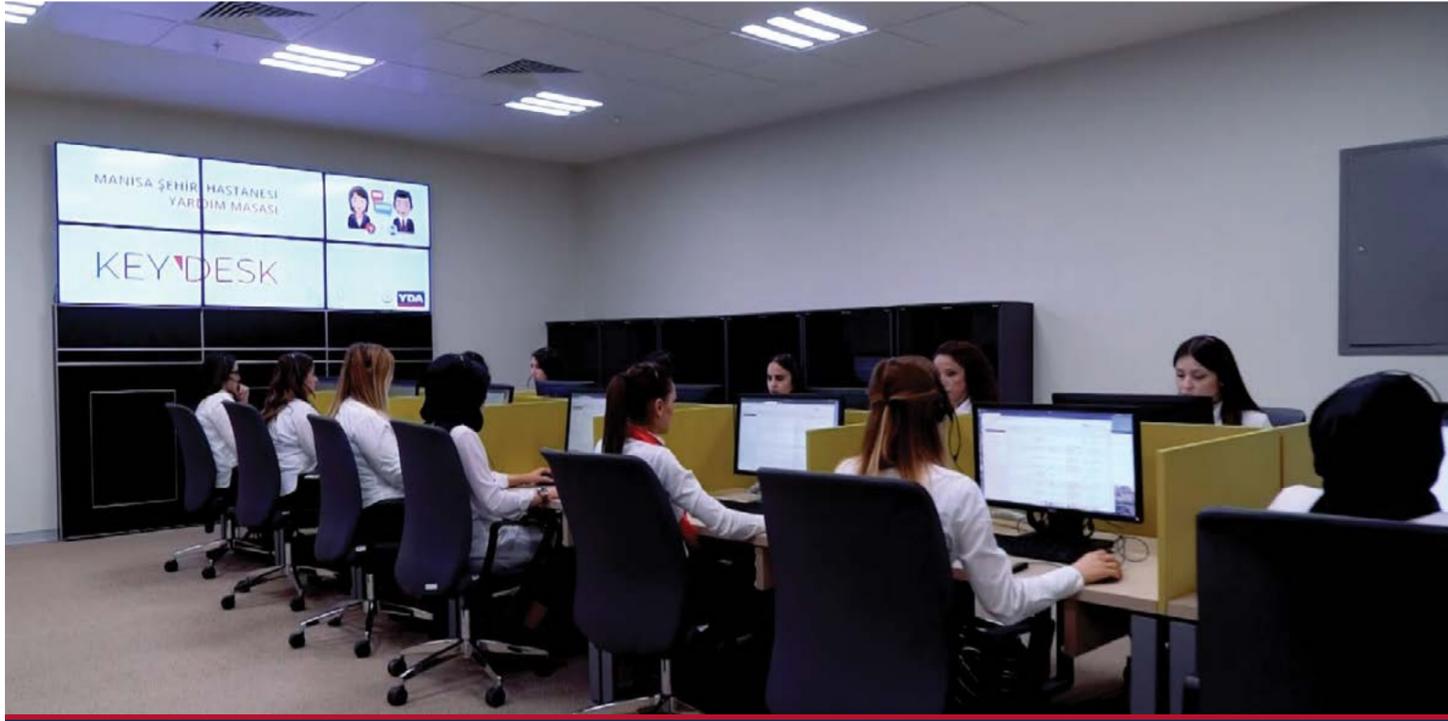
Many clients are needed for the continuity of information processing activities at large healthcare complexes such as city hospitals. Number of clients used by physicians, medical secretaries, nurses, data entry operators, and hospital management varies by the size of the hospital, and Kayseri City Hospital has about 3000 desktop clients, and Manisa City Hospital has about 1200 clients. The license and maintenance fee to be paid for the operating system that will

work on these clients

is at the level of millions of dollars. The KEY’OS Operating System developed by KEYDATA for such reasons is a Linux distribution with improvements at the core level.

Completely domestic and national, KEY’OS OPERATING SYSTEM has successfully been put into practice at the largest hospitals of Turkey, 1,607-bed Kayseri City Hospital with about 3000 users and at 558-bed Manisa City Hospital with about 1200 users, and operational processes are being run successfully. It is now being used in the recently opened Konya City Hospital as well.

The said operating system is a domestic and national one, which contains all tools and means that may be necessary in a hospital, and on which the Hospital Information Management System smoothly operates. It is very easy to set up, and has a structure that does not overload the client’s processor, and is light, yet capable of meeting user demands.



A domestic and national Hospital Information Management System (HIMS) was developed again by KEYDATA, which can operate on the KEY'OS OPERATION SYSTEM and is compatible with this system. Standing out as a measurable and traceable, quality-oriented HIMS which can create great changes in the general operation of the hospital rather than focusing on the financial concerns of the hospital management, this system allows for resolving potential issues which may occur in the operational processes of the hospital. It is equipped with a help desk accessible from within the hospital. The purpose of the help desk is to resolve potential problems within the specified time by communicating with the relevant personnel. Problems that cannot be resolved within the specified time has financial consequences. All help desk solutions are monitored by a business intelligence software and delayed processes are improved. This allows for a hospital management approach which minimizes the occurrence of issues.

The Hospital Information Management System (HIMS) as an "all-inclusive" service to meet the hardware, software, applications,

and operating system requirements based on the service level of the Kayseri, Manisa, and Konya City Hospitals including provision, maintenance, upkeep, support, authorization, and data entry items and the KEY'OS OPERATING SYSTEM fully integrated with the HIMS were developed by Turkish engineers of KEYDATA Information Technology Systems, Inc. completely with open source software and domestic and national resources. The service is provided continuously 24 (twenty four) hours and 7 days.

KEY'DESK Help Desk

The Central Help Desk is a unit designed for much more professional and quicker operation, improvement and development of operational processes rather than the conventional operation at large healthcare complexes such as City Hospitals designed and built within the scope of Public-Private Partnership as one of the most important projects of the growing and developing Turkey. The unit is intended to be operated with a high-quality service standard approach.

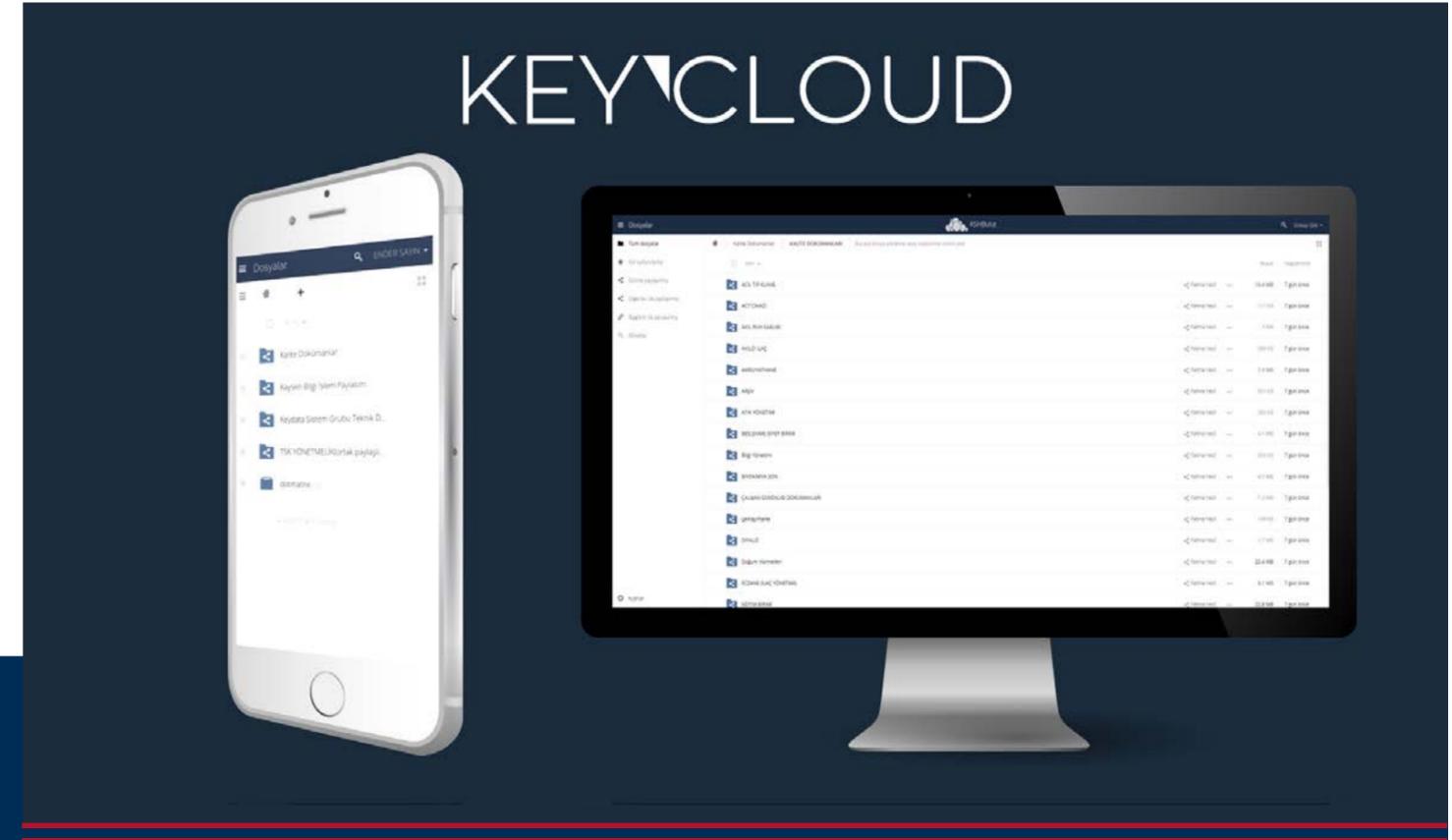


The Help Desk communicates issues/complaints and requests submitted by the hospital personnel to the relevant unit by creating a Service Request through the software called Keydesk, which was developed with a completely domestic and national spirit, and helps the facility respond to issues/complaints and requests within the specified and agreed time periods. The Central Help Desk, which can be regarded as the heart of the hospital in administrative, medical, and organizational terms, accelerates the analysis process by extracting the most accurate and up-to-date data with its extensive and optional reporting capability, and allows for taking swift action within the framework of regulatory and preventive activity programs in case of possible adverse events.

The main modules of Keydesk's Help Desk include Performance Tracking, Allowance System, Periodical Maintenance, Facility Management, Asset Management, Care and Service Management, Pre-Accountancy, Human Resources Management, and Administrative Affairs. The application has a mobile version as well.

SPICE Level 2 Certification

KEYDATA Information Technology Systems, Inc., which provides solutions and services related to system integration and critical business operations particularly for the public sector and the healthcare industry with the goal of becoming the leading system and IT solutions company of Turkey, was awarded the TS ISO / IEC 15504 Maturity Level 2 certificate as a result of the evaluation by the TSE Chief Auditors on 22-25 January 2019.



The SPOCE model allows for ensuring the competence to acquire, provide, develop, operate, and support software necessary for good software engineering.

ISO 15504 (SPICE) Standard

ISO/IEC 15504 (SPICE) is one of the internationally accepted and widely used process improvement models. SPICE is an international standard developed by the International Organization for Standardization (ISO) in 1993, based on process development and competency determination.

In recent years, many organizations in Turkey, particularly those in the IT industry, have have ramped up their efforts to develop process improvement projects based on various process improvement models including SPICE to offer higher-quality products, improve

customer satisfaction, and increase their national and international competitiveness, profitability, and reliability with processes with internationally accepted processes. Another important reason is that companies require at least SPICE Level 2 certification to bid on military projects and partake in some public tenders.

New Members of The KEYDATA's Product Range: KEY'CLOUD and KEY'LMS

In addition to KEY'HIMS, KEY'DESK, and KEY'OS, KEYDATA developed KEY'CLOUD (Corporate Cloud Storage Solution) and KEY'LMS (Training Management System).

Keydata R&D Projects

Secure Health Information System with Cryptographic Algorithms

Electronic health records are among the most important personal data. This project allows for recording and storing electronic health records with cryptographic algorithms and release such data with the consent of individuals using personalized encryption methods. This provides researchers working on health data with an easy-to-use environment to obtain individual consent.

Smart Post-op Treatment System

KEYDATA developed a system that detects anomalies in patients after surgery and alerts doctors via mobile devices. The system employs artificial intelligence technologies.

Smart Voice Assistant for Emergency Physicians

KEYDATA is currently developing a software employing natural language processing and speech recognition algorithms to help physicians in emergency services to determine triage and record patient data with natural speech texts.

MINING



The YDA Group's affiliate in mining, MAYDA Mining, Inc. was established to operate in the mining industry. The Company operates at the Soma Coal Washing Plant commissioned in 2006 as Turkey's and Europe's biggest coal washing and enrichment plant in terms of capacity, lying on 25,000 m² of land. MAYDA continues to contribute to Turkey's economy by making sure that domestic coal resources of the highest quality are used at maximum yield by processing 1,200 tons/hour in the plant, which has a capacity of 5 million tons and an installed power of 5 Megawatts.

The project and engineering work of the plant was undertaken by the British giant of the industry: Dorr-Oliver (FL-SMIDTH). 3,000 tons of steel was used in the construction of the facility and the equipment was procured from

The British company Conn-Welt, the American company CMI, and the Swiss company Metso.

MAYDA Mining, with a record-breaking 56,5 million tons of production to date, produces domestic coal as an alternative to imported coal. Thermal coal and fine-sized dust products, which were previously handled as waste, are now recovered at the Soma Coal Washing Plant, making MAYDA Mining the first company ever to achieve this in Turkey. Thermal coal produced in this manner has become the number one choice of the Soma Thermal Power Plant, contributing significantly to its efficiency.

Additionally, MAYDA Mining has become the first company in Turkey to recover waste coal up to 28 microns from sludge thanks to a system that it setup.



DEFENSE AND AVIATION INDUSTRY



YDA Defense and Aviation, Inc., the affiliate of the YDA Group in the defense and aviation industry, was established with the purpose of serving in the developing defense industry of Turkey and become one of the leading companies of the industry.

YDA Defense and Aviation, Inc. is an organization that carries out Production, Agency, and Distributorship activities in order to respond to the needs of all institutions and organizations in the defense and aviation industry and provides Project Management,

Logistics, Support, Consultancy, Sales, and After-sales services to end users.

The Company continues its activities with its expert staff to become a partner for investment and joint production by collaborating with the leading manufacturers of the world and to develop manufacturing capabilities in Turkey.





Hüseyin ARSLAN

Chairman, YDA Group

Having graduated from the Civil Engineering Department, Middle East Technical University (METU) with “High Honors” in 1992, Hüseyin Arslan has been serving as the Chairman of The Board of Directors of the YDA Group since 1993.

Mr. Arslan is also the Deputy Chairman of the Board of the Turkish Contractors Association, a deep-seated and reputable institution of the Turkish construction industry, the Honorary Consul of Ukraine in Muğla. In 2017, he was appointed by the Decree of the King of Saudi Arabia as a Board Member of the National Center for Privatization and PPP (NCP) of Saudi Arabia, established to achieve Vision 2030 goals. Mr. Arslan is also a Board Member of Turkey-Kazakhstan Chamber of Commerce and Industry. Making contributions in the field of education as a Member of the Board of Trustees of the International University of Sarajevo, Mr. Arslan is also a Member of the Board of Social Sciences and Scientists Foundation, which is directly related to Social Sciences University of Ankara. He attends many conferences in Turkey and abroad as key note speaker on subjects such as the construction industry and especially Public-Private Partnerships (PPP).



Cüneyt ARSLAN

Deputy Chairman & CEO, YDA Group

Having graduated from the Civil Engineering Department, Middle East Technical University (METU) with “High Honors” in 1996, Cüneyt Arslan has been serving as the Deputy Chairman of The Board of Directors and CEO of the YDA Group since 1996.

With a strong experience and expertise in a wide range of areas from housing projects to airports, industrial structures and infrastructure projects both in Turkey and abroad, Mr. Arslan is also the founding partner of all companies under the YDA Group. Mr. Arslan is in charge of all technical operations of the YDA Group, which is seen as the leading and most experienced company in the field of city hospitals in Turkish Healthcare Industry and carries out turnkey projects, airport and healthcare campus investments through Build-Operate-Transfer (BOT) and Public-Private Partnership (PPP) models, as well as real estate investment projects

Michael Raymon Keith DAVEY**Independent Board Member**

Michael DAVEY graduated from Massey Business School, New Zealand University. He began his professional career with the Reserve Bank of New Zealand, followed by nine years of service at the Asian Development Bank DFC (NZ) Ltd. Between 1993-2015, he served at the EBRD as Country Director for Kazakhstan, Kyrgyzstan, Tajikistan, Armenia, Azerbaijan, Belarus, Georgia and Moldova, and was involved in establishing EBRD's operations with the Russian financial sector. He was appointed the Country Director for Turkey in January 2009, and played a leading role in putting in place a substantial and diversified EBRD business in Turkey. Until his retirement from the EBRD in February 2015, Mr. Davey remained the Country Director for Turkey, and has been holding an "Independent Board Member" position with YDA Construction Industry and Trade, Inc. and its subsidiaries (YDA Airports Investment and Management, Inc. and ATM Health Konya Investment and Management, Inc.) since October 2015.

Prof. Dr. Mehmet BARCA**Independent Board Member & Chairman of Internal Audit Committee**

Mehmet Barca graduated from the Political Science Department, Ankara University in 1990 and completed his graduate and post-graduate studies at the School of Management, Leicester University. He was a faculty member at the Economics and Administrative Sciences Department, Sakarya University as an Assistant Professor in 2001, Associate Professor in 2003, and Professor in 2008, and following his tenure at the Business Administration Department, Yıldırım Beyazıt University, was appointed as the President of the Social Sciences University of Ankara, a position he still holds today. An expert on Strategic Management, Competitive Strategies, Innovation Strategies, Leadership, Information Management, and Change Management, Mehmet Barca is a member of the Ethics Committee of the Higher Education Council, Board Member of Ankara Center for Thought and Research (ADAM), Secretary General and Internal Audit Committee Member of Career Counseling and Human Resources Development Association (KAR-DER), and member of the Internal Audit Coordination Board of the Republic of Turkey. With many published books in Turkey and abroad, Mehmet Barca has held an "Independent Board Member" position with YDA Construction Industry and Trade Inc. and its subsidiaries since 30 June 2016.

Assist. Assoc. Prof. Dr. Hamdi PINAR**Independent Board Member & Internal Audit Committee Member**

Having graduated from the School of Law, Ankara University in 1993, Mr. Pinar completed his law internship in Ankara while continuing his graduate studies in Private Law at the Social Sciences Institute, Gazi University. Following a year-long language course at the University between 1995-1996 in Munich (Germany), he completed his two-semester graduate program with thesis at Ludwig Maximilians University, Munich, where he obtained his LL. M. degree. Asst. Prof. Dr. Pinar continued his post-graduate studies at the Max Planck Institute with a fellowship and completed his doctoral thesis in 2001. Having worked as a scientific researcher at the Max Planck Institute between January 2002 and June 2002, Asst. Prof. Dr. Pinar taught Commercial Law at the School of Law, Başkent University between 2002 and 2003, following which he became a faculty member from 2003 to 2008. Pinar was a TÜBİTAK-sponsored Visiting Researcher at the Faculty of Law, University of Zurich, and has been a faculty member at the Department of Commercial Law, School of Law, Bilkent University since 2008. Teaching undergraduate, graduate and post-graduate courses such as Commercial Law, Competition Law, Economic and Legal Aspects of Mergers and Acquisitions, Legal Responsibilities of the Board Members of Corporations, Asst. Prof. Dr. Pinar has held an "Independent Board Member" position with YDA Construction Industry and Trade, Inc. and its subsidiaries since 30 June 2016.

A. Hamdi GÜVENÇ**CEO & Board Member (Aviation)**

Born in Kars in 1951, Mr. Güvenç graduated from the Business Administration and Finance Department, Faculty of Political Science, Ankara University in 1973. He started working as a trainee in the General Directorate of Budget and Financial Control under the Ministry of Finance in 1973, was appointed as an Assistant Inspector for the State Pension Fund of the Ministry of Finance in 1974, and as a Chief Inspector in the Ministry in 1985. In 1986, he embarked on his tourism career after completing his Hotel Management training in Kensington, UK. He then worked in Turkey's leading tourism organizations in audit, organization and coordination positions until 1989. He worked as the General Manager of Ankara Stad Hotel and Grand Ankara Hotel between 1989 and 1992. Starting from 1992, he assumed various senior positions at domestic and international operations, and lastly he was appointed as the Chairman of the International Terminal of Antalya Airport. He became the Vice President of a private finance company in 2002 and joined YDA Group in 2003 as a Board Member and the CEO of the Dalaman International Airport, and a member of the Internal Audit Committee. Mr. Güvenç has been a Board Member of the YDA Group since 2018.

Veysel TEKİN,**Board Member & Group's Financial Affairs Coordinator**

Born in Adana in 1985, Mr. Tekin graduated from the Department of Business Administration, Faculty of Political Sciences, Ankara University in 2007 and worked as an Accountant at the Ministry of Finance between 2007 and 2011, as a Tax Inspector between 2011 and 2016, and as the Head of the Revenue Administration Group in between 2016 and 2017. In these positions, he worked on tax inspections of major taxpayers, money laundering investigations, vocational training for tax inspectors, income tax reform studies, and negotiations on double taxation prevention agreements. Additionally, he worked on measures to be taken against tax planning of multinational companies as a full-time Tax Consultant at OECD Paris Tax Center pursuant to the agreement between the Ministry of Finance and the OECD Tax Center in 2014-2015. He served as the Tax and Accounting Coordinator of the YDA Group between 15 March 2018 and 30 June 2020, and he has been serving as a Board Member and the Financial Affairs Coordinator of the YDA Group since 01 July 2020.

Cahit YILMAZ, Assistant General Manager (Real Estate Development & Investments)

Born in Ankara in 1959, Mr. Yılmaz graduated from the School of Architecture, Gazi University in 1983. He started his career at the General Directorate of Building Works, the Ministry of Public Works in 1978. For 7 years, between 1986-1989, 1993-1997, and 2003-2004, he worked for leading companies in the construction industry as a Design Office Architect, Quality Control Architect, Head of Fine Finishing, Construction Site Manager, and Assistant Project Manager. Between 1989-1993, he served as a Design Office Chief, the Head of Fine Finishing, and Construction Site Manager. He worked abroad for a total of 5 years as a Construction Site Manager between 1994 and 1995 in Turkmenistan, and as a Project Manager between 1997 and 2001 in Russia. He worked as a Project Manager and Coordinator between 2001 and 2006 at leading construction companies in Turkey. Mr. Yılmaz joined the YDA Group in 2006 as a Coordinator and since 2010, he has been the Assistant General Manager in charge of Real Estate Development and Investments.

Cemil KARA, Assistant General Manager (Infrastructure Projects Group 2)

Born in Trabzon in 1974, Mr. Kara graduated from the Civil Engineerin Department, Karadeniz Technical University in 1996 and started his professional career as a Field Engineer. After completing his mandatory military service in 1999, he worked in two different construction companies as a Site Manager and Project Manager on infrastructure projects related to highways, supply pipes, etc. Having joined the YDA Group in 2013 as a Project Manager for the Polatlı-Afyonkarahisar Section of the Ankara-Izmir High-Speed Rail, Mr. Kara became a Coordinator of highway, railroad and airport projects. He currently acts as the Assistant General Manager in charge of Infrastructure Projects.

Ercan ÖKSÜZ, Assistant General Manager (Infrastructure Projects Group 1)

Born in Izmir in 1966, Mr. Öksüz graduated from the Civil Engineering Department, Middle East Technical University (METU) in 1989. He completed graduate studies in the Transportation Division of the Civil Engineering Department of the same university in 1992. He started his career in 1989 in METU as a Research Assistant. During his term in academia, he worked on Ankara-Istanbul High-Speed Rail Line and Ankara Urban Traffic Planning projects. Throughout his professional career, Mr. Öksüz worked in projects such as planning of the Ankara Ankaray and Batikent Metro traffic route and waste collection site planning of the Izmit Integrated Treatment Facility. In 1996, he joined the YDA Group as a Construction Site Manager. He then worked as a Project Manager and a Coordinator. He contributed to the completion of various domestic and international projects related to construction of roads, bridges, channels, hospitals, airports, and various industrial facilities. He is currently the Assistant General Manager responsible for Infrastructure Projects.

Ömer ÖKSÜZ, Assistant General Manager (Electromechanics)

Born in Ankara in 1961, Mr. Öksüz received his Ship Machinery and Management Engineering degree from Istanbul High Maritime School in 1984 and started his professional career as Engineer Officer in that same year. He worked as a Technical Manager and Technical Coordinator between 1988 and 2000 at major companies of the industry in Turkey. He began working in the construction industry after 2000 and served as an Assistant General Manager at the YDA Group of Companies between 2005 and 2015. Mr. Öksüz has been working as the Assistant General Manager in charge of Electromechanics at the YDA Group since 2015.

Tahsin SEZGEL, CEO (YDA Agriculture)

Mr. SEZGEL started his career in 1985 as a Financial Expert. He worked as the YDA Group's Finance Manager between 1994 and 2012, and Internal Audit Manager between 2012 and 2015. Having served in the Group's subsidiaries as a Board Member, he continues to contribute to the company's investments in the field of agriculture with his vast experience.

Cengiz Tuğrul AYZAZ , General Manager (Aviation)

Born in Adıyaman in 1971, Mr. Ayaz graduated from the Department Of Business Administration, Faculty of Economics and Administrative Sciences, Anadolu University and started his career as a Personnel and Administrative Affairs Chief in a private company. Having participated in in-service training, he continued to work in the same company as a Human Resources Specialist. He then worked in various private companies as a Human Resources Manager, Human Resources Director, Executive Board Member, and Assistant General Manager. He also served as a corporate consultant to numerous companies across Turkey as part of his professional life. Mr. Ayaz has worked as the General Coordinator of the Dalaman International Airport since 2015.

Adnan KOVUK, Infrastructure Projects Coordinator (Construction & Contracting)

1963, İzmir. Mr. Kovuk graduated from the Civil Engineering Department, Istanbul Technical University in 1991 and started his professional career the same year as a Field Engineer in a company operating in the field of Engineering and Consultancy. After completing his mandatory military service in 1992, he worked in various positions in leading construction companies in infrastructure projects related to highways, bridges, supply pipes, irrigation, transportation, etc. In his career, he has held various positions including Field Engineer, Section Manager, Construction Site Manager, Project Manager and Coordinator in various projects in Turkey and abroad for private construction companies until 2012, when he joined the YDA Group as the Infrastructure Projects Coordinator, a position he still holds today.

Bilge KAVUNCU, Purchasing Director

1964, Ankara. Ms. Yılmaz graduated from the School of Architecture, Gazi University in 1987 and started her professional career at an architectural firm in 1986. She worked as a Design Office Architect at a construction company between 1988 and 1995, and as a Design Office Chief at a different private company between 1999 and 2004. Having worked another company as a Project Manager between 2006 and 2015, she joined the YDA Group in 2015 and currently serves as the Purchasing Director.

Çağlar MUSLU (Head of Project and Structured Finance)

Born in Sivas in 1979, Mr. Muslu graduated from the Economics Department (English), Faculty of Economics, Istanbul University in 2002. He then attended Sawyer School of Management, Suffolk University, and received his MBA in Finance in 2004. In 2005, he studied Managerial Finance at the Harvard University Extension School before holding various positions in finance institutions such as Muni Mae and JP Morgan Chase in the US. In 2006, he joined the Corporate Financial Solutions unit of the Treasury of Garanti Bank and then transferred to Corporate Banking and worked in the said department at Garanti Bank and Akbank, respectively. He joined ING Bank as the Head of Corporate Finance in June 2012 and was appointed Corporate Head Office Director of ING Bank in Ankara as of the beginning of 2013, a position he held for a period of 5 years. Mr. Muslu joined the YDA Group in November 2018 and is currently working as the Head of Project and Structured Finance.

Dr. Elif SÖZER, Healthcare Group Coordinator

Ms. SÖZER graduated from the Faculty of Medicine, Ege University in 1996. She completed her graduate studies on Hospital and Healthcare Organization Administration at the Institute of Social Sciences, Dokuz Eylül University in 2012. She started her professional career at the İzmir Diabetes Hospital of the Turkish Diabetes Association, where she worked as a practitioner as well as the Deputy Chief Physician. She then moved to Istanbul to serve as the Corporate Relations Manager at a private outpatient clinic, then the Coordinator of the IVF Department at a private hospital. Ms. Sözer started working as the Chief Physician and the Deputy Medical Director at Anadolu Medical Center in January 2007, and served as an Advisory Board Member for Healthcare at Novacess LLC headquartered in New Orleans between 2011 and 2014. Having played an active role in the establishment of a Village for Children with Leukemia as the Health Investments Planning Coordinator at Lösev, Ms. Sözer served as the Chief Physician, the Deputy General Manager, and the Medical Director in two private hospitals. Ms. Sözer joined the YDA Group in August 2017 where she currently serves as the Healthcare Group Coordinator.

Ekin ATMAN, Secretary General & Central Affiliates Coordinator

1985, Ankara. 2006 yılında Gazi Üniversitesi İktisadi ve İdari Bilimler Fakültesi İşletme Bölümü'nden mezun olan ATMAN, 2007 yılında Orta Doğu Teknik Üniversitesi (ODTÜ) Yabancı Diller Fakültesi hazırlık bölümünü bitirmiştir. 2007 yılında Kazakistan projelerinde Mali İşler Sorumlusu olarak YDA Group bünyesine katılan ATMAN, 2012 yılında finans üzerine İngiltere'de "A Levels" derecesi yapmış, Insurance Market Conferences (IMC) 2013 "Financial Markets and Institutions" birincilik ödülü almış ve Swansea University'de Finansman ve Uluslararası Finans dalında lisansüstü programını yüksek onur derecesiyle tamamlamıştır. 2013 yılından bu yana YDA Group Merkezinde sırasıyla Finans & İş Geliştirme birimlerinde görevler almış olup, Haziran 2015 tarihinden bu yana YDA Group Genel Sekreteri ve İşbirlikler Merkez Koordinatörü olarak görev yapmaktadır.

Fatih AÇIKALIN, Project Coordinator, Real Estate and Investment Group

Born in Mersin in 1964, Mr. Açıkalın graduated from the Faculty of Engineering and Architecture, Gazi University in 1986. Starting from 1982, he worked in various architecture firms. He worked for a year as a freelance architect in 1985, and then ran his own company between 1986 and 2014. A member of the Chamber of Architects, Mr. Açıkalın taught part-time at the basic design workshop at the Department of Architecture, Faculty of Engineering and Architecture, Gazi University. He is an award-winning architect for his various architectural projects. He played an active role in private residence, mass housing, holiday resort, university building, healthcare center, and hotel and office building projects in Turkey and abroad, as well as the construction and interior design of buildings. He has been working at the YDA Group's as the Real Estate and Investment Group Project Coordinator since April 2016.

Necip ATAY, General Coordinator, PPP Projects

Born in Ankara in 1963, Mr. Atay graduated from the Civil Engineering Department, Middle East Technical University in 1986. He started his professional career as a Quality Control Engineer at the US Government's Military Quarters at the İncirlik Airbase in that same year. He held various positions in leading construction companies of Turkey until 1995 when he moved to Tashkent, Uzbekistan to work at a private construction company. He worked as a Section Manager, Technical Office Manager, Project Manager, and Regional Manager in major projects in Tashkent, and then returned to Turkey in 2002 to serve as a Executive Committee Member and Project Coordinator in prestigious domestic and international projects of various private construction companies. He joined the YDA Group in May 2013 and has held the position of General Coordinator for PPP Projects since then.

Nagihan POLAT, Project Coordinator, Real Estate and Investment Group

Born in Aksaray in 1972, Ms. Polat graduated from the Department of Architecture, Middle East Technical University in 1994 and started her professional career as an Architect at an architectural project firm in that same year. Between 1998 and 2013, she worked as a Design Manager and a Design Coordinator in charge of Investment Projects at Construction Sites and Head Offices of leading construction companies in Turkey in major domestic and international projects related to construction of shopping malls, office buildings, mass housing, residences, and university buildings. She has been working at the YDA Group's Real Estate and Investment Group as a Project Coordinator since June 2013 as well as a Project Coordinator in charge of the Group's Overseas Projects since 2019. Holding a Construction Inspector Architect certificate from the Ministry of Environment and Urban Planning, Ms. Polat currently continues her graduate studies at the Department of Real Estate Development and Management, Institute of Science, Ankara University. In addition to her efforts at the Platform for Female Leaders in Real Estate, she has a Mentoring certificate.

Onur Erçin KIROĞLU, Construction Projects Coordinator, PPP Projects

Born in Kastamonu in 1977, Mrs. Kiroğlu graduated from the Department of Architecture, Gazi University in 2000 and started his professional career as an Architect at an architectural project firm. He developed architectural projects for various hospital, university, hotel, and public buildings between 1997 and 2003. He worked in a hotel project in Cyprus between 2003 and 2006, and in various projects for the YDA Group in Kazakhstan and Ukraine between 2006 and 2011. He has been working as a Project Coordinator for hospital and airport projects at the YDA Group since 2011.

Özcan ÇAKMAK, Head of Technical Office and Tenders

1976, Born in Trabzon in 1976, Mr. Çakmak graduated from the Civil Engineering Department, Karadeniz Technical University in 1996 and completed his graduate studies at Gazi University in 2001. He started his professional career in 1996 as a Project Engineer. He then worked on several projects as a Technical Office Chief and Project Coordinator. In 2002, following his military service, he joined the YDA Group and worked as a site manager in various infrastructure and superstructure projects. Having worked in Service Buildings, Industrial Buildings and Airport projects, he was appointed as the Head of Technical Office and Tenders, a position which he currently holds.

Özlem ERSAN, Legal Advisor

Born in Malatya in 1978, Ms. Ersan graduated from the Faculty of Law, Ankara University with honors in 2001. Following the completion of her one-year internship, she embarked on her career in 2002 as a lawyer. She worked as lawyer/executive lawyer in the two law firms she joined between 2002 and 2008, where she worked on cases which required expertise in Criminal Law and Commercial Law. She then joined a team which followed the legal affairs and proceedings of the Turkish Red Crescent Society, which holds international operations from its head office in Turkey, around the nation for two years first as lawyer, then as executive lawyer. Between 2008 and 2018 (September), she provided risk analysis, contract consultancy, and general legal advisory services to many reputable companies for seamless running of their business operations in the legal arena, undertook the cases and related legal affairs of four national banks and two insurance companies, and cases and related legal affairs of the Turkish Red Crescent Society in Kayseri and its vicinity from her law office in Kayseri. To develop herself professionally in areas such as insurance, banking, and healthcare which the companies and the Society operate, she joined several certification programs, and volunteered in several committee activities of the Bar Association (such as Human Rights Committee, Children's Rights Committee, Cultural and Social Affairs Committee) of which she was a member between 2008 and 2018. Ms. Ersan joined the YDA Group in 2018 and is currently working as a Legal Advisor.

Soydan ERSOY, CEO (Smart Digital Advertising)

1977, Born in Ankara in 1977, Mr. Ersoy received his Mining Engineering degree from the Department of Mining Engineering, Istanbul Technical University in 2000, after which he traveled to the United States for his MBA, and started his professional career in 2002 in a leading marketing company in Connecticut as a Project Coordinator. In 2007, he was appointed the Operations and Business Development Manager at the same company. On his return to Turkey in 2010, he was given the position of the Head of International Operations at a private company in Istanbul, and in 2013, he joined the YDA Group's Business Development team. He is the CEO of Metropol Ankara Telecommunication and Advertising Services, Inc., a subsidiary of the YDA Group, where he is the Board Member in charge of the Group's IT investments.

AVIATION PROJECTS





TURKISTAN INTERNATIONAL AIRPORT

The construction of the Turkistan International Airport project has started under the PPP model. The project includes a 3,300 m-long runway, 2 taxiway, 1 service area, an apron that can fit 7 wide-bodied aircraft in parking position, a airport terminal of 10,500 m², and an additional building of 12,800 m² on a land area of 905,000 m². Planned to have an annual capacity of 3 million passengers, the Turkistan International Airport project is also of particular importance as the first “green field” airport developed after the Soviet period. The excavation and filling works for the runway, apron, taxiway,

and service area have been completed as of June 2020. The runway’s asphalt and concrete pavement has been completed by 20%. The assembly of the main steel structure of the terminal building has been completed and mechanical, electrical, facade, and fine works have started. The reinforced concrete production for the additional buildings has been completed by 90% and the steel construction production by 50%. Based on the current progress project, 59.68% has been completed as of the end of June 2020 and the airport is planned to be opened for service at the end of 2020.





YOZGAT AIRPORT RUNWAY AND APRON CONSTRUCTION

The targeted completion date of the Yozgat Airport Infrastructure and Miscellaneous Works Project, which was tendered by the General Directorate of Infrastructure Investments (GDII) and is currently being implemented by the partnership of YDA Construction (65%) and EMT Construction (35%), is December 2021.

The project includes 6,150,000 m³ of excavation, 156,000 m² of runway construction, and 36,000 m² of apron construction. 55.20% of the project has been completed as of the end of June 2020.





DIYARBAKIR AIRPORT TRANSFORMATION FROM PARALLEL TAXIWAY TO EMERGENCY LANDING STRIP

The planned completion date for the Diyarbakir Airport Transformation from Parallel Taxiway to Emergency Landing Strip project, which was tendered by the General Directorate of State Airports Authority in 2018 and is currently being carried out by YDA Construction, is April 2022.

A 3,549 meter-long concrete pavement runway will be built within the scope of the project. 32.25% of the project has been completed as of the end of June 2020.



INFRASTRUCTURE PROJECTS



DİNAR-ÇİVRİL ROAD STATE RAILWAYS OVERPASS BRIDGE (KM:5+890 BETWEEN DİNAR-2ND REGION BOUNDARY) SUPPLY

The targeted completion date of the Dinar-Çivril Road State Railways Overpass Bridge Construction project, which was tendered by the 13th Regional Directorate of Highways in 2019

and is currently under construction by YDA Construction, is 31 December 2020. 66.24% of the project has been completed as of the end of June 2020.





ANKARA-SİVAS RAILWAY PROJECT ELMADAĞ-KIRIKKALE SECTION

The Infrastructure Construction Work for Ankara-Sivas Railway Project Kayas-Kırıkkale Section-I (Elmadağ-Kırıkkale) (except for Viaducts V7-V9-V10-V15) (Km: 45+440 - 74+100) was tendered by the General Directorate of Turkish State Railways and YDA İnşaat San. ve Tic. A.Ş. carries out the construction works. The project is estimated to be completed within the 3rd quarter of 2021. The scope of the contract includes bored tunnels (5 tunnels,

total length of 8,418 meters), cut-and-cover tunnels (4 tunnels, total length 2,570 meters), viaducts (6 viaducts, 1.797 meters), bridges (3 bridges, 130 meters), excavations on the route and for engineering structures (5,500,000 m³), and fillings on the route (400.000 m³). 76.44% of the project has been completed as of



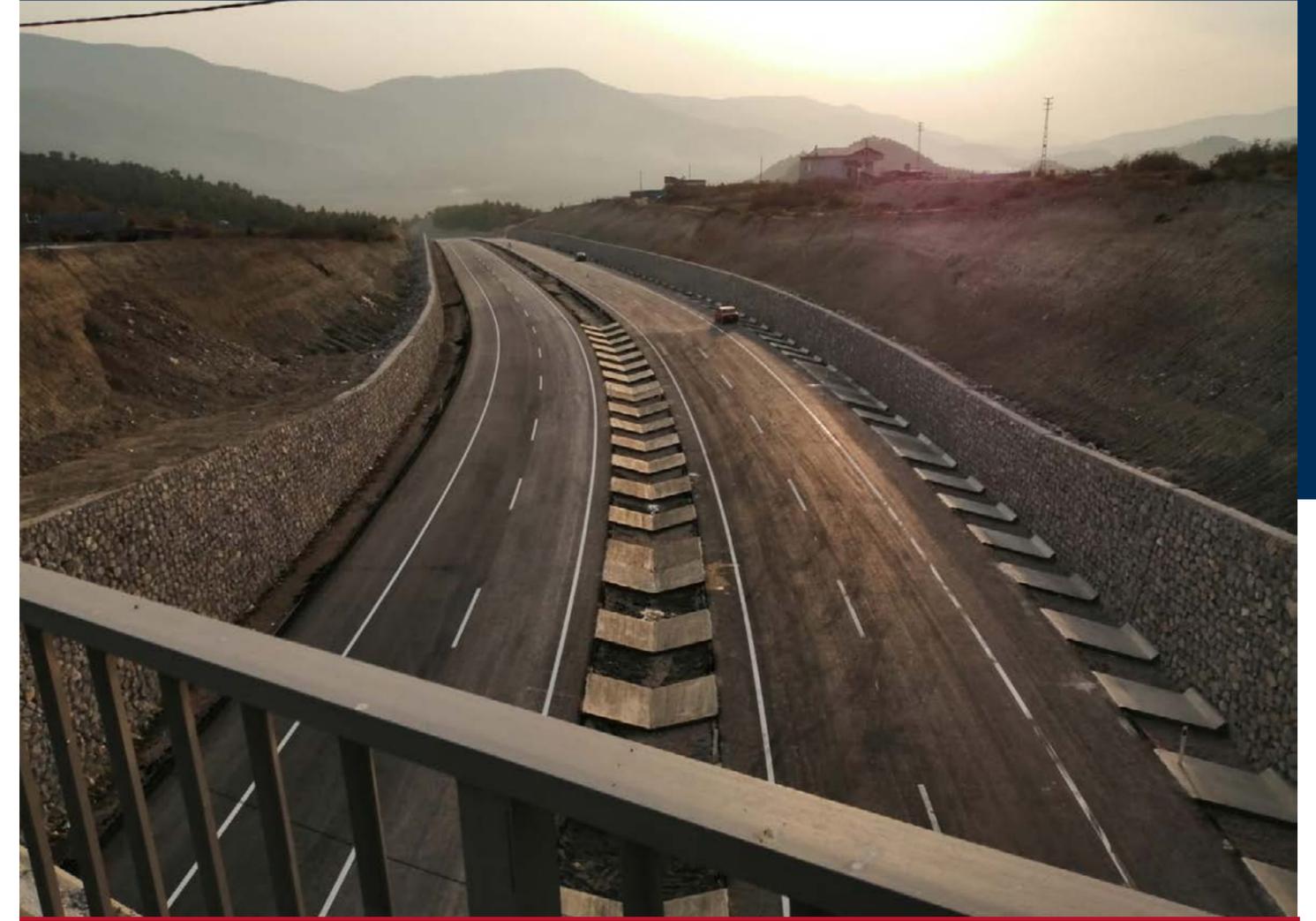


ANKARA-İZMİR RAILWAY PROJECT POLATLI-AFYON SECTION INFRASTRUCTURE WORKS

The Department of Railroads of the Turkish State Railways tendered for the Infrastructure Construction Works of the Ankara (Polatlı) – Afyonkarahisar Section of the Ankara – Izmir High-Speed Train Project, and the construction is carried out by the Sigma – YDA – Makimsan – Burkay Partnership. The construction works under the project started on 29 June 2012. The contract covers Excavation (49,000,000 m³), Filling (16,500,000 m³), 2 cut-and-cover tunnels (460 m), 8 bored tunnels (7,505 m), 16

viaducts (6,236 m), 24 bridges (980 m), 32 overpasses (1,091 m), 73 underpasses (2,494 m), and 182 culverts (8,337 m) along the 161.80 km railway route. The contract was settled on 28 August 2019 pursuant to Provisional Article 4 of the Law No. 4735 and the provisional acceptance was made. 72% of the project has been completed as of the date of provisional acceptance. The final acceptance will be made on 28 August 2020.





SINOP DİKMEN DURAĞAN HIGHWAY

The 7th Regional Directorate of Highways tendered for the construction of Dikmen-Durağan Provincial Highway and the targeted date of completion is December 2020. Based on the

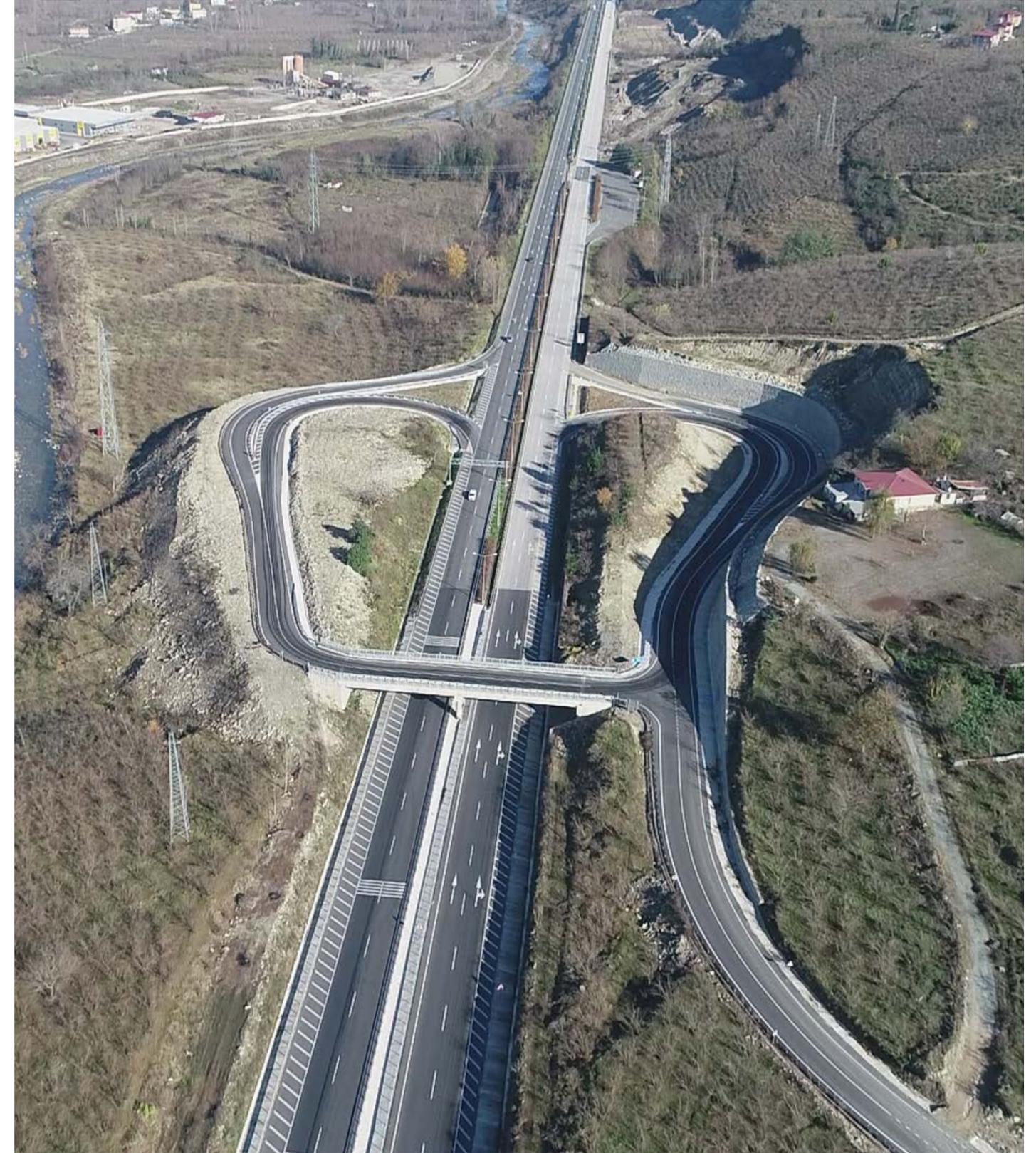
current progress project, 71.48% has been completed as of the end of June 2020. The contract covers earthworks, engineering structures, and superstructure works.



ORDU RING ROAD EXTENSION

A tender was issued to extend the 19.1 kilometer-long Ordu Ring Road to 21.42 km by changing the road's route to ensure better standards for transit traffic and to reduce interurban traffic load. The Ordu Ring Road Project Extension Construction Works, awarded to the Nurol (40%) – Yüksel (25%) – YDA (25%) –

Özka (10%) Ordinary Partnership 2 by the General Directorate of Highways, started in August 2017. 19.55% of the project has been completed as of the end of June 2020. The targeted completion date of the project is February 2023.





TOKAT - NIKSAR HIGHWAY

The targeted completion date of the Tokat – Niksar Highway project, tendered by the General Directorate of Highways and currently being implemented by the Doğuş (50%) – YDA (50%), is December 2021. Based on the current progress project, 51.50% has been completed as

of the end of June 2020. The 48 kilometer-long Tokat-Niksar Highway will play an important role in connecting the Black Sea Region to the Central Anatolia Region with the completion of the Niksar-Ünye route in near future.



POTABLE, WASTE, AND RAINWATER PIPE CONSTRUCTION FOR ANKARA WATER AND SEWAGE ADMINISTRATION, ASKİ

The project of Potable, Waste, and Rainwater Pipe Construction for Various Avenues and Streets of Ankara tendered by the General Directorate of Water and Sewage Administration (ASKİ) is

currently being carried out by the TEYDA Construction and YDA Construction Partnership. The works have been completed as of June 2019 and the acceptance procedures are still continue.





KARS KAĞIZMAN ROAD

The targeted completion date of the (Kars-Selim) Junction-Kötek Road Construction project, which was tendered by the the General Directorate of Highways in 2016 and is currently being implemented by Kibris Construction (33%), TEYDA Construction (34%), and YDA

Construction (33%) is 27 June 2022. The contract covers 37.6 km of BHM road construction. 55.80% of the project has been completed as of the end of June 2020.



TÜRKELİ AYANCIK & ERFELEK SİNOP BOYABAT HIGHWAY

The Türkeli Ayancık Junction, and Erfelek Sinop Boyabat Junction Road Construction project tendered by the 7th Regional Directorate of Highways is being implemented by YDA Construction. Based on the current progress project, 63.71% has been completed as of

the end of June 2020. The planned completion date of the project is the end of 2020. This new highway of high standards will help save time and fuel when traveling from the District of Erfelek to Ayancık and Boyabat.

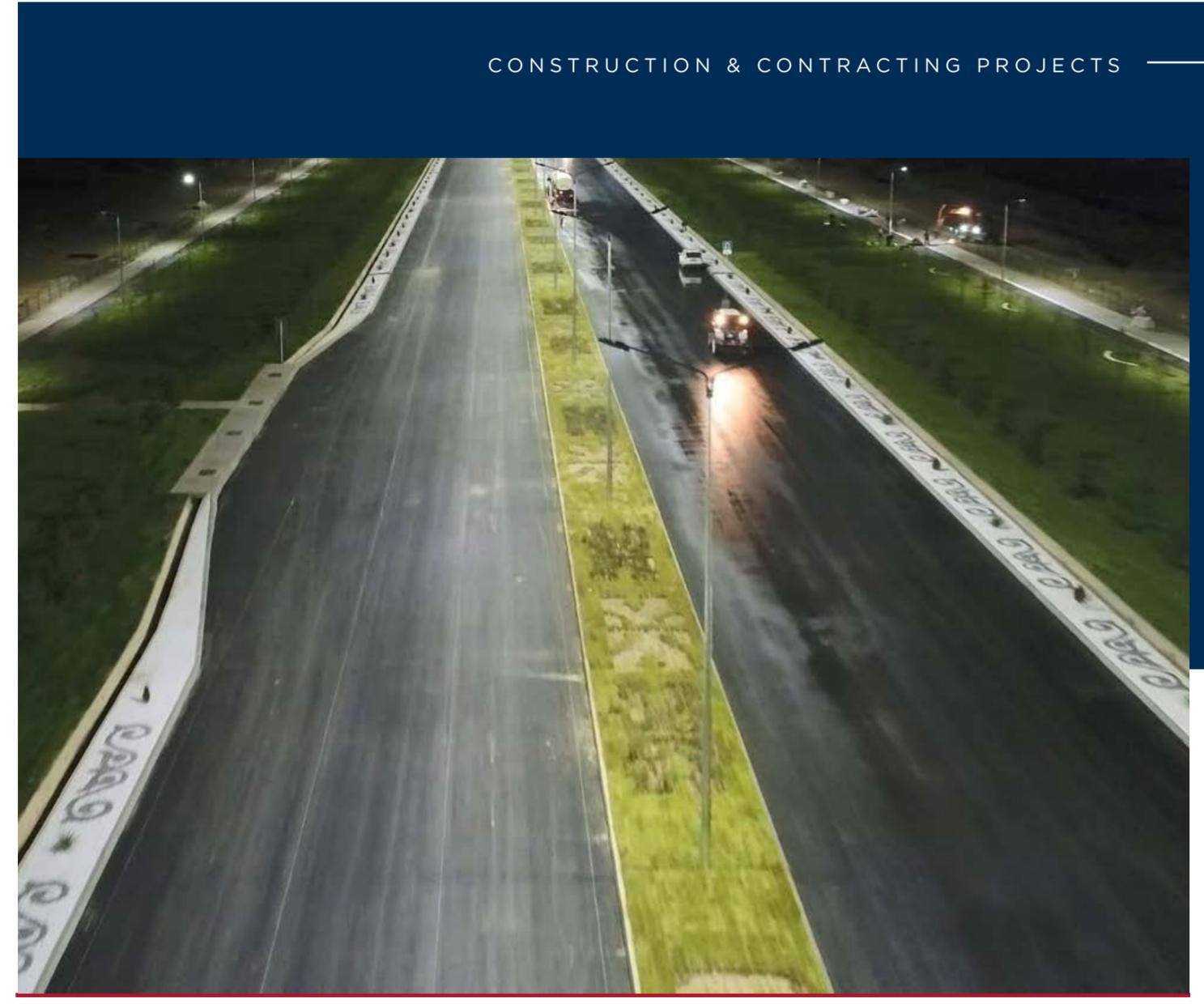
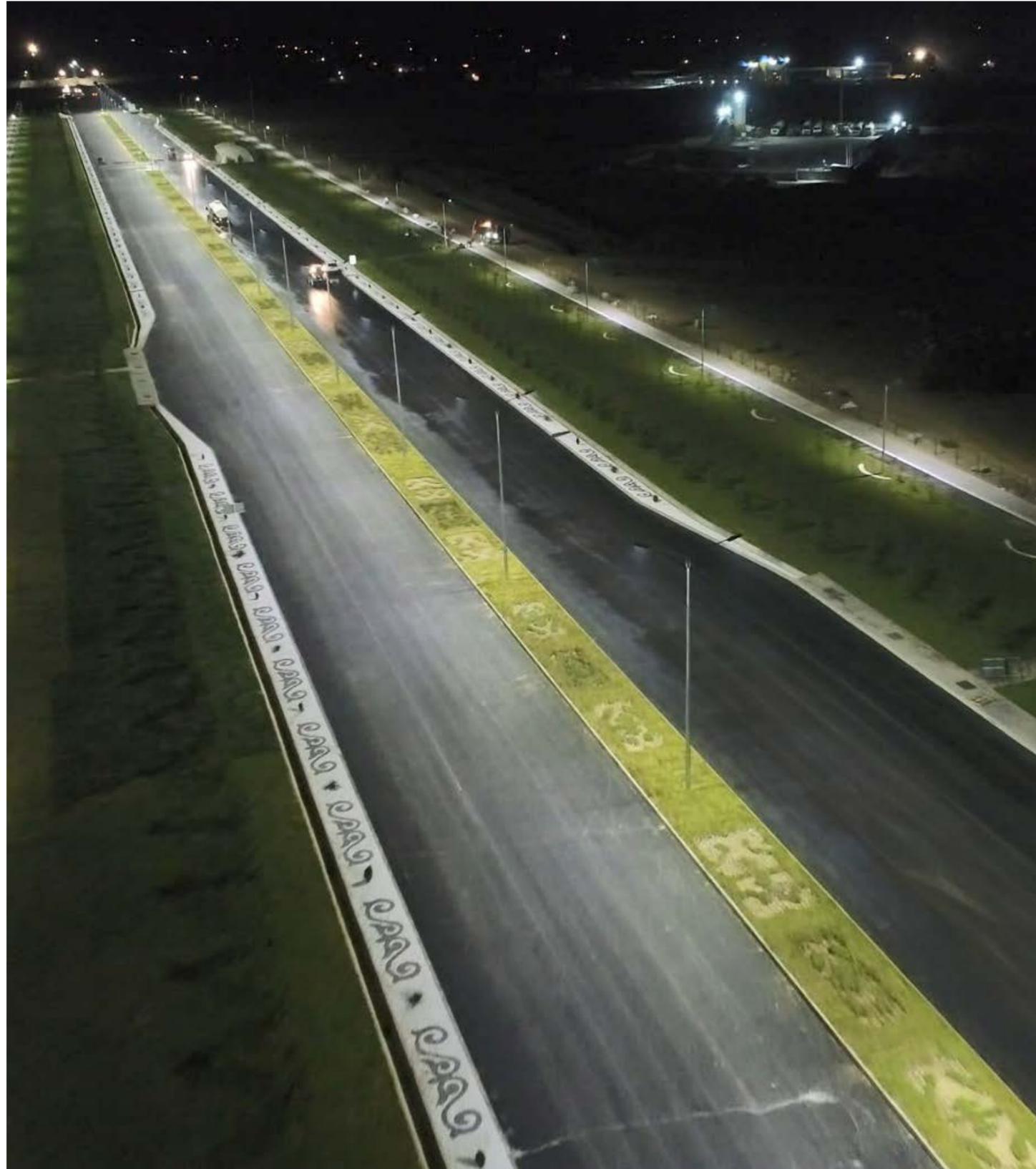


KAYAŞ - KIRIKKALE & POLATLI AFYONKARAHİSAR SAFETY TUNNELS

The General Directorate of Turkish State Railways' Department of Railroad Construction issued a tender for the construction of Kayaş-Kırıkkale and Polatlı-Afyonkarahisar Safety Tunnels and the construction is undertaken by İntaş Contracting, Building, and Trade, Inc. with YDA Construction, Industry, and Trade, Inc. as the subcontractor. The construction of the project started on 25 September 2017 and the expected date of completion is September 2021. The contract covers 2 30 meter-long vertical exits and 9.2 kilometer-long tunnel work including T2 Safety

Tunnel (155 m), T8 Safety Tunnel (282 m), T11 Safety Tunnel (425 m), T15 Safety Tunnel-1 (1.655 m), T15 Safety Tunnel-2 (816 m), T15 Safety Tunnel-3 (488 m), and T16 Safety Tunnel (280 m) at the Kayaş-Kırıkkale section and T5-6-7-8 Safety Tunnels (5,051 m) at the Polatlı-Afyonkarahisar section. 66% of the project has been completed as of June 2020.





TURKISTAN AIRPORT CONNECTION ROAD

The first 5 km of the 16.4-km road providing a direct connection between the Turkistan International Airport and the city of Turkistan consists of 2x3 lanes and the remaining 11.4 km consists of a 2x2 lane asphalt platform. The project involves 20 meters of landscaping, a bicycle path, and a pedestrian walking path on both

sides of the 5 km part of the road. The road will be equipped with two double-span bridges. Based on the current progress project, 68.75% has been completed as of the end of June 2020, and the remaining works are planned to be completed by the end of 2020.

PPP PROJECTS



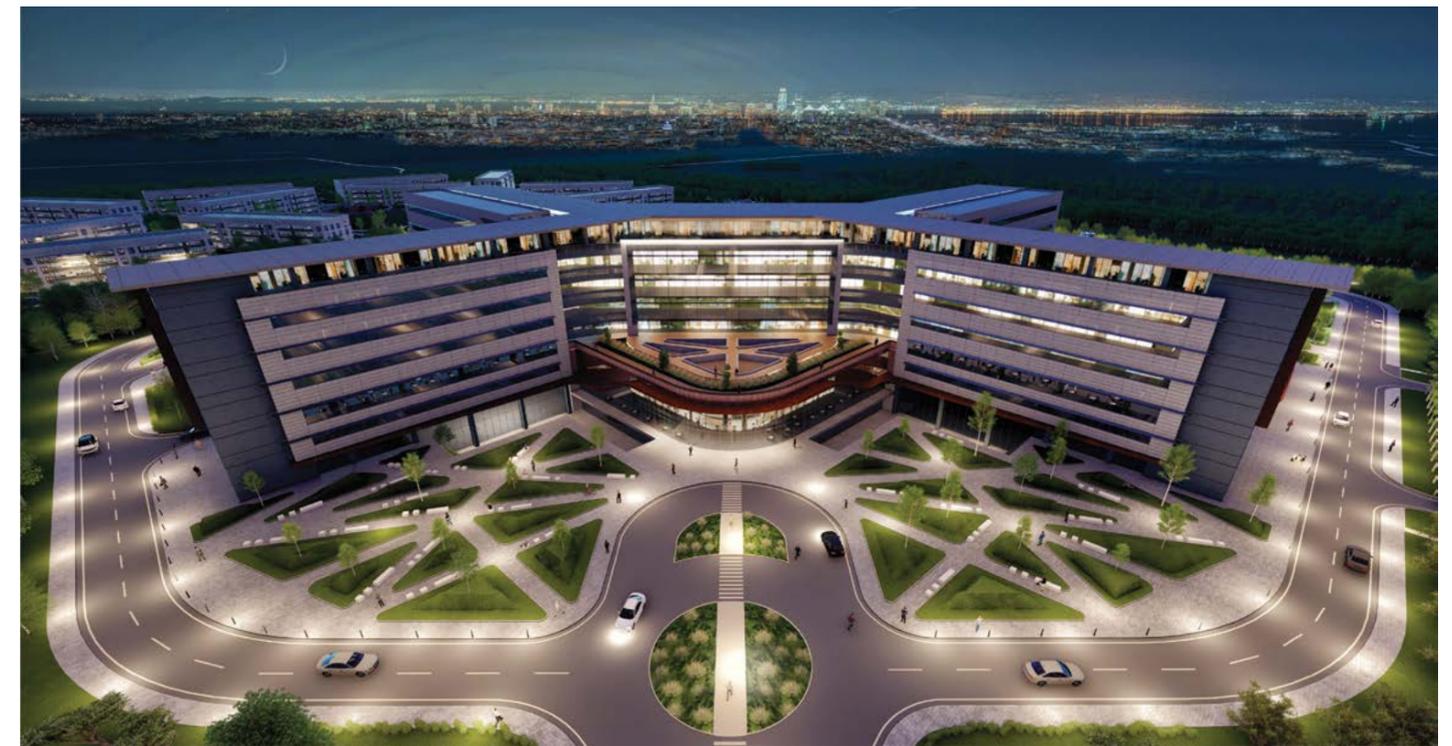


TURKISTAN CITY HOSPITAL (630 BEDS)

The works for the project designed with the PPP model for the city of Turkistan located in the Turkistan Region in the South of Kazakhstan have started in June 2019 and involve the construction and maintenance of a multidisciplinary hospital. The city hospital project with an indoor area of 85,000 m² on a 160,000 m² plot will have a total bed capacity of 630, including an acute care unit with 550 beds, an infection unit with 60 beds, a burn treatment unit with 10 beds, and a toxicology unit with 10 beds.

The Diagnosis, Treatment and Imaging Units and the Laboratory, Sterilization, Kitchen, and Laundry areas included in the project and planned according to the international central

operating system will be equipped with advanced technology. Designed in compliance with the JSI Standards, the project has been completed by 15% and the planned completion date is August 2022. The campus has a parking lot for patients, personnel, and visitors. There is also a helicopter pad. There are 34 polyclinics in the hospital. The project aims to provide the highest standards of service to both hospital personnel and patients with its modern and spacious structure, hygienic and large double rooms, and clean and spacious social spaces. It is a city hospital project aimed at providing the comfort of social life in the working environment to hospital personnel with social spaces such as conference halls, cafes, restaurants, and children's playgrounds.





PETROPAVLOVSK CITY HOSPITAL (510 BEDS)

The works for the project designed with the PPP model for the city of Petropavlovsk located in the North of Kazakhstan have started in June 2019 and involve the construction and maintenance of a multidisciplinary hospital. The city hospital project with an indoor area of 92,000 m² including a 22,000 m² indoor parking area on a 125,000 m² plot will have a total bed capacity of 510, including an acute care unit with 480 beds and an infection unit with 30 beds. The project also includes an intensive care unit with 24 beds, a newborn intensive care unit with 10 beds, an adult cardiovascular surgical intensive care unit with 8 beds. The Diagnosis, Treatment and Imaging Units and the Laboratory, Sterilization, Kitchen, and Laundry areas included in the project and planned according to the international central operating system will be equipped with advanced technology.

Designed in compliance with the JSI Standards, the project has been completed by 10% and the planned completion date is December 2022. The campus has an indoor parking area with a vehicle capacity of 500 for patients, personnel, and visitors. There is also a helicopter pad. There are 34 polyclinics in the hospital. The project aims to provide the highest standards of service to both hospital personnel and patients with its modern and spacious structure, hygienic and large double rooms, and clean and spacious social spaces. It is a city hospital project aimed at providing the comfort of social life in the working environment to hospital personnel with social spaces such as conference halls, cafes, restaurants, and children's playgrounds.



KONYA CITY HOSPITAL (1,250 BEDS)

Completed by ATM Health Konya Investment and Management, Inc, a YDA Group subsidiary, based on the PPP model, the Konya City Hospital has put into service in June 2020. The first phase of the 1,250-bed Konya City Hospital has been completed with a bed capacity of 838.

The Konya City Hospital has an indoor area of 420,000 m² and 278 polyclinics, and will serve patients with a 416-bed maternity and pediatric unit and a 420-bed general hospital including an intensive care unit with 130 beds, a CVS intensive care unit with 10 beds, a newborn intensive care unit with 48 beds, 14 delivery rooms, a perinatal unit with 12 beds, a judicial cases unit with 19 beds, an iodine treatment unit with 3 beds, and a burn center with 17 beds.

In addition to inpatient wards, the hospital is equipped with 49 operating theaters including 32 for general surgery, 12 for day surgery, 2 for c-section operation, 2 for IVF, and 1 for burn surgery, as well as an endoscopy unit, a nuclear medicine unit, a breast excellence center, a physiotherapy unit, a hemodialysis unit, a medical board, and a comprehensive radiology unit. The total number of beds will be 1,250 with the 187-bed Oncology Hospital and the 201-bed CVS hospital to be opened at the end of 2020. Together with the oncology hospital, the radiotherapy and chemotherapy departments





NURSULTAN UNIVERSITY CITY HOSPITAL (800 BEDS)

The works for the project designed with the PPP model for NurSultan, the capital of Kazakhstan, have started in early 2020 and involve the construction and maintenance of a multidisciplinary hospital. The city hospital project with an indoor area of 190,000 m2 including a 25,000 m2 indoor parking area on a 215,000 m2 plot will have a total acute bed capacity of 800, including a 600-bed adult unit and a 200-bed pediatric unit. The project also includes an intensive care unit with 48 beds, a newborn intensive care unit with 30 beds, an adult cardiovascular surgical intensive care unit with 6 beds, and a coronary intensive care unit with 10 beds. The Diagnosis, Treatment and Imaging Units and the Laboratory, Sterilization, Kitchen, and Laundry areas included in the project and planned according to the international central operating system will be equipped with advanced technology.

Designed in compliance with the JSI Standards, the project including academic units, classrooms, conference and seminar halls has been completed by 9% and the planned completion date is December 2022. The campus has an indoor parking area for patients, personnel, and visitors. The facility also offers a social district and social spaces for medical students, personnel, patients, and visitors as well as a helicopter pad. There are 50 polyclinics in the hospital. The project aims to provide the highest standards of service to both hospital personnel and patients with its modern and spacious structure, hygienic and large double rooms, and clean and spacious social spaces. It is a city hospital project aimed at providing the comfort of social life in the working environment to hospital personnel with social spaces such as conference halls, cafes, restaurants, and children's playgrounds.



ŞANLIURFA CITY HOSPITAL (1,700 BEDS)

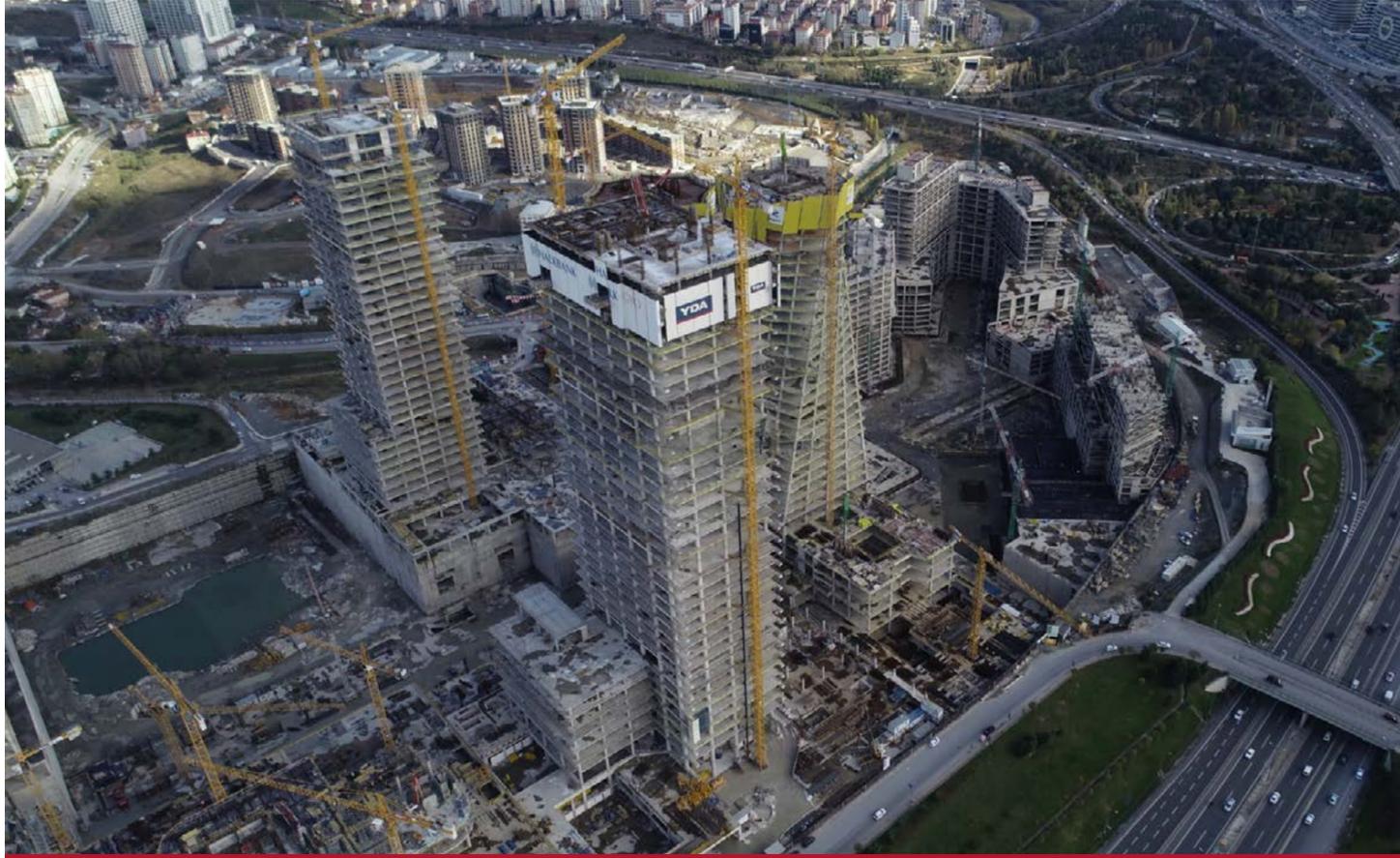
The facility with an indoor area of 436,172 m2 as per the tender will have a total bed capacity of 1,700 beds, including a 520-bed training and research hospital, 600-bed gynecology and pediatric

hospital, a 200-bed cardiovascular hospital, a 200-bed oncology hospital, and a 100-bed rehabilitation hospital, and an 80-bed psychiatric hospital.



An aerial night view of a city skyline. The most prominent feature is a tall, triangular skyscraper under construction, its facade covered in a grid of lights. Other buildings in the background are also lit up, with some displaying logos like 'FARILYA' and 'USTA'. In the foreground, there are lower-rise buildings, including one with a 'JW MARRIOTT' sign. The sky is dark blue, and the overall scene is illuminated by city lights and the construction site's lighting. The text 'SUPERSTRUCTURE PROJECTS' is overlaid in white, bold, sans-serif font on the right side of the image, with a white underline.

SUPERSTRUCTURE PROJECTS

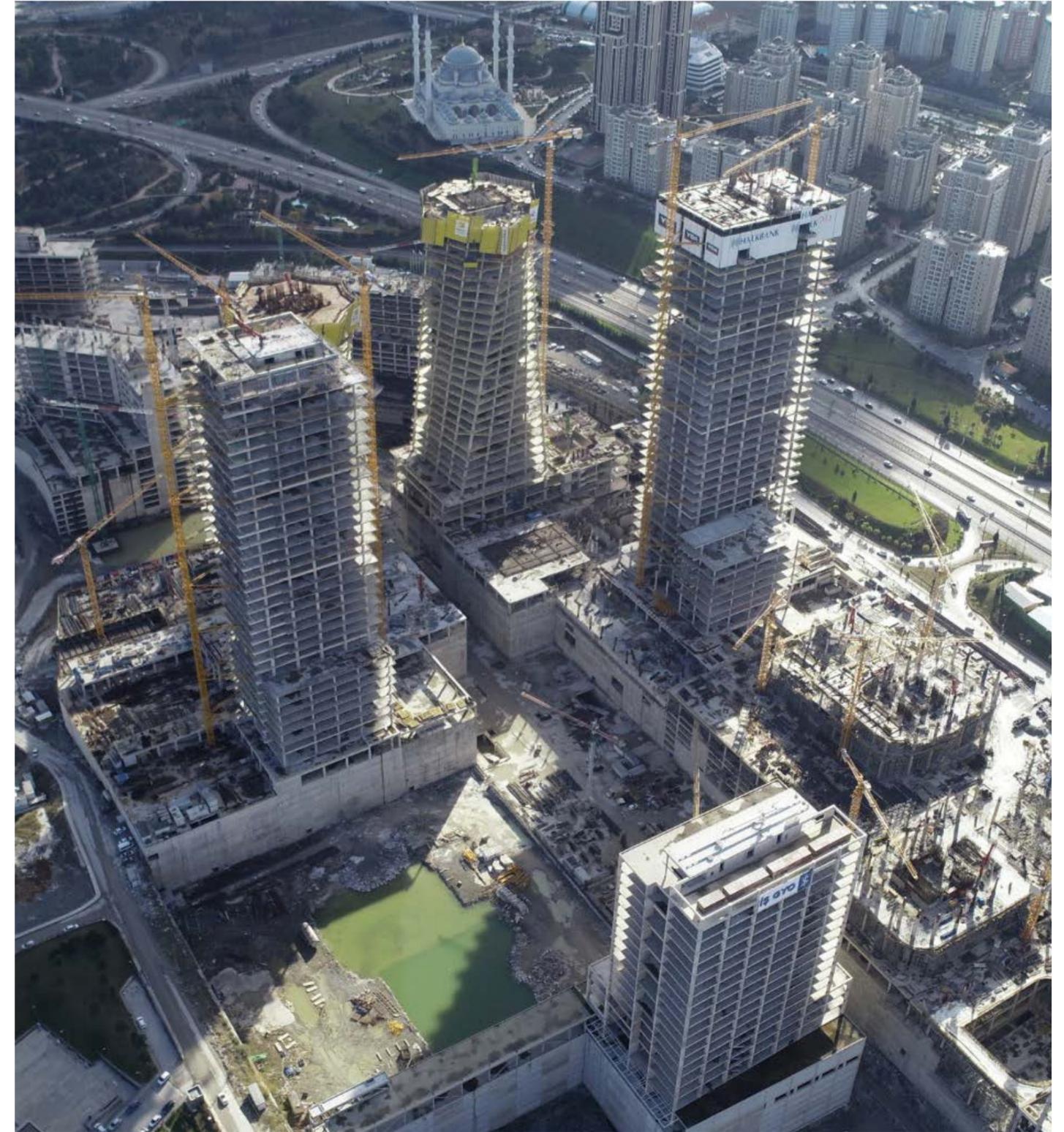


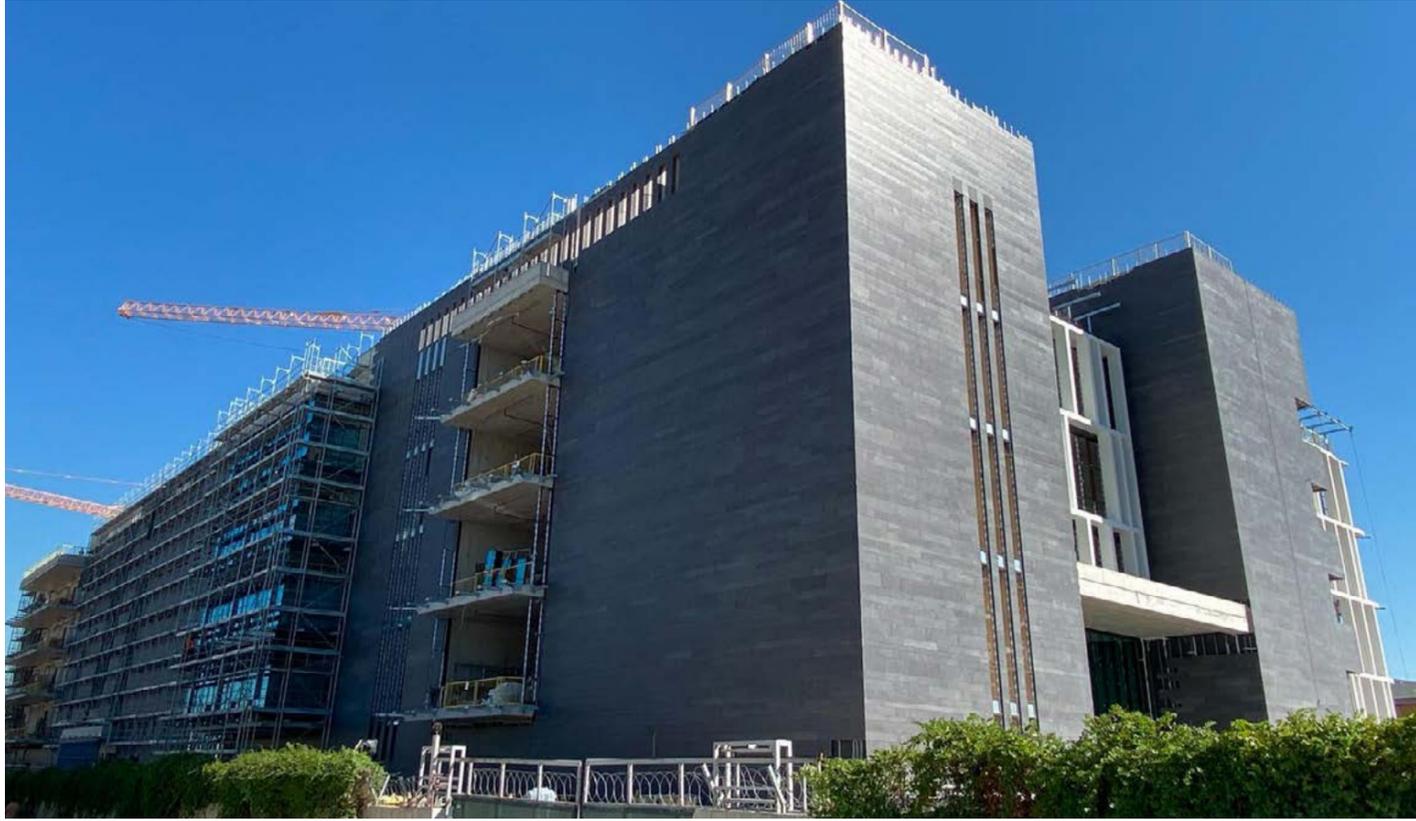
ISTANBUL INTERNATIONAL FINANCIAL CENTER HALK BANK TOWERS

The works for the construction of the Istanbul International Financial Center Halk Bank Towers tendered by Halk Real Estate Investment Trust, Inc. started in 2016 and the planned completion date of the project is December 2021. 30.32% of the project has been completed as of June 2020. One of the major components of the Istanbul International Financial Center project coordinated by the Ministry of Environment and Urban Planning,

this project will be built on the Financial Center project area and includes two 46- and 34-floor office towers, and three 8-floor commercial buildings.

The total construction area of the Istanbul Financial Center Halk Bank Towers is 409,664 m². Office towers with A-class design will offer premium office space on par with global standards in Istanbul.





HAVELSAN TECHNOLOGY CAMPUS PROJECT

The Havelsan Technology Campus Project to be implemented under the leadership of Havelsan Facilities Directorate, TÜMAŞ as the Advisor and YDA Construction as the Main Contractor, has been designed as a high-security building with a total construction area of approximately 70,000 m2. Circulations in the building are clearly defined. Visitors will be able to finish their their business in the low-security area without entering the office space. The protocol entrance is separated from the personnel and visitor entrances. All systems of this Green Building have been designed in line with the goal of 'minimum energy consumption and operating cost'.

The solar panels to be installed on the surface of the terrace roof of the building will meet some of the electricity need of the mechanical devices on the roof. Solar panels to cover a surface area of 600 m2 are expected to produce 65 kW of power under ideal conditions.

The spaces of the building have been designed to be flexible with a Flexible Space and Effective Facility Management approach in line with the dynamic internal layout of the institution or the variable nature of the projects. Easily accessible vertical shafts have been used to ensure that the electrical and mechanical infrastructure can respond to this flexibility. In addition, a raised floor system will be used in offices and laboratories. Halogen-free "fire resistant non-toxic gas" cables will be used for vertical and horizontal distribution throughout the building. Additionally, all installations will be exposed.

Partition walls will be built by dry wall systems, which allows for changing the space quickly as desired. In addition to the dining hall, a 410 m2 cafeteria has been designed for the institution's personnel. A second 55 m2 cafeteria will be available for the use of visitors in the low-security area. There will be small kitchens and cloakrooms available for the shared used of the unit personnel at the entrances of offices. Telephone cabinets have been designed to reduce noise. In addition to general meeting rooms, unit-specific meeting rooms have also been added. Also, small rest areas have been designed within office spaces.

The project started on 30 July 2019 and the completion rate as of the end of June 2020 is 39%. The new building of Havelsan, the leading organization of Turkey in the field of Defense, Security, and Information Technologies, in the attraction center of Ankara is planned to be completed in the first half of 2021 thanks to the vast experience of YDA Construction.



ROKETSAN ELMADAĞ CAMPUS SERVICE BUILDING CONSTRUCTION

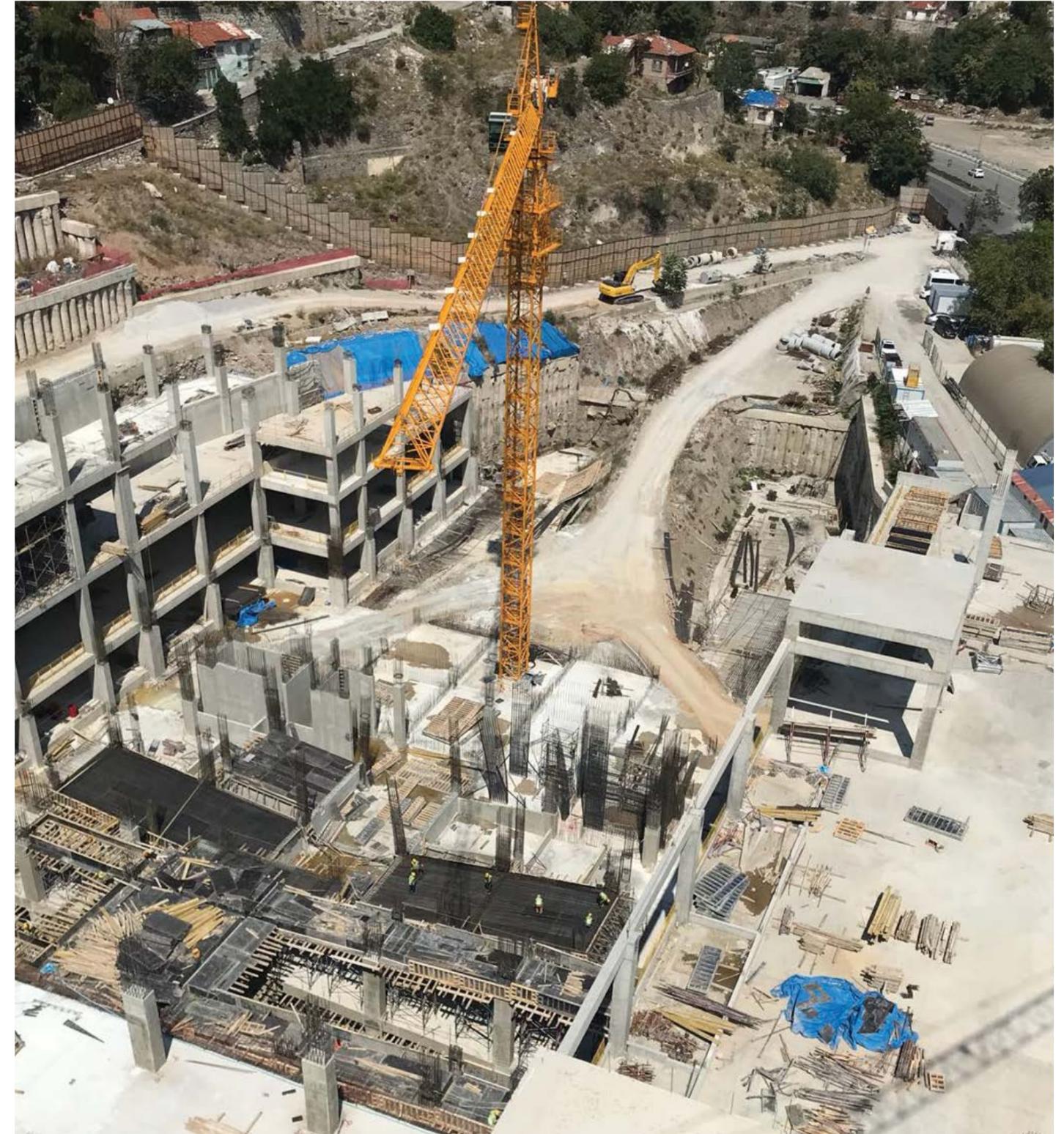
The contract for the Service Building Project was signed on 24 March 2020 and the construction has started in the Elmadağ Campus of Roketsan Rocket Industry and Trade, Inc. upon land delivery on 01 April 2020. The targeted completion time of the project is 12 months. The total construction area of the project is 12,872 m². The Service Building consists of the basement, the ground floor, and 3 office floors. The project is equipped with modern architectural materials to respond to the office needs of all personnel and senior management in the Elmadağ Campus of Roketsan.



ULUS CULTURAL CENTER

The Ulus Cultural Center, Covered Bazaar, and Minibus Stops Construction Project, tendered by Ankara Metropolitan Municipality's Department of Cultural and Natural Properties in 2016, is being carried out by YDA Construction. The project started in 2016 and the completion date is 19 March 2020. The construction of the Cultural Center with an indoor area of 90,000 m2 and the Covered Bazaar and Minibus Stops tendered by the

Ankara Metropolitan Municipality within the scope of the contract is expected to become a center of attraction for Ulus, one of the oldest settlements in Ankara, and the districts in its vicinity. The project aims to arrange the existing minibus stops in the Ulus District, a transportation center, in a more contemporary fashion and create a new structure in the district as a cultural center. 70% of the rough construction has been completed as of June 2020.





AKÇALI LIMITED LIABILITY LAND AND HOUSING BUILDING COOPERATIVE HOUSES

As per the construction agreement in return for land share signed between ATM Construction Investment and Management, Inc. and Akçalı Limited Liability Land and Housing Cooperative, the construction of the residences began on the land owned by the Cooperative, which will provide right holders with flats in return for land share. The infrastructure, superstructure, landscaping, indoor parking, social facilities, 10,000 m2 Social and Cultural Center and

sports areas will be built in 2 phases and as 34 blocks and delivered to the Cooperative. The total construction area is 917,401 m2. The construction started on 02 June 2017 upon acquiring the license and will be completed within 60 months. The progress of the project as of the end of June 2020 is 18%.



YDA Söğütözü RESIDENCES & OFFICES

The project by the YDA Construction Industry and Trade, Inc. and Bortor Tourism Construction Trade Co., Ltd. started at the end of 2014. The residents have started to move in upon obtaining the occupancy permit of the residential part of the project on 27 June 2019. The estimated completion date for the offices is December 2020.

The investment project covers the construction of 3 residential blocks of 38 and 39 floors above the ground level with a total of 324 residential units and 5 office blocks for commercial use on a property owned by the Central Union of Turkish Agriculture Cooperatives. The 49,134 m2 land is located in the Söğütözü neighborhood of the Çankaya District, Ankara, on 7 lots on Map Section No. 16136.

The breakdown of the residences is 266 4-bedroom units, 37 5-bedroom units, 12 suites/combined units, and 9 duplex units. Offices will be offered in various sizes. The Contract concluded with the Owner, the Central Union of Turkish Agriculture Cooperatives, on 09 May 2011 provides guaranteed fixed income-sharing in return for land. The project commenced in accordance with the articles of

the above-mentioned contract after obtaining all necessary project permits and licenses.

The construction area for office buildings is 224,700 m2, and for residential buildings 144,000 m2, with a total indoor area of 368,700 m2. In addition to the offices and residential units, the project also includes a supermarket of 3,000 m2, a gym and spa of 8,000 m2, restaurants and cafés of 2,500 m2. A premium, A-plus approach will be adopted for the construction and sale of the residential and office buildings.

The location of this project in one of the factors that make it unique. It is located in very close proximity to Ankara's main transport arteries and is suitable for both residential and office buildings. Access to this location by public transport, metro, or private vehicles is very easy and fast. Its proximity to all governmental agencies is important for office use. The abundance of green space surrounding the property will provide the residents with a more relaxed life style.

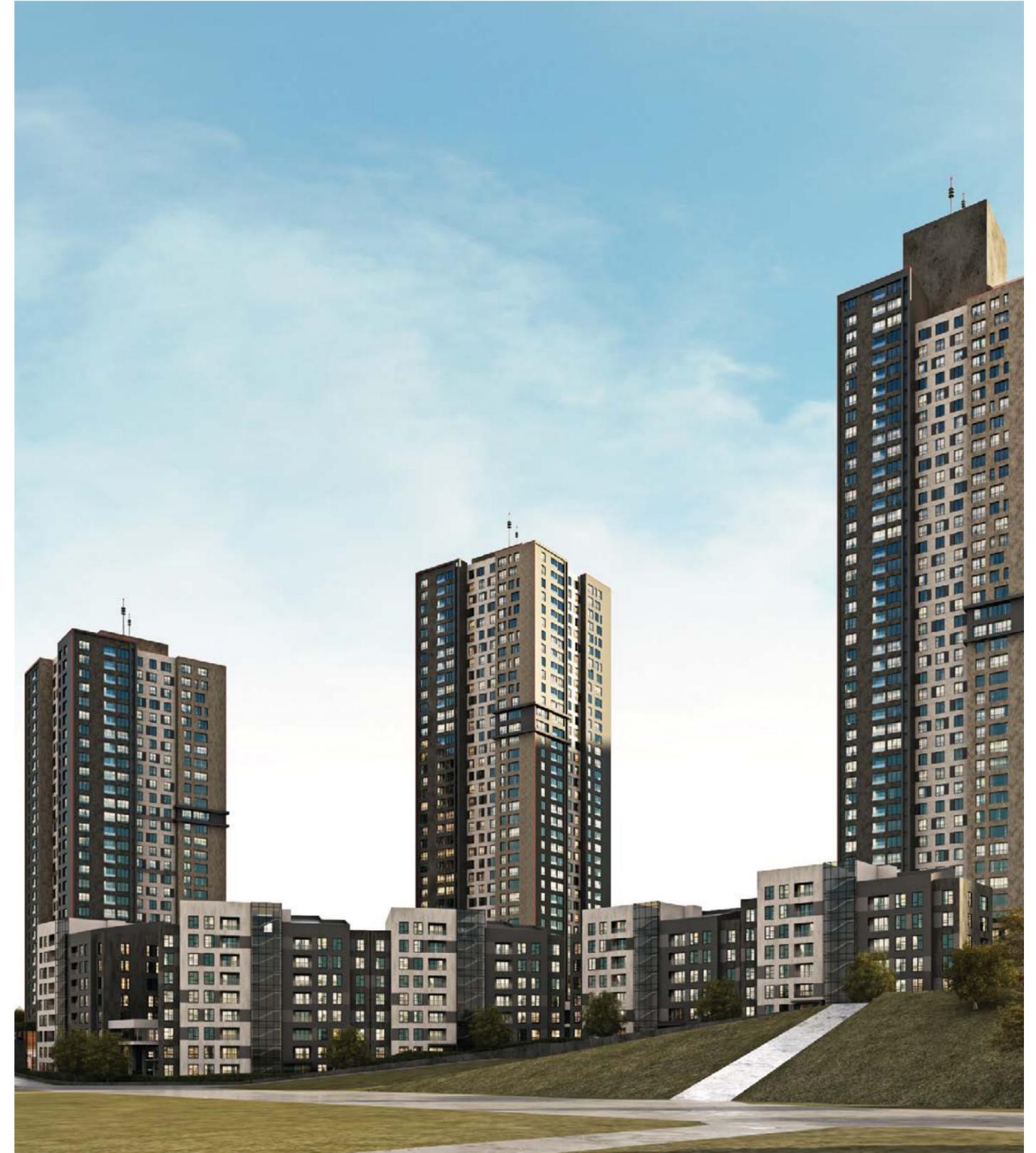


YDA parkline

The YDA Parkline project is located along the Park Street axis, a bustling commercial street in the Çayyolu District, between the rapidly developing Çayyolu and Yaşamkent. The project consists of 493 residential units, mostly 4-bedroom, and commercial and social spaces that service them. In addition to the extra care taken to the way the units are organized, attention has been given to offer an integrated approach and a diversity of services to users such as an indoor pool, fitness, sauna, massage room, Turkish bath, playgrounds, a social center

with a café, a supermarket to meet daily needs, and a variety of commercial spaces. All buildings on the nearly 33 thousand m2 land have been positioned along the perimeter to provide the largest possible green areas for the residents to enjoy. The blocks have been designed in differing heights to separate the project from others and to prevent monotony. As a result of this effort, a 26,500 m2 landscape has been created excluding the block bases.

The project works currently continue.





YDA westavenue

Located in a bustling area of Ankara, Batikent, this is a mixed-use project with an aim to become a center of high-quality lifestyle with its modern architecture, social facilities, and green spaces. Batikent is located along the main transport axis with direct access to Ostim (the Bus Terminal), Anadolu Boulevard, the Ring Road, and the Istanbul Road.

The project is built on a lot of 330 thousand m2 in 50 blocks and 5,300 units with one-, two-, three-, or four-bedrooms.

This massive residential complex project aims to become the biggest center of attraction in the mall area with street-facing shops, supermarket, gas stations, entertainment center for families and kids, and social and recreational areas.

The project will be realized in phases and the planned date of commencement for the first phase consisting commercial units, social areas, and mainly 1- and 2-bedroom units is 2020.



ULUDAĞ UNIVERSITY SOCIAL CENTER

Tendered by Uludağ University, Bursa in 2016, the construction of the Social Center Project will be carried out by YDA Construction, waiting for the approval of the development plans to announce the starting date, and the goal is to complete the project in 18 months.

The project covers a total of 115,000 m². 45,000 m² of this area will be allocated to parking lots and warehouses and 70,000 m² will be allocated to social spaces including 6 movie theaters,

nearly 21,000 m² of outlets and food courts for rent, a 1,500 m² bowling alley with 12 lanes, a 1,200 m² sports center, 3,000 m² for student clubs, a 2,200 m² kindergarten, 9,500 m² office space, outdoor exhibition spaces, strolling areas, open air auditorium, and courtyards. The facility will serve Uludağ University students and faculty members, as well as guests from Bursa.

SERVICE PROJECTS

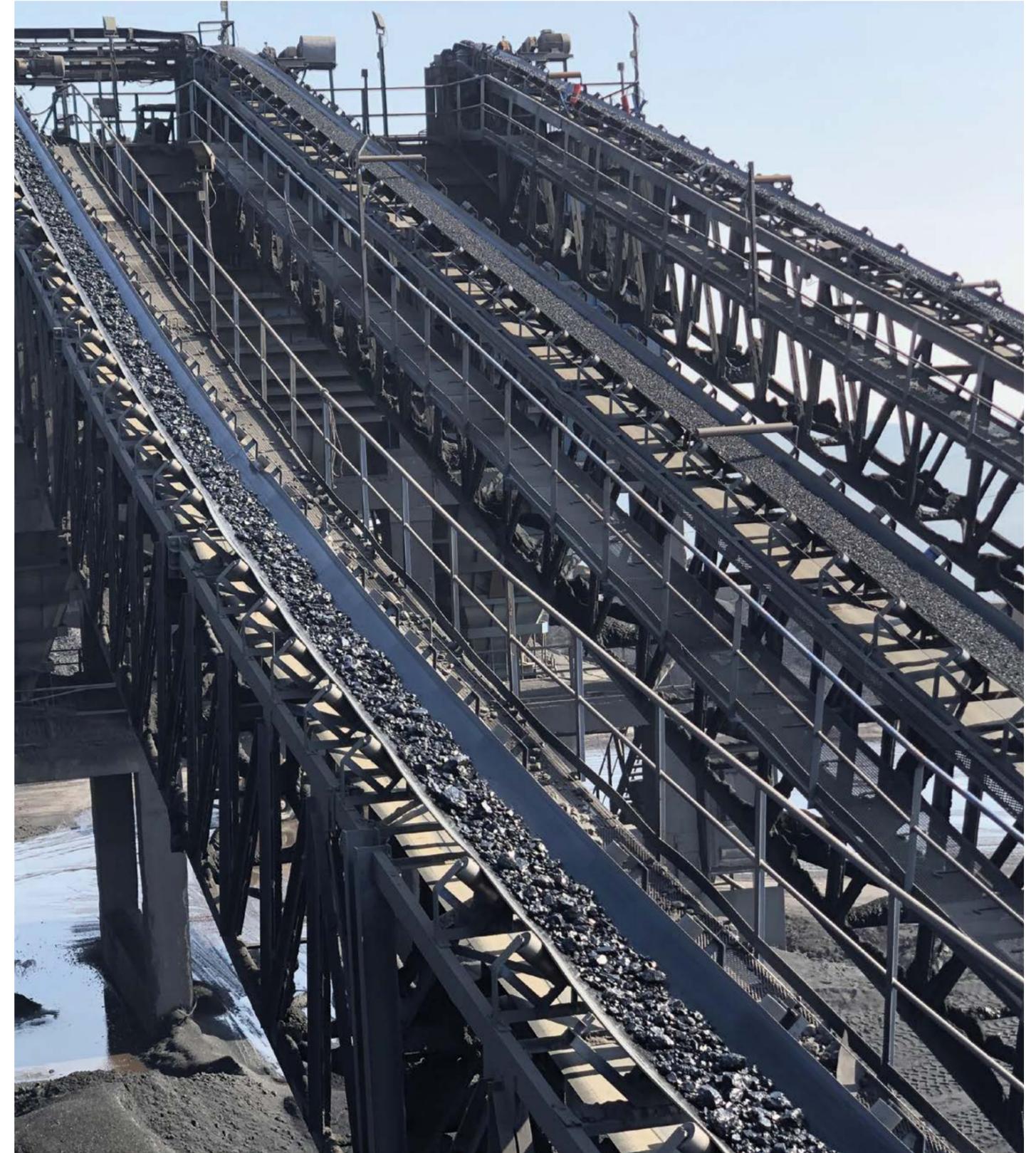




20,000,000 TONS OF COAL-WASHING WORK FOR THE DIRECTORATE OF EGE LIGNITE ENTERPRISE, THE GENERAL DIRECTORATE OF TURKISH COAL ENTERPRISES (TCE)

ÇİFTAY Construction Contracting and Trade, Inc., an affiliate of the YDA Group, and ARDEM Yapı Real Estate Construction Contracting Fuel Oil Mining and Trade, Inc. undertook the "Washing of 20,000,000 tons of Coal for the Directorate of Ege Lignite Enterprise under the General Directorate of Turkish Coal

Enterprises (TCE)" tendered by the General Directorate of TCE. The coal-washing works commenced on 6 April 2018 and 10,984,491 tons of coals have been washed and delivered to TCE as of the end of June 2020.





YDA sağlık INTEGRATED HEALTH SUPPORT SERVICES FOR KAYSERİ, MANİSA, AND KONYA CITY HOSPITALS

Fully aware of the fact that healthcare services are an indivisible whole, where only an Integrated approach to Healthcare Support Services can provide an excellent hospital experience for patients and their families, YDA Health offers services with the motto of "Ensuring sustainability and value creation in healthcare support services through an integrated approach." Putting patients, their families and health care professionals at the heart of the PPP hospital management services provided by its expert and experienced staff, YDA Health uses and continuously renews its systems, which are in conformity with national and international standards, to bring maximum benefit through technology-enabled business flows.

Within the scope of Integrated Healthcare Services, YDA Health currently offers Medical Support Services (such as laboratory, imaging, physical therapy and rehabilitation, sterilization and disinfection, biomedical and other medical equipment support) and Other Support Services (such as cleaning, security, patient assistance and accompaniment, reception, handling services, catering, landscaping, facility management, pest control, laundry, car park, waste disposal, building and land services, furnishing, HIMS implementation, and operation services) at Kayseri, Manisa, Konya City Hospitals.



THE HIGHEST CREDIT

YDA RECEIVES THE HIGHEST CREDIT RATING THIS YEAR AS WELL

Long-Term: TR AA+ (Strong credit quality)

Long-Term: TR A1 (Strongest debt payment capability/Highest rating)

YDA Construction managed to maintain its credit rating and has received the highest credit rating in the construction and contracting industry this year as well. TURKrating (Istanbul International Rating, Inc.) has updated YDA's Long-Term National Credit Rating as TR AA+ and Short-Term National Credit Rating as with the highest rating possible, TR A1 (Strongest debt payment capability).

Our credit rating has been updated as a result of the progress in our investments in this difficult economic conjuncture, our large financing resources, the diversity of the financial instruments that we use, our strong sales performance in our real estate projects, the concrete progress we have made in our contracting projects, and the successful completion of our PPP projects.

1 JANUARY 2020 - 30 JUNE 2020 PERIOD

INDEPENDENT AUDITOR'S REPORT



**YDA İNŞAAT SANAYİ VE TİCARET A.Ş.
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD 1 JANUARY – 30 JUNE 2020
TOGETHER WITH THE INDEPENDENT AUDITOR'S REPORT**

(CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD TOGETHER WITH THE INDEPENDENT AUDITOR'S REPORT ORIGINALLY ISSUED IN TURKISH)

**YDA İNŞAAT SANAYİ VE TİCARET A.Ş.
CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD
1 JANUARY – 30 JUNE 2020
TOGETHER WITH THE INDEPENDENT AUDITOR'S REVIEW REPORT**

To the Board of Directors of
YDA İnşaat Sanayi Ve Ticaret A.Ş

Introduction

We have reviewed the accompanied balance sheet of YDA İnşaat Sanayi ve Ticaret Anonim Şirketi (the "Group") as of June 30, 2020, statement of income, statement of changes in equity, statement of cash flows and summary of significant accounting policies and other explanatory notes. Company management is responsible for the preparation and fair presentation of the interim financial statements in accordance with International Accounting Standards 34 "Interim Period Financial Reporting Standard" ("IAS 34"). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ("ISRE") 2410, "Review of Interim Financial Information Performed by The Independent Auditor of The Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with international Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information, financial position of YDA İnşaat Sanayi ve Ticaret Anonim Şirketi and also its financial performance as of 30 June 2020 and cash flows for the semi-annual period ended are not prepared fairly and accurately, in all material respects, in accordance with IAS 34 "Interim Financial Reporting".

19 August, 2020
Vezin Bağımsız Denetim A.Ş.
A Member Firm of HLB International



Fatma Zehra KOŞ, CPA
Auditor in Charge, Partner

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YDA İNŞAAT SANAYİ VE TİCARET A.Ş.

Consolidated Statement of Financial Position at 30 June 2020

(Amounts are expressed in Turkish Lira (TRY) unless otherwise stated.)

	Notes	30 June 2020 EUR (*)	30 June 2020	Revised 31 December 2019
ASSETS				
Current Assets		1,120,321,699	7,988,229,817	6,600,974,949
Cash and Cash Equivalents	[4]	195,209,357	1,391,901,278	1,069,341,085
Financial Investments	[5]	96,256,081	686,334,734	705,978,464
Trade Receivables	[8]	121,227,576	864,388,988	851,052,730
- Trade Receivables from Related Parties		70,058,300	499,536,700	393,948,885
- Trade Receivables from Third Parties		51,169,276	364,852,288	457,103,845
Other Receivables	[9]	30,791,847	219,555,106	178,012,559
- Other Receivables from Related Parties		7,182,157	51,210,933	36,780,972
- Other Receivables from Third Parties		23,609,690	168,344,173	141,231,587
Derivative Instruments	[7]	1,212,682	8,646,789	5,008,445
Inventories	[10]	185,209,146	1,320,596,774	1,236,784,904
Prepaid Expenses	[11]	87,623,994	624,785,367	575,147,974
Financial Assets from Concession Arrangements	[23]	129,763,285	925,251,153	549,120,298
Receivables Related to Ongoing Construction Contracts	[22]	236,314,636	1,684,994,247	1,198,871,814
Assets Related to Current Period Tax	[17]	17,217,479	122,765,790	132,524,446
Other Current Assets	[21]	19,495,616	139,009,591	99,132,230
Non-current Assets		2,305,514,835	16,439,012,424	15,809,206,921
Other Receivables	[9]	2,528,872	18,031,613	48,187,703
Investments Accounted for Using the Equity Method	[12]	2,266,582	16,161,408	16,083,643
Investment Properties	[13]	65,250,800	465,257,781	465,257,781
Tangible Assets	[14]	31,023,123	221,204,173	202,553,562
- Assets Acquired Through Financial Lease		2,708,018	19,308,977	21,186,150
- Other Tangible Assets		28,315,105	201,895,196	181,367,412
Intangible Assets		684,461,064	4,880,412,722	4,324,421,632
- Rights Related to Concession Arrangements	[15]	665,684,675	4,746,531,439	4,195,161,471
- Goodwill	[16]	4,137,274	29,500,000	29,500,000
- Other Intangible Assets	[15]	14,639,115	104,381,283	99,760,161
Prepaid Expenses	[11]	16,858,443	120,205,753	117,638,696
Financial Assets from Concession Arrangements	[23]	1,497,518,722	10,677,757,746	10,610,614,216
Other Non-current Assets	[21]	5,607,229	39,981,228	24,449,688
Total Assets		3,425,836,534	24,427,242,241	22,410,181,870

(*) Euro (EUR) amounts presented above have been translated from Turkish Lira (TRY) at the average of the official daily (TRY) bid rate announced by the Central Bank of the Republic of Turkey (CBRT) for the period 1 January – 30 June 2020, and therefore do not form part of these consolidated financial statements.

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

YDA İNŞAAT SANAYİ VE TİCARET A.Ş.

Consolidated Statement of Financial Position at 30 June 2020
(Amounts are expressed in Turkish Lira (TRY) unless otherwise stated.)

	Notes	30 June 2020 EUR (*)	30 June 2020	Revised 31 December 2019
LIABILITIES				
Current Liabilities				
Short-term Borrowings	[6]	75,218,059	536,327,325	449,341,330
Short-term Portion of Long-term Borrowings	[6]	151,668,901	1,081,444,768	698,948,305
Trade Payables	[8]	284,005,642	2,025,045,426	1,805,454,459
- Trade Payables to Related Parties		224,300,067	1,599,326,770	1,293,789,318
- Trade Payables to Third Parties		59,705,575	425,718,656	511,665,141
Payables Regarding Employee Benefits	[19]	1,997,168	14,240,406	9,295,864
Other Payables	[9]	22,709,107	161,922,743	187,010,825
- Other Payables to Related Parties		15,603,972	111,261,005	124,377,957
- Other Payables to Third Parties		7,105,135	50,661,738	62,632,868
Derivative Instruments	[7]	4,635,538	33,052,777	24,361,143
Deferred Income	[11]	8,151,307	58,121,262	46,166,153
Tax Liability on Profit for the Period	[20]	1,348,387	9,614,403	4,568,942
Short-term Provisions	[18]	6,531,331	46,570,352	44,663,520
Debts from Ongoing Construction Contracts	[22]	5,358,702	38,209,150	38,410,648
Other Current Liabilities	[21]	4,977,483	35,490,946	30,293,885
Non-current Liabilities		1,780,296,868	12,694,050,767	11,298,710,687
Long-term Borrowings	[6]	1,059,195,876	7,552,384,356	6,913,913,144
Trade Payables	[8]	427,339,980	3,047,062,259	2,594,512,281
Other Payables	[9]	24,883,299	177,425,389	150,269,279
Derivative Instruments	[7]	51,162,123	364,801,289	262,506,866
Deferred Income	[11]	46,298,221	330,120,204	243,416,497
Long-term Provisions		1,285,087	9,163,058	9,762,421
- Long-term Provisions for Employee Benefits	[19]	1,285,087	9,163,058	9,762,421
Deferred Tax Liabilities	[20]	170,132,282	1,213,094,212	1,124,330,199
Shareholders' Equity	[24]	1,078,938,041	7,693,151,916	7,772,956,109
Equity Attributable to Shareholders' of the Parent		947,268,550	6,754,308,943	6,737,305,350
Paid-in Share Capital		10,518,492	75,000,000	75,000,000
Adjustment to Share Capital		478,563	3,412,301	3,412,301
Other Comprehensive Income/Expenses not to be Reclassified to Profit or Loss		4,146,657	29,566,910	30,039,176
- Tangible Assets Revaluation Increases		5,217,442	37,201,925	37,201,925
- Gains/(Losses) on Remeasurement of Defined Benefit Plans		(1,070,785)	(7,635,015)	(7,162,749)
Other Comprehensive Income/Expenses to be Reclassified to Profit or Loss		52,101,240	371,497,477	279,312,466
- Gains/(Losses) on Hedge		6,226,317	44,395,506	46,508,626
- Currency Translation Differences		45,874,923	327,101,971	232,803,840
Restricted Reserves from Profit		6,357,149	45,328,377	44,178,255
Prior Years' Profits/(Losses)		884,483,269	6,306,631,050	4,086,049,093
Net Profit/(Loss) for the Period		(10,816,820)	(77,127,172)	2,219,314,059
Non-Controlling Interests		131,669,491	938,842,973	1,035,650,759
Total Liabilities and Shareholders' Equity		3,425,836,534	24,427,242,241	22,410,181,870

(*) Euro (EUR) amounts presented above have been translated from Turkish Lira (TRY) at the average of the official daily (TRY) bid rate announced by the Central Bank of the Republic of Turkey (CBRT) for the period 1 January - 30 June 2020, and therefore do not form part of these consolidated financial statements.

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

YDA İNŞAAT SANAYİ VE TİCARET A.Ş.

Consolidated Statement of Profit or Loss for the Interim Period 1 January - 30 June 2020
(Amounts are expressed in Turkish Lira (TRY) unless otherwise stated.)

	Notes	1 January 30 June 2020 EUR (*)	1 January 30 June 2020	1 January 30 June 2019
Statement of Profit or Loss				
Revenue	[25]	179,332,111	1,278,691,752	1,381,714,237
Cost of Sales (-)	[25]	(138,539,500)	(987,828,196)	(1,023,853,220)
Gross Profit/(Loss)		40,792,611	290,863,556	357,861,017
Marketing, Selling and Distribution Expenses (-)	[26]	(2,122,367)	(15,133,114)	(5,230,079)
General Administrative Expenses (-)	[26]	(3,195,583)	(22,785,466)	(21,159,088)
Other Operating Income	[28]	89,529,225	638,370,228	1,940,931,929
Other Operating Expenses (-)	[29]	(11,020,791)	(78,581,544)	(50,820,477)
Operating Profit/(Loss)		113,983,095	812,733,660	2,221,583,302
Income from Investing Activities	[30]	968,255	6,903,948	4,086,731
Share of Profit/(Loss) of Investments Accounted for Using Equity Method	[12]	12,523	89,294	5,318,809
Operating Profit/(Loss) Before Financial Expense		114,963,873	819,726,902	2,230,988,842
Financial Income	[31]	37,802,545	269,543,485	135,991,464
Financial Expenses (-)	[32]	(161,150,981)	(1,149,054,840)	(838,219,853)
Profit/(Loss) Before Tax		(8,384,563)	(59,784,453)	1,528,760,453
Tax Income/(Expense)	[20]	(16,688,741)	(118,995,727)	(393,854,039)
Current Tax (Expense)/Income		(1,378,873)	(9,831,773)	(1,400,604)
Deferred Tax (Expense)/Income		(15,309,868)	(109,163,954)	(392,453,435)
Net Profit/(Loss) for the Period		(25,073,304)	(178,780,180)	1,134,906,414
Distribution of Profit/(Loss)		(25,073,304)	(178,780,180)	1,134,906,414
Non-Controlling Interests		(14,256,484)	(101,653,008)	132,253,466
Equity Holders of the Parent		(10,816,820)	(77,127,172)	1,002,652,948
Earnings Per Share	[33]	-	(1.03)	13.37
Other Comprehensive Income Statement				
Net Profit/(Loss) for the Period		(25,073,304)	(178,780,180)	1,134,906,414
Items not to be Reclassified to Profit or Loss		(24,411)	(174,054)	56,271
Tangible Assets Revaluation Increases/(Decreases)		431,420	3,076,153	-
Gains/(Losses) on Remeasurement of Defined Benefit Plans		(526,570)	(3,754,600)	147,924
Tax Income/(Expense) related to Other Comprehensive Income not to be Reclassified to Profit or Loss		70,739	504,393	(91,653)
Items to be Reclassified to Profit or Loss		13,958,154	99,525,822	44,724,868
Gains/(Losses) on Hedge		(592,715)	(4,226,241)	(2,113,120)
Currency Translation Differences		14,550,869	103,752,063	46,837,988
Other Comprehensive Income (After Tax)		13,933,743	99,351,768	44,781,139
Total Comprehensive Income		(11,139,561)	(79,428,412)	1,179,687,553
Distribution of Total Comprehensive Income		(11,139,561)	(79,428,412)	1,179,687,883
Non-controlling Interests		(14,256,484)	(101,653,008)	132,253,466
Equity Holders of the Parent		3,116,923	22,224,596	1,047,434,087

(*) Euro (EUR) amounts presented above have been translated from Turkish Lira (TRY) at the average of the official daily (TRY) bid rate announced by the Central Bank of the Republic of Turkey (CBRT) for the period 1 January - 30 June 2020, and therefore do not form part of these consolidated financial statements.

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

YDA İNŞAAT SANAYİ VE TİCARET A.Ş.
 Consolidated statement of Changes in Shareholders' Equity for the Interim Period 1 January - 30 June 2019
 (Amounts are expressed in Turkish Lira (TRY) unless otherwise stated.)

	Paid-in Share Capital		Adjustment to Share Capital		Revaluation of Tangible Assets		Gains/(Losses) on Remeasurement of Defined Benefit Plans		Currency Translation Differences		Gains/(Losses) on Hedge		Restricted Reserves		Prior Years' Profits/(Losses)		Net Profit/(Loss) for the Period		Equity Attributable to Shareholders of the Parent		Non-controlling Interests		Total	
	1 January 2019	30 June 2019	1 January 2020	30 June 2020	1 January 2019	30 June 2019	1 January 2020	30 June 2020	1 January 2019	30 June 2019	1 January 2020	30 June 2020	1 January 2019	30 June 2019	1 January 2020	30 June 2020	1 January 2019	30 June 2019	1 January 2020	30 June 2020	1 January 2019	30 June 2019	1 January 2020	30 June 2020
Adjustments related to changes of accounting policies (IFRS 9)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains/(Losses) on Remeasurement of Defined Benefit Plans	-	-	-	-	(484,308)	-	(484,308)	-	-	-	-	-	-	-	-	-	-	-	-	(484,308)	-	-	(484,308)	-
Benefit Plans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(5,955,562)	-	-	(5,955,562)	-
Currency Translation Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains/(Losses) on Hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transactions with Non-controlling Interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax Income/(Expense)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit/(Loss) for the Period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30 June 2019	75,000,000	75,000,000	75,000,000	75,000,000	(5,551,298)	(13,674,539)	50,734,866	44,178,255	3,361,972,223	431,620,695	3,984,894,430	637,501,779	4,622,396,209	67,229,584	67,229,584	67,229,584	67,229,584	67,229,584	67,229,584	67,229,584	67,229,584	67,229,584	67,229,584	67,229,584
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains/(Losses) on Remeasurement of Defined Benefit Plans	-	-	-	-	(689,373)	-	(689,373)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Currency Translation Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains/(Losses) on Hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transactions with Non-controlling Interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax Income/(Expense)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit/(Loss) for the Period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30 June 2020	75,000,000	75,000,000	75,000,000	75,000,000	(7,162,749)	232,803,840	46,508,626	44,178,255	4,086,049,093	2,219,314,059	6,737,305,350	1,035,650,759	7,772,956,109	67,229,584	67,229,584	67,229,584	67,229,584	67,229,584	67,229,584	67,229,584	67,229,584	67,229,584	67,229,584	67,229,584

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

YDA İNŞAAT SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Cash Flow Statements for the Interim Period 1 January - 30 June 2020
 (Amounts are expressed in Turkish Lira (TRY) unless otherwise stated.)

	Notes	1 January 30 June 2020	1 January 30 June 2019
A. Cash Flows from Operating Activities		82,474,753	12,239,763
Profit/(Loss) for the Period		(178,780,180)	1,134,906,414
Adjustments to Reconcile Net Profit/(Loss) for the Period		(440,682,486)	(1,423,262,284)
Adjustments to Amortization	[14-15]	135,294,897	114,049,729
Adjustments to Impairment/(Cancellation)		996,658	1,346,339
- Adjustments to Impairment/(Cancellation) in Receivables	[8]	996,658	1,346,339
Adjustments to Provisions		1,307,469	5,027,888
- Adjustments to Provisions/(Cancellation) for Employee Benefits	[19]	(599,363)	69,819
- Adjustments to Litigation and/or Penal Provisions/(Cancellation)	[18]	1,906,832	4,958,069
Adjustments to Interest Income/(Expenses)		97,980,170	3,500,729
- Interest Expenses	[6]	98,933,282	-
- Deferred Financing Expenses Resulting from Forward Buyings	[8]	(4,282,425)	(702,231)
- Unearned Financing Income from Forward Sales	[8]	3,329,313	4,202,960
Adjustments to Unrealized Currency Translation Differences	[24]	59,415,795	452,565,470
Adjustments to Fair Value (Losses)/Gains		105,234,593	(20,086,636)
- Adjustments Related to Fair Value (Losses)/Gains of Derivative Instruments	[7]	105,234,593	(20,086,636)
Adjustments to Undistributed Profits of Investments Accounted for Equity Method	[12]	(77,765)	(5,254,804)
Adjustments to Tax Income/(Expense)	[20]	88,764,013	276,421,686
Adjustments to Completion Stage Method Concerning Ongoing Construction, Engagement or Service Contracts	[22]	(929,598,316)	(2,250,832,685)
Changes in Working Capital		701,937,419	300,595,633
(Decrease)/Increase in Financial Investments	[5]	19,643,730	(155,612,350)
Adjustments to (Decrease)/Increase in Trade Receivables	[8]	(10,057,237)	64,360,447
- (Decrease)/Increase in Trade Receivables from Related Parties		(105,594,561)	(109,068,899)
- (Decrease)/Increase in Trade Receivables from Third Parties		95,537,324	173,429,346
Adjustments to (Decrease)/Increase in Other Receivables Related with Operations	[9]	(11,386,454)	(111,998,386)
- (Decrease)/Increase in Other Receivables from Third Parties Related with Operations		(14,429,958)	(26,779,830)
Adjustments to (Decrease)/Increase in Inventories	[10]	3,043,504	(85,218,556)
Adjustments to (Decrease)/Increase in Prepaid Expenses	[11]	(83,811,870)	(45,058,286)
Adjustments to Increase/(Decrease) in Trade Payables	[8]	(52,197,707)	41,336,470
- Increase/(Decrease) in Trade Payables to the Related Parties		668,811,620	516,810,769
- Increase/(Decrease) in Trade Payables to the Third Parties		305,537,452	654,659,611
Increase/(Decrease) in Payables Regarding Employee Benefits	[19]	363,274,168	(137,848,842)
Adjustments to Increase/(Decrease) in Other Payables Related with Operations	[9]	4,944,542	3,651,219
- Increase/(Decrease) in Other Payables to the Related Parties Related with Operations		2,068,028	558,909
- Increase/(Decrease) in Other Payables to the Third Parties Related with Operations		(13,116,952)	(2,744,139)
Increase/(Decrease) in Deferred Income	[11]	15,184,980	3,303,048
Adjustments to Other Increase/(Decrease) in Working Capital		96,228,103	(1,886,184)
- Increase/(Decrease) in Other Assets Related with Operations	[21]	67,694,664	(11,566,975)
- Increase/(Decrease) in Other Payables Related with Operations	[21]	(45,650,245)	59,863,414
		113,344,909	(71,430,389)
Cash Flows from (Used in) Operations		82,474,753	12,239,763
B. Cash Flows from Investing Activities		(41,760,709)	(38,968,154)
Cash Inflows from Sale of Tangible and Intangible Assets	[14-15]	12,138,911	13,623,162
- Cash Inflows from Sale of Tangible Assets		12,138,911	13,166,959
- Cash Inflows from Sale of Intangible Assets		-	456,203
Cash Outflows from Purchasing of Tangible and Intangible Assets	[14-15]	(53,899,620)	(17,758,225)
- Cash Outflows from Purchasing of Tangible Assets		(51,011,309)	(17,214,353)
- Cash Outflows from Purchasing of Intangible Assets		(2,888,311)	(543,872)
Cash Outflows from Purchasing of Investment Properties	[13]	-	(34,833,091)
C. Cash Flows from Financing Activities		240,637,440	101,655,634
Cash Inflows from Borrowings	[6]	2,292,170,957	649,524,156
- Cash Inflows from Bank Borrowings		2,292,170,957	649,524,156
Cash Outflows from Repayments of Borrowings	[6]	(2,051,533,517)	(547,868,522)
- Cash Outflows from Repayment of Bank Borrowings		(1,836,863,517)	(547,868,522)
- Cash Outflows from Repayment of Issued Debt Instruments		(214,670,000)	-
Net Increase/(Decrease) in Cash and Cash Equivalents Before the Effect of Currency Translation Differences (A+B+C)		281,351,484	74,927,243
D. Effect of Currency Translation Differences on Cash and Cash Equivalents		41,208,709	-
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C+D)		322,560,193	74,927,243
E. Cash and Cash Equivalents at the Beginning of the Period	[4]	1,069,341,085	895,603,132
F. Cash and Cash Equivalents at the End of the Period (A+B+C+D+E)	[4]	1,391,901,278	970,530,375

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

YDA İNŞAAT SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements for the Interim Period Ended 30 June 2020
(Amounts are expressed in Turkish Lira (TRY) unless otherwise stated.)

1. ORGANIZATION AND OPERATIONS OF THE COMPANY

YDA İnşaat Sanayi ve Ticaret A.Ş. (the "Parent", the "Group" or the "Company") was founded as YDA İnşaat Sanayi ve Ticaret Ltd. Şti. in 1993. The Group has changed its type of corporation and acquired its current title in 2003.

The main business lines of the Group are Construction & Contracting, Real Estate Development, Aviation (Airport Management), Public-Private Partnership (PPP) Medical & Healthcare, Energy, Smart Outdoor Digital Advertising, Agriculture, Service (Catering, Facility Management), Mining, PVC Manufacturing and Information Technology (IT).

The Group continues its operations in Turkey and abroad through branch-like enterprises, partnerships with joint administrations, subsidiaries, and participations. The Group undertakes construction works (airport, motorway, railway, every kind of infrastructure&superstructure projects, residence/office construction and EPC (Engineering Procurement Construction) projects) as well as real estate development (selling and renting of branded residences/offices/commercial areas) projects and it also operates in airport management sector both in Turkey and abroad. The Group also provides integrated health facility management services in integrated health campuses which are put into practice through Public-Private Partnership (PPP) model.

The Head Quarter address of the Parent is "Vedat Dalokay Caddesi No: 112 Çankaya/Ankara". The number of employees of the Group as of 30 June 2020 is 2,994 (31 December 2019: 2,969).

Capital structure of the Parent is as follows;

Shareholder	30 June 2020		31 December 2019	
	Amount (TRY)	Share (%)	Amount (TRY)	Share (%)
Hüseyin Arslan	35,937,500	47.92	35,937,500	47.92
Cüneyt Arslan	35,937,500	47.92	35,937,500	47.92
Melikhan Cüneyt Arslan	781,250	1.04	781,250	1.04
Emirhan Yaşar Arslan	781,250	1.04	781,250	1.04
Yaşar Arslan	1,562,500	2.08	1,562,500	2.08
Total	75,000,000	100	75,000,000	100

Basis of Consolidation

Subsidiaries, participations and companies with joint management directly/indirectly within the Group which are consolidated, and their segments and participation shares are as follows;

Company	Operating Segment	Participation Share (%)	
		30 June 2020	31 December 2019
Participations (1)			
Yüksel-Turkuaz-YDA İnşaat Ltd. Şti.	Construction&Contracting	25	25
Meyda Medikal İnşaat Bilişim ve İşletme San. Tic. A.Ş.	Healthcare	10	10
ATM Yiyecek İçecek Hizmetleri A.Ş.	Catering Services	10	10
ATM Taahhüt İnşaat Sanayi Ticaret A.Ş.	Construction&Contracting	10	10
FMS Sağlık Hizmetleri A.Ş.	Healthcare	10	-
Mayda Madencilik A.Ş.	Mining	40	-

(1) Full consolidation method is applied for all of the participations since the control power belongs to the Parent except Yüksel-Turkuaz-YDA İnşaat Ltd. Şti. As of date 31 December 2019 Yüksel-Turkuaz-YDA İnşaat Ltd. Şti. had been included in the consolidation through equity method. It is not included in the consolidation as it does not have any significant activity as of the current period.

YDA İNŞAAT SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements for the Interim Period Ended 30 June 2020
(Amounts are expressed in Turkish Lira (TRY) unless otherwise stated.)

Company	Operating Segment	Participation Share (%)	
		30 June 2020	31 December 2019
Subsidiaries(2)			
ATM İşletme İnşaat Sanayi ve Tic. A.Ş.	PVC Manufacturing	100	100
Ardem Yapı Gayrimenkul A.Ş.	Construction&Contracting	100	100
ATM Sağlık Manisa Yatırım ve İşletme A.Ş.	PPP Healthcare	100	100
ATM Sağlık Konya Yatırım ve İşletme A.Ş.	PPP Healthcare	100	100
ATM Yapım Yatırım İşletme A.Ş.	Real Estate Development	100	100
YDA Tarım Gıda Sanayi ve Ticaret A.Ş.	Agriculture	90	90
YDA Havalimanı Yatırım ve İşletme A.Ş.	Aviation	65	65
ATM Grup Uluslararası Hav. Yapım Ltd. Şti.	Aviation	60	60
Turkuaz Construction	Construction&Contracting	-	51
ATM Sağlık Kayseri Yatırım ve İşletme A.Ş.*	PPP Healthcare	76	76
Artun Gayrimenkul A.Ş.	Construction&Contracting	50.01	50.01
ATM Şanlıurfa Sağlık Yatırım ve İşletme A.Ş.	PPP Healthcare	100	100
Keydata Bilgi İşlem Teknoloji Sistemleri A.Ş.	Information Technology	72.5	52.5
TOO Turkistan International Airport	Aviation	100	-

(2) Full consolidation method had been applied for all of the subsidiaries.

Company	Operating Segment	Participation Share (%)	
		30 June 2020	31 December 2019
Jointly Controlled Partnership(3)			
YDA-Bor-Tor Adi Ortaklığı	Real Estate Development	70	70
Doğuş-YDA İş Ortaklığı**	Construction&Contracting	50	50
Teyda-YDA Adi Ortaklığı	Construction&Contracting	50	50
YDA-Teyda-Kıbrıs Adi Ortaklığı*	Construction&Contracting	33	33
YDA-Sigma-Makimsan-Burkay İş Ortaklığı*	Construction&Contracting	-	25
Nurol-Yüksel-YDA-Özka Adi Ortaklığı 2*	Construction&Contracting	25	25
Ardem-Çiftay Adi Ortaklığı**	Mining	50	50
YDA-EMT Adi Ortaklığı	Construction&Contracting	65	65

(3) Full consolidation method had been applied for those partnerships since the control power belongs to the Parent. While the way of which others had been included in the consolidation is as follows;

(*) Included in the consolidation through equity method.

(**) Assets and liabilities, revenue and expenses had been included in the consolidation at the rate of proportion of the Group's share.

Company	Operating Segment	Participation Share (%)	
		30 June 2020	31 December 2019
Inactive Participations and Subsidiaries(4)			
YTY Yapı ve Ticaret Ltd. Şti.	Construction&Contracting	50	50
Anderson Piling Company-LLC	Construction&Contracting	23	23
Turkuaz-YDA İnşaat San. ve Tic. Ltd. Şti.	Construction&Contracting	40	40
YDA Enerji Üretim A.Ş.	Energy	5	5
Dorser Otomotiv A.Ş.	Healthcare	5.1	5.1

(4) These companies are not included in the consolidation since they have no active commercial activity.

YDA İNŞAAT SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements for the Interim Period Ended 30 June 2020
(Amounts are expressed in Turkish Lira (TRY) unless otherwise stated.)

Basis of Consolidation (Continued)

In the case that the Parent controls, directly or indirectly, more than half of the voting rights in a participation and has authority to control financial and operations policies of the Group, it is assumed that there is a control. The balance between the companies, transactions and all profits and losses including deferred profits and losses are set off during the consolidation of financial statements. Consolidated financial statements are prepared by applying consistent accounting policies for similar transactions and accounts. Financial statements of the subsidiaries, branch-like foreign enterprises and partnerships with joint administration are prepared for the same reporting period as the parent company.

Subsidiaries are fully consolidated as at the date of acquisition and consolidation ends when the control is transferred out of the Group. Participations with joint administration are fully consolidated as at the date of the administration agreement signed and consolidation ends when the agreement has been terminated.

Investments accounted for using the equity method are presented in the consolidated statements of the financial position at initial cost and adjusted by adding or subtracting the changes in the net assets of Group's share in the participation and, if any, subtracting provision for impairment loss. Consolidated income statement represents the share of the Group as a result of the activities of the participations. Also, the changes in the participation's equities resulting from the profit or loss of the participation that has not been reflected yet might require an adjustment of the Group's share in the participation on the book of the participation. The share of the Group from these changes is directly considered in the Group's own equities.

Joint operations are the joint agreements in which the controlling parties of the agreement have rights on the assets and liabilities from the debts with respect to the agreement. Joint operations were recognized by way of consolidating the portion of joint operational assets, liabilities and operational results that represent the share of the Group.

Non-controlling interests in the net assets of the subsidiaries which had been included in the consolidation are represented as a separate item in the equity of the Group. Non-controlling interests consist of the amount of current non-controlling interests at the date of initial purchase and the change in the subsidiary's equity after the date of initial purchase except the Parent company shares. Even if the non-controlling interests are negative, total comprehensive income is transferred to The Parent's shareholders and to non-controlling interests.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS**2.1. Basis of Presentation**

Consolidated financial statements of the Group have been prepared in accordance with Turkish Accounting Standards and Turkish Financial Reporting Standards (IAS-IFRS) that has been published by Board of Public Oversight and Accounting and Audit Standards (POA).

In addition, the financial statements and notes have been prepared in accordance with the formats that were published by the POA on 20 May 2013.

YDA İnşaat Sanayi ve Ticaret A.Ş. and its subsidiaries operating in Turkey maintain their books of accounts and prepare their statutory financial statements in accordance with the regulations on accounting and reporting framework and accounting standards promulgated by the Turkish Commercial Code ("TCC") and Tax Legislation. The foreign subsidiaries maintain their books of accounts in accordance with the laws and regulations in force in the countries where they are registered.

The consolidated financial statements are prepared by the way of depending on statutory records of YDA İnşaat Sanayi ve Ticaret A.Ş. and its subsidiaries and jointly controlled partnerships and reflecting some of classification records and adjustments with the purpose of ensuring compliance with the financial statements prepared by adopting different accounting policies and Financial Reporting Standards.

YDA İNŞAAT SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements for the Interim Period Ended 30 June 2020
(Amounts are expressed in Turkish Lira (TRY) unless otherwise stated.)

Most of the adjustments are about full recognition of assets and liabilities or at the rate of proportion of the Group's share, and equity method of consolidation. Moreover, adjustments include recognition contract revenues related to construction activities by reference to the stage of completion method into the financial statements, calculations related to the service concession arrangements, classification of lands, buildings and investment properties, calculation of deferred tax, discounting receivables and payables, provisions for severance pay and other provisions.

The consolidated financial statements were approved by the Board of Directors of the Group on 19 August 2020 for the purpose of announcement.

The consolidated financial statements had been prepared to include financial periods of 30 June 2020 and 31 December 2019.

2.2. Functional and Presentation Currency

The presentation currency for the Group is Turkish Lira (TRY).

Following methods have been applied to disclosure of subsidiaries, joint ventures and branch like foreign businesses of YDA İnşaat operating abroad in the consolidated statements:

Financial statements which are prepared in Kazakhstan Tenge denominated of branches, subsidiaries and joint ventures have been translated to the Turkish Lira at the official TRY bid rate announced by the Central Bank of Republic of Turkey ("CBRT") at the balance sheet date, whereas revenues and expenses have been translated to Turkish Lira at the average currency rates. The differences arising from the translation have been recognized as "Currency translation differences" under equity in the consolidated financial position.

Functional and Reporting Currency

The Euro is used predominantly in sales of YDA Havalimanı Yatırım ve İşletme A.Ş. that is one of the Group's subsidiary. In other words, it has a significant impact on the operations of the subsidiary. The Euro also reflects the economic basis of situations that are important to the subsidiary. The subsidiary has determined the functional currency as the Euro by evaluating its' economic environment and activities. Non-Euro currencies are considered as foreign currency. The Subsidiary measured its' financial statements in Euro and presented it in Turkish Lira ("TRY") that are respectively functional currency and reporting currency.

Operations and balances

In the translation of financial statements of the Group's subsidiary YDA Havalimanı Yatırım ve İşletme A.Ş. into Turkish Lira, which is the reporting currency of the financial statements, the average exchange rate of the relevant period is used (30 June 2020: 7.1303, 31 December 2019: 6.3484). The assets and liabilities of the Group have been converted to Turkish Lira with the exchange rate on the balance sheet date (30 June 2020: 7.7082, 31 December 2019: 6.6506). Differences resulting from the conversion of the net assets of the subsidiary into TRY by using exchange rates that are used as average and balance sheet date exchange rates. These differences were recorded in the "currency translation differences" account, which is a separate item under shareholders' equity.

The official CBRT rates of currencies as of 30 June 2020 and 31 December 2019 are as follows:

	30 June 2020		31 December 2019	
	Buying	Selling	Buying	Selling
USD	6.8422	6.8545	5.9402	5.9509
EURO	7.7082	7.7221	6.6506	6.6625
GBP	8.4282	8.4721	7.7765	7.8171
TENGE	0.0171	0.0171	0.0156	0.0156

YDA İNŞAAT SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements for the Interim Period Ended 30 June 2020
(Amounts are expressed in Turkish Lira (TRY) unless otherwise stated.)

EURO amounts presented at the financial statements

EUR amounts presented at consolidated financial statements and consolidated income statements prepared in accordance with IAS/IFRS have been translated from TRY at the EUR/TRY=7.1303 by calculating average of exchange rates announced by the CBRT and therefore do not form of these consolidated financial statements.

2.3. Amendments to International Financial Reporting Standards

The Group have applied new and revised standards and interpretations, published by (POA) that are valid as of 1 January 2020, with respect to its fields of operation.

(a) New standards, amendments and interpretations applicable as of 1 January 2020

- **IFRS 15 "Revenue from Contracts with Customers"**

The Group have applied IFRS 15 "Revenue from contracts with customers", which superseded IAS 18 "Revenue" and IAS 11 "Construction Contracts" and accounted in the consolidated financial statements by using cumulative effect method on the transition date of 1 January 2018. These amendments will be not effective on the Group's retained earnings as of 1 January 2018.

Revenue recognition

When a performance obligation is satisfied by transferring promised goods or services to a customer, the Group recognizes the revenue as the amount of the transaction price that is allocated to that performance obligation. The goods or services are transferred when the control of the goods or services is delivered to the customers.

The Group recognizes revenue at the financial statements based on the following basic principles;

- Identification of customer contracts,
- Identification of performance obligations in the contracts,
- Determination of the transaction price in the contracts,
- Allocation of transaction price to the performance obligations,
- Recognition of revenue when the performance obligations are satisfied.

The Group recognizes a contract with a customer as revenue if all the following conditions are met;

- The contract has been approved by the parties to the contract (written, orally or by way of other business practices) and each party make a commitment to perform their obligations,
- The Group can identify each party's rights in relation to the goods or services to be transferred,
- The Group can identify the payment terms for the goods or services to be transferred,
- The contract has commercial substance,
- It is probable that the consideration to which the Group is entitled to in exchange for the goods or services will be collected. In evaluating whether collectability of an amount of consideration is probable, an entity shall consider only the customer's ability and intention to pay that amount of consideration when it is due.

Revenue from construction&contracting business

Regarding to the construction business; the management have considered, especially in the scope of IFRS 15, whether if there are articles related to re-uniting contracts and a significant financing component with variable cost. The management have decided to recognize construction contract revenue at financial statements on periodical basis due the fact that the control of the assets belong to the customer during construction progress. Also the management believes that the existing method used for measuring the progress attributed to complete the fulfilment of performance obligation is in accordance with IFRS 15.

The changes related to IFRS 15 is effective for re-uniting contracts after 1 January 2018. The impacts resulting from re-uniting contracts were adjusted as effective from 1 January 2018.

YDA İNŞAAT SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements for the Interim Period Ended 30 June 2020
(Amounts are expressed in Turkish Lira (TRY) unless otherwise stated.)

Rental income from real estates

Rental income gained from real estates is recognized on an accrual basis. Income is realized when it is probable that future economic benefits will flow to the Group and when the amount of such income can be reliably measured. Rental income is discounted on a straight-line basis over contract term.

Gains on sale of real estates

The Group sells real estates and residences. Gain on the sales of real estates and residences is measured at the fair value of the consideration received or receivable.

- **IFRS 9 "Financial Instruments"**

The Group applied IFRS 9 "Financial Instruments" which superseded IAS 39 "Financial Instruments: Recognition and Measurement" as of 1 January 2018. IFRS 9 sets out requirements for recognizing and measuring financial assets, financial liabilities and also it replaces the incurred loss model, which is still in use, with expected credit loss model. Effect of applying this standard has been recognized in accordance with simplified method. Under this method, the Group have recognized the cumulative effect of initially applying this IFRS Standard under "prior years' profits". Therefore, no restatement has been required in the comparative information of the consolidated financial statements and relevant financial statements have been presented in accordance with IAS 39.

Changes regarding the classification of financial assets and liabilities in terms of IFRS 9 are summarized below.

Financial Assets	Classification under IAS 39	Classification under IFRS 9
Cash and cash equivalents	Loans and receivables	Amortized cost
Trade receivables	Loans and receivables	Amortized cost
Receivables from service concession arrangements	Amortized cost	Fair value through profit or loss
Derivative instruments	Fair value through profit or loss	Fair value through profit or loss
Financial Liabilities	Classification under IAS 39	Classification under IFRS 9
Derivative instruments	Fair value through profit or loss	Fair value through profit or loss
Borrowings	Amortized cost	Amortized cost
Trade Payables	Amortized cost	Amortized cost

Classification and Measurement

The Group classifies its financial assets in categories of financial assets measured at amortized cost and financial assets measured at fair value through discounting the expected yields of value in use method. The classification of financial assets is determined considering the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. The Group classifies its financial assets at the time of the purchase.

"Financial Assets Measured at Amortized Cost", are non-derivative assets that are held within a business model whose objective is to hold assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Group's financial assets measured at amortized cost comprise "Cash and Cash Equivalents", and "Trade Receivables". Financial assets carried at amortized cost are measured at their fair value at initial recognition and by effective interest rate method at subsequent measurements. Gains and losses on valuation of non-derivative financial assets measured at amortized cost are accounted for under the consolidated statement of income.

YDA İNŞAAT SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements for the Interim Period Ended 30 June 2020
(Amounts are expressed in Turkish Lira (TRY) unless otherwise stated.)

"Financial Assets Measured at Fair Value through Profit or Loss", are receivables from service concession arrangements which are measured at fair value through discounting the expected yields of value in use method. Fair value differences of these financial assets are recognized under the statement of income.

The Group management has changed amortized cost method which is a measurement method that Group used in the past, with fair value through profit or loss method as of 1 January 2018. The Group put its financial assets arising from service concession arrangements to test of "Cash Flows that are Solely Payments of Principal and Interest on the Principal Amount Outstanding" and within this scope, Group has started to recognize its financial assets as Financial Assets Measured at Fair Value through Profit or Loss.

The Group has started to classify the fair value measurements of its financial assets in other operating income/(expense) as of the current period. It reclassified the amendments retrospectively.

Impairment for Financial Assets

The financial assets of the Group which are subjected to new expected credit loss model of the IFRS 9 includes;

- Trade receivables from sale of inventories and lease of real estates,
- Contractual assets arising from ongoing construction agreements,
- Receivables from Public-Private Partnership (PPP) projects,
- Financial instruments measured at fair value through profit or loss.

Trade receivables and contractual assets

The Group measures the loss allowances regarding its trade receivables and contractual assets at an amount equal to lifetime expected losses in order to measure expected credit losses which is defined in IFRS 9.

Trade receivables and contractual assets are grouped based on similar expected credit risks and their past due maturities. Contractual assets are related to invoiced ongoing agreements therefore they have same risk essence with the trade receivables. Thus, the Group have reached the conclusion that the expected credit loss for the trade receivables is similar to risk of contractual assets.

Financial assets measured at amortized cost

Financial assets measured at amortized cost, are the non-derivative financial assets which are not traded on a market and held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount standing. If their maturity is less than 12 months they are classified as current assets, otherwise classified as non-current assets. Financial assets measured at amortized cost comprise "Cash and Cash Equivalents" and "Trade Receivables". Trade receivables belonging to usual operating cycle are recognized under current assets. In addition to this, trade receivables that were collected from factoring companies as a part of revocable factoring agreements are classified as financial assets measured at amortized cost since the risk of collection is not transferred.

Financial assets measured at fair value through profit or loss

Financial assets carried at fair value through profit or loss comprise of "Derivative Instruments" and "Receivables from Service Concession Arrangements" at the statement of financial position. Derivative instruments are recognized as asset when the fair value of the instrument is positive, as liability when the fair value of the instrument is negative. The Group's financial instruments consist of forward transactions with maturity, currency swaps and cross currency fixed interest rate swaps.

Financial assets measured at fair value through other comprehensive income

Financial assets carried at fair value through other comprehensive income comprise of "Financial Investments" at the statement of financial position. In addition to this, trade receivables that were collected from factoring companies as a part of irrevocable factoring agreements are classified as financial assets measured at amortized cost since the risk of collection is not transferred to factoring company. When the financial assets carried at fair value through other comprehensive income are sold, fair value gain or loss classified in other comprehensive income is classified under prior years' profits.

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Derivative instruments and hedge accounting

The effective portion of changes in the fair value of derivatives which are designed as cash flow hedge are recognized directly at equity and any ineffective portion of the changes in fair value of the derivatives are recognized directly at profit or loss.

If the cash flow hedge of a firm commitment or an expected forward transaction result in the recognition of an asset or liability, at the initial recognition of this asset or liability the gain or loss previously recognized under equity related to derivatives are included in the measurement of the initial amount of the asset or liability. In a hedge accounting that does not result in the recognition of an asset or liability, the amounts previously recognized under equity are transferred to statement of profit or loss in the period in which the hedged item has an effect on profit or loss. The changes in the fair value of derivatives that do not meet the criteria for hedge accounting are recognized in the statement of profit or loss.

When the hedging instrument expires, is sold, or when a hedge no longer meets the criteria for the hedge than hedge accounting is terminated. Any cumulative gain or loss existing in equity at that time remains in equity until the expected date of transaction realized. However, if the hedge transaction is not realized, the cumulative gain or loss that was reported in equity is transferred to the profit or loss of the current period.

Forward contracts, which are valid as of 30 June 2020, and interest swaps are qualified as cash flow hedge in the scope of IFRS 9. Hedging instruments and documentation of the Group is in accordance with IFRS 9. Therefore, the hedging policy of the Group is considered as it remains same.

The Group, have subjected only spot component of fair value changes regarding to the forward contracts into hedge accounting. Spot component is set based on related spot market exchange rates. The difference between contractual forward and spot market exchange rate is considered as forward component. The forward component is discounted when it is significant. Fair value changes of forward component have been recognized at income statements for the periods before 1 January 2018.

- **IFRS 4 "Insurance Contracts" (Amendments);**

In December 2017, POA issued amendments to IFRS 4 "Insurance Contracts". The amendments introduce two approaches: an overlay approach and a deferral approach. The amended standard will:

- Give all companies that issue insurance contracts the option to recognize in other comprehensive income, rather than profit or loss, the volatility that could arise when IFRS 9 "Financial Instruments" is applied before the new insurance contracts Standard is issued; and
- Give companies whose activities are predominantly connected with insurance an optional temporary exemption from applying IFRS 9 "Financial Instruments" until 2021. The entities that defer the application of IFRS 9 "Financial Instruments" will continue to apply the existing financial instruments standard.

These amendments are to be applied for annual periods beginning on or after 1 January 2018. The amendments are not applicable for the Group and will not have an impact on the financial position or performance of the Group.

- **IFRS 2 "Classification and Measurement of Share-based Payment Transactions" (Amendments);**

In December 2017, POA issued amendments to IFRS 2 "Share-based Payment", clarifying how to account for certain types of share-based payment transactions. The amendments provide requirements on the accounting for:

- the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments;
- share-based payment transactions with a net settlement feature for withholding tax obligations;
- a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled.

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These amendments are to be applied for annual periods beginning on or after 1 January 2018. The amendments are not applicable for the Group and will not have an impact on the financial position or performance of the Group.

- **IFRIC 22 "Foreign Currency Transactions and Advance Consideration"**

It is effective for annual reporting periods beginning on or after 1 January 2018. This interpretation addresses foreign currency transactions or parts of transactions where there is consideration that is denominated or priced in a foreign currency. The interpretation provides guidance for when a single payment/receipt is made as well as for situations where multiple payments/receipts are made. The guidance aims to reduce diversity in practice. The amendments are not applicable for the Group and will not have an impact on the financial position or performance of the Group.

- **IAS 40 "Investment Property: Transfers of Investment Property" (Amendments)**

In December 2017, POA issued amendments to IAS 40 "Investment Property". The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. These amendments are to be applied for annual periods beginning on or after 1 January 2018. Earlier application is permitted. The amendments are taken into consideration by the Group while preparing financial statements.

- **IAS 7 "Statement of Cash Flows" (Amendments)**

In December 2017, POA issued amendments to IAS 7 "Statement of Cash Flows". The amendments are intended to clarify IAS 7 to improve information provided to users of financial statements about an entity's financing activities. The improvements to disclosures require companies to provide information about changes in their financing liabilities. These amendments are to be applied for annual periods beginning on or after 1 January 2017.

- **IAS 12 "Income Taxes": Recognition of Deferred Tax Assets for Unrealized Losses (Amendments)**

In December 2017, POA issued amendments to IAS 12 "Income Taxes". The amendments clarify how to account for deferred tax assets related to debt instruments measured at fair value. The amendments clarify the requirements on recognition of deferred tax assets for unrealized losses, to address diversity in practice. These amendments are to be retrospectively applied for annual periods beginning on or after 1 January 2017 with earlier application permitted. However, on initial application of the amendment, the change in the opening equity of the earliest comparative period may be recognized in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. If the Group applies this relief, it shall disclose that fact. The amendment is not applicable for the Group and will not have an impact on the financial position or performance of the Group.

- **IFRS 16 "Leases"**

Effective from annual periods beginning on or after 1 January 2019, with earlier application permitted if IFRS 15 "Revenue from Contracts with Customers", is also applied. This standard replaces the current guidance in IAS 17 and is a far-reaching change in accounting by lessees in particular. Under IAS 17, lessees were required to make a distinction between a finance lease (on balance sheet) and an operating lease (off balance sheet). IFRS 16 now requires lessees to recognize a lease liability reflecting future lease payments and a 'right of use asset' for virtually all lease contracts. The IASB has included an optional exemption for certain short-term leases and leases of low-value assets; however, this exemption can only be applied by lessees.

For lessors, the accounting stays almost the same. However, as the IASB has updated the guidance on the definition of a lease (as well as the guidance on the combination and separation of contracts), lessors will also be affected by the new standard. At the very least, the new accounting model for lessees is expected to impact negotiations between lessors and lessees. Under IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control and the use of an identified asset for a period of time in exchange for consideration.

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The Group is in the process of assessing the impact of the interpretation on financial position or performance of the Group.

- **IFRIC 23 "Uncertainty over Income Tax Treatments"**

The interpretation clarifies how to apply the recognition and measurement requirements in "IAS 12 Income Taxes" when there is uncertainty over income tax treatments. When there is uncertainty over income tax treatments, the interpretation addresses:

- Whether an entity considers uncertain tax treatments separately;
- The assumptions an entity makes about the examination of tax treatments by taxation authorities;
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates; and
- How an entity considers changes in facts and circumstances.

An entity shall apply this Interpretation for annual reporting periods beginning on or after 1 January 2019. Earlier application is permitted. If an entity applies this Interpretation for an earlier period, it shall disclose that fact. On initial application, an entity shall apply the interpretation either retrospectively applying IAS 8, or retrospectively with the cumulative effect of initially applying the Interpretation recognized at the date of initial application. The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

- **IAS 28 "Investments in Associates and Joint Ventures" (Amendments)**

In December 2017, POA issued amendments to IAS 28 "Investments in Associates and Joint Ventures". The amendments clarify that a company applies IFRS 9 "Financial Instruments" to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture.

IFRS 9 "Financial Instruments" excludes interests in associates and joint ventures accounted for in accordance with IAS 28 "Investments in Associates and Joint Ventures". In this amendment, POA clarified that the exclusion in IFRS 9 applies only to interests a company accounts for using the equity method. A company applies IFRS 9 to other interests in associates and joint ventures, including long-term interests to which the equity method is not applied and that, in substance, form part of the net investment in those associates and joint ventures. The amendments are effective for annual periods beginning on or after 1 January 2019, with early application permitted.

- **IFRS 3 "Business Combinations" (Amendments)**

In May 2019, POA issued amendments related to the definition of a business to IFRS 3 "Business Combinations". The amendments will help companies determine whether an acquisition made is of a business or a group of assets. The amendments are as follows:

- Clarification of minimum requirements for the business
- Elimination of the market participants' assessment of the missing items;
- Adding an application guide to help businesses evaluate whether the acquisition process is important or not;
- Limitation of definitions of business and outputs;
- Publishing an optional fair value concentration test.

The amendment is effective for annual periods beginning on or after 1 January 2020. Early application is still permitted. The amendment is not applicable for the Group and will not have an impact on the financial position or performance of the Group.

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- **Amendments to IFRS 9, IAS 39 and IFRS 7 –Interest Rate Benchmark Reform**

These amendments should be applied for annual periods beginning on or after 1 January 2020. In order for hedge accounting to be applied, both IFRS 9 and IAS 39 provide facilitating practices in four basic subjects related to interest rate benchmark reform. These practices are related to hedge accounting and such as;

- Rule related to highly possible transactions,
- Rewarding evaluations,
- Retroactive evaluations and
- Identifiable risk components.

The exemptions applied to the amendment in IFRS 9 and IAS 39 are intended to be disclosed in the financial statements in accordance with the regulation in IFRS 7. The effects on financial statements and performance are being evaluated for the Group.

- **Amendments to IAS 1 and IAS 8 on the Definition of Material**

The effective from Annual periods beginning on or after 1 January 2020. These amendments to IAS 1, "Presentation of financial statements" and IAS 8, "Accounting policies, changes in accounting estimates and errors", and consequential amendments to other IFRSs:

- Use a consistent definition of materiality throughout IFRSs and the conceptual framework for financial reporting;
- Clarify the explanation of the definition of material; and
- Incorporate some of the guidance in IAS 1 about immaterial information.

The effects are being evaluated for the Group.

- **IFRS 16 "Leases – COVID 19 Related Rent Concessions (Amendments)"**

On 5 June 2020, the POA made changes to the IFRS 16 Leases standard in order to provide an exemption on the lease concessions granted to leasees due to the COVID-19 pandemic to assess whether there is a change. Leasees who benefit from this exemption are required to recognize for any changes in lease payments. It occurs as a result of the lease concessions in accordance with the provisions for the Standard that apply unless the amendment is a lease change.

The amendment will only be applicable for lease payments concessions recognized due to the COVID 19 pandemic and only if all of the following conditions are met;

- The revised consideration is substantially the same or less than the original consideration.
- The reduction in lease payments relates to payments due on or before 30 June 2021 and,
- No other substantive changes have been made to the terms of the lease.

Leasees will apply this amendment in accounting periods starting on or after 1 June 2020. Early application permitted. This amendment will not have an impact on Group.

Annual Improvements to IFRS 2015-2017 Cycle

IASB issued Annual Improvements to IFRS - 2015–2017 Cycle.

- IFRS 3 "Business Combinations" and IFRS 11 "Joint Arrangements" — The amendments to IFRS 3 clarify that when an entity obtains control of a business that is a joint operation, it remeasures previously held interests in that business. The amendments to IFRS 11 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not remeasure previously held interests in that business.

- IAS 12 "Income Taxes" — The amendments clarify that all income tax consequences of dividends (i.e. distribution of profits) should be recognized in profit or loss, regardless of how the tax arises.

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- IAS 23 "Borrowing Costs" — The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalization rate on general borrowings.

These amendments are not applicable for the Group and will not have an impact on the financial position or performance of the Group.

(b) Standards issued but not yet effective as of 30 June 2020

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the consolidated financial statements are as follows. The Group will make the necessary changes if not indicated otherwise, which will be affecting the consolidated financial statements and disclosures, after the new standards and interpretations become in effect.

- **IFRS 10 and IAS 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 is still permitted. The effects are being evaluated for the Group.

- **IFRS 17 "Insurance Contracts"**

The IASB issued IFRS 17, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. IFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. IFRS 17 will become effective for annual reporting periods beginning on or after 1 January 2021; early application is permitted. The standard is not applicable for the Group and will not have an impact on the financial position or performance of the Group.

- **IFRS 9 Amendments - Prepayment Features with Negative Compensation**

Minor changes were published in IFRS 9 Financial Instruments so that the Group can measure at amortized cost some prepayable financial assets with negative compensation. The company applying IFRS 9 measures as an asset that reflected fair value change to profit or loss. With the implementation of changes and certain conditions are met, companies will be able to measure prepayable financial assets with negative compensation at their amortized cost. The amendment is effective for annual periods beginning on or after 1 January 2019. These amendments are not applicable to the Group and will not have an impact on the financial position or performance of the Group.

- **IAS 1 Amendments – Classification of Liabilities as Current or Non-current**

On 12 March 2020, POA made changes in the standard of "IAS 1 Presentation of Financial Statements". These amendments, which will be valid for the annual reporting periods starting on or after 1 January 2023, provide explanations about criteria for long and short term classification of liabilities. The changes should be applied retrospectively in accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". Early application is permitted. This standard will not have an impact on Group.

- **IFRS 3 Amendments – Reference to the Conceptual Framework Amendments**

In July 2020, the POA issued amendments to IFRS 3 Business combinations. 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 prospectively. 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 effects are being evaluated for the Group.

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- **IAS 16 Amendments — Proceeds before Intended Use**

In July 2020, the POA 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 retrospectively 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. There is no transition relief for the first time adopters. The Group is assessing the potential impact on its consolidated financial statements and performance.

- **IAS 37 Amendments – Onerous Contracts – Cost of Fulfilling a Contract**

In July 2020, the POA 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 Group is assessing the potential impact on its consolidated financial statements and performance.

c) The new standards, amendments and interpretations that are issued by the International Accounting Standards Board (IASB) but not issued by (POA)

Amendments to IAS 1 – IASB made amendments in "IAS 1 Presentation of Financial Statements" about the classification of liabilities as Short-Term and Long-Term on 23 January 2020. These amendments, that are effective for annual reporting periods beginning on or after 1 January 2022, provide explanations about criteria for the long and short-term classification of liabilities. These amendments should be applied retrospectively in accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". Early application is still permitted. The amendment is not applicable for the Group and will not have an impact on the financial position or performance of the Group.

Annual Improvements 2018–2020 Cycle

"Annual Improvements to TFRS standards / 2018-2020 Period" was published by the POA in July 2020, including the following changes;

- *IFRS 1- First-time Adoption of International Financial Reporting Standards* – This amendment simplifies the application of IFRS 1 for a subsidiary that becomes a first-time adopter of IFRS Standards later than its parent. If a subsidiary adopts IFRS Standards later than its parent and applies IFRS 1. Then a subsidiary may elect to measure cumulative translation differences for all foreign operations at amounts included in the consolidated financial statements of the parent, based on the parent's date of transition to IFRS Standards.
- *IFRS 9 Financial Instruments* - This amendment clarifies that – for the purpose of performing the '10 per cent test' for derecognition of financial liabilities – in determining those fees paid net of fees received, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

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Changes and Mistakes in the Accounting Policies

An enterprise is allowed to change its accounting policies retrospectively only if the following conditions are met:

- Required by a standard or an interpretation
- If it is in a character which provides a more appropriate and reliable way to present the effects of the transactions and events on the financial statement, performance or cash flow of the enterprise

Parties who use the financial statements should have the opportunity to compare the financial statements throughout the time in order to find out the trends of the financial position, performance and cash flow of the Company. Therefore, as long as a change in an accounting policy does not meet one of the criteria described above, same accounting policies should be used in every interim period and financial period.

Current period financial statements of the Group are prepared comparatively in order to enable identifying the financial position and performance trends. Comparative information's, if necessary, are reclassified in order to ensure their compliance with current period financial statements.

Changes regarding the IFRS 9 further described under the title of relevant accounting policy.

The Group has revised its financial statements retrospectively pursuant to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. These retrospective adjustments are results from the conversion of the functional currency from TRY to Euro in YDA Havalimanı A.Ş. which is a subsidiary of the Group, the retrospective adjustments of certain classifications and the facilitative method transitions related to IFRS 9.

The Group has started to reclassify the fair value measurements of its financial assets as other income / (expense) from operating activities as of the current period. It has reclassified this amendment retrospectively.

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	Reported 31 December 2019	Revised 31 December 2019	Change 31 December 2019
ASSETS			
Current Assets	6,600,974,949	6,600,974,949	-
Non-current Assets	15,809,206,921	15,809,206,921	-
Total Assets	22,410,181,870	22,410,181,870	-
	Reported 31 December 2019	Revised 31 December 2019	Change 31 December 2019
LIABILITIES			
Current Liabilities	3,284,397,526	3,338,515,074	54,117,548
Trade Payables	1,746,040,500	1,805,454,459	59,413,959
- Trade Payables to Related Parties	1,288,492,907	1,293,789,318	5,296,411
- Trade Payables to Third Parties	457,547,593	511,665,141	54,117,548
Other Payables	192,307,236	187,010,825	(5,296,411)
- Other Payables to Related Parties	129,674,368	124,377,957	(5,296,411)
Non-current Liabilities	11,420,057,819	11,298,710,687	(121,347,132)
Trade Payables	2,734,821,604	2,594,512,281	(140,309,323)
Deferred Tax Liabilities	1,105,368,008	1,124,330,199	18,962,191
Shareholders' Equity	7,705,726,525	7,772,956,109	67,229,584
Equity Attributable to Shareholders' of the Parent	6,669,230,544	6,737,305,350	68,074,806
Other Comprehensive Income/Expenses to be Reclassified to Profit or Loss	255,532,790	279,312,466	23,779,676
- Currency Translation Differences	209,024,164	232,803,840	23,779,676
Prior Years' Profits/(Losses)	4,040,184,265	4,086,049,093	45,864,828
Net Profit/(Loss) for the Period	2,220,883,757	2,219,314,059	(1,569,698)
Non-Controlling Interests	1,036,495,981	1,035,650,759	(845,222)
Total Liabilities and Shareholders' Equity	22,410,181,870	22,410,181,870	-

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	Reported 1 January 2019 30 June 2019	Revised 1 January 2019 30 June 2019	Change 1 January 2019 30 June 2019
Statement of Profit or Loss			
Cost of Sales (-)	(1,025,584,939)	(1,023,853,220)	1,731,719
Gross Profit/(Loss)	356,129,298	357,861,017	1,731,719
Other Operating Income	16,816,440	1,940,931,929	1,924,115,489
Other Operating Expenses (-)	(38,822,977)	(50,820,477)	(11,997,500)
Operating Profit/(Loss)	307,733,594	2,221,583,302	1,913,849,708
Income from Investing Activities	4,086,131	4,086,731	600
Operating Profit/(Loss) Before Financial Expense	317,138,534	2,230,988,842	1,913,850,308
Financial Income	2,066,677,414	135,991,464	(1,930,685,950)
Financial Expenses (-)	(917,724,023)	(838,219,853)	79,504,170
Profit/(Loss) Before Tax	1,466,091,925	1,528,760,453	62,668,528
Tax Income/(Expense)	(351,475,131)	(393,854,039)	(42,378,908)
Deferred Tax (Expense)/Income	(350,074,527)	(392,453,435)	(42,378,908)
Net Profit/(Loss) for the Period	1,114,616,794	1,134,906,414	20,289,620
Distribution of Profit/(Loss)	1,114,616,794	1,134,906,414	20,289,620
Non-Controlling Interests	124,747,530	132,253,466	7,505,936
Equity Holders of the Parent	989,869,264	1,002,652,948	12,783,684
Earnings Per Share	13.20	13.37	0.17
	Reported 1 January 2019 30 June 2019	Revised 1 January 2019 30 June 2019	Change 1 January 2019 30 June 2019
Other Comprehensive Income Statement			
Net Profit/(Loss) for the Period	1,114,616,794	1,134,906,414	(20,289,620)
Items not to be Reclassified to Profit or Loss	(449,515)	56,271	505,786
Gains/(Losses) on Remeasurement of Defined Benefit Plans	(484,308)	147,924	632,232
Tax Income/(Expense) related to Other Comprehensive Income not to be Reclassified to Profit or Loss	34,793	(91,653)	(126,446)
Items to be Reclassified to Profit or Loss	(8,068,682)	(44,724,868)	52,793,550
Currency Translation Differences	(5,955,562)	46,837,988	52,793,550
Other Comprehensive Income (After Tax)	(8,518,196)	44,781,139	53,299,335
Total Comprehensive Income	1,106,098,598	1,179,687,553	73,588,955

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2.4. Summary of Significant Accounting Policies**Revenue**

Revenue is recognized when receiving economical income is probable and measurement of the benefits reliably is possible. Revenues are accounted by deducting given discounts and value added taxes. The following specific recognition criteria must also be met before revenue is recognized:

Construction contract activities

When the outcome of a construction contract can be estimated reliably, revenue and costs are recognized by reference to the stage of completion of the contracting activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date about the estimated total contract costs.

Revenue arising from cost plus profit contracts is recognized with profit margin calculated based on the costs incurred.

Contract costs include all direct material and labor costs and those indirect costs related to contract performance, such as indirect labor, supplies, tools, repairs and depreciation costs. Selling, general and administrative expenses are recognized at the consolidated income statement when it incurred. Provisions for estimated losses on uncompleted contracts are made in full, in the period in which such losses are determined. Changes in job performance, job conditions and estimated profitability, including those arising from contract penalty provisions and final contract settlements, may result in revisions to costs and income and are recognized in the period in which the revisions are determined. Profit incentives are included in revenues when their realization is reasonably assured.

Costs and estimated earnings in excess of billings on uncompleted contracts represent revenues recognized in excess of amounts billed. Billings in excess of costs and estimated earnings on uncompleted contracts represent billings in excess of revenues recognized.

The Group presents the gross receivable from the customers as a liability in respect of the contractual works in progress, exceeding the amount obtained as a result of the addition of profit (deducting the loss) reflected in the result accounts to the cost of the incurred costs.

Service concession arrangements

Revenues from construction services provided under service concession arrangements are recognized according to the policy described above in accounting policy on recognizing revenue from construction contracts is recognized based on the stage of completion. Operation or service revenue is recognized in the period which the services are provided by the Group.

According to IFRIC 12, "Service Concession Arrangements", an entity recognizes renewal service that it provides or price that it received in exchange for other items as an intangible asset or financial asset.

The Group recognizes rights arising from service concession arrangements as an intangible asset when it has the right to use concession infrastructure. Intangible assets, which are interpreted as a construction of the building stated in the service concession arrangements or improvement of services, are recognized with their fair value during their initial recognition. Following their initial recognition, these intangible assets are recognized after deducting depletion expenses and, if any, provision for decline in the value.

A service concession arrangement was signed between General Directory of States Airport Authority ("GDSAA") and YDA Havalimanı Yatırım ve İşletme A.Ş. for the operation of the international terminal, domestic terminal and supplements also for the constructing new international terminal of Dalaman Airport. This arrangement valid between 29 April 2015 and 31 December 2040. The 10% portion of the rent cost (which is Euro 705,000,000 in total) (excluding VAT) has been paid following the signing of the contract. The remaining amount will be paid starting from October 2015 with equal instalments every year for 25 years. The Group recognizes the project in accordance with intangible asset model under IFRIC 12, "Service Concession Arrangements".

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A contract regarding construction and operation of "Kayseri Integrated Health Campus" between ATM Sağlık Kayseri Yatırım ve İşletme A.Ş. and Ministry of Health of Turkish Republic was signed on 26 August 2014 within the scope of Public – Private Partnership (PPP) model, including investment and operation period. The Company committed to complete construction of the plant and supply the necessary systems and equipment in three years following the delivery date of the site and accepted the time granted it for operation of the business is 25 years. Kayseri Integrated Health Campus has been put into service as of May 2018. The Group recognizes the project in accordance with financial asset model under IFRIC 12 "Service Concession Arrangements".

A contract regarding construction and operation of "Manisa Education Research Hospital" between ATM Sağlık Manisa Yatırım ve İşletme A.Ş. and Ministry of Health of Turkish Republic was signed on 4 July 2014 within the scope of Public – Private Partnership (PPP) model including investment and operation period of 27 years. Manisa Education Research Hospital has been put into service as of October 2018. This period has been added to the operation period due to its investment period completed approximately five months early. The Group recognizes the project in accordance with financial asset model under IFRIC 12 "Service Concession Arrangements".

A contract regarding construction and operation of "Konya Karatay Integrated Health Campus" between ATM Sağlık Konya Yatırım ve İşletme A.Ş. and Ministry of Health of Turkish Republic was signed on 04 July 2014 within the scope of Public – Private Partnership (PPP) model and it will be completed in 28 years, including investment and operation period. The Group recognizes the project in accordance with financial asset model under IFRIC 12 "Service Concession Arrangements". Within the scope of project, the first phase of Konya City Hospital was put into service on 20 July 2020.

Aviation revenue

Aviation revenue is recognized according to the daily reports which are obtained from the relevant airline company. Aeronautical revenues derived from international passenger terminal services, bridges used for aircraft usage, 400 Hz. energy assistance, water services and flight operations services related to counters used from passengers for flight related procedures.

Revenue sharing

Group has right to lease duty-free shops and food and beverages (F&B) facilities to third parties in the airports that the Group manage. The third parties share their turnovers with the determined rate on their contracts. Revenue sharing is recognized with invoice according to the daily, weekly and monthly reconciliation reports made with lessees.

Commissions

Group has right to lease duty-free shops and food and beverages (F&B) facilities to third parties in the airports that the Group manage. The third parties pay commissions to the Group in accordance with the determined rate over their turnovers on their contracts. Commissions are accounted according to weekly reports.

Leasing operations

Rental income arising from operating leases is accounted when it is earned over daily, weekly or yearly periods. Rental income collected in advance is treated as deferred income and is amortized on a monthly basis during the lease period.

Revenue from services

The revenue arising from providing services is recognized by reference to the stage of completion of related contracts' terms. The Group is obliged to give services, stated by the contract signed with T.R. Ministry of Health, at the integrated health campuses in which the Group operates through Special Purpose Vehicle (SPV) in PPP healthcare sector. The services which the Group is obliged to give include; medical support services (laboratory services, imaging services, sterilization and disinfection services, rehabilitation services, other medical equipment support services) and support services (services related to land and buildings, extraordinary maintenance and repair services, utilities management services, furnishing services, grounds and garden maintenance services, pest

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control services, car parking services, materials management services, cleaning services, implementing and performing Hospital Information Management System ("HIMS"), security services, patient related services as guidance/accompaniment/reception/help desk, linen and laundry services, catering services, waste management services).

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. When collection of loans provided by the Group are considered as doubtful, the interest accrual is not recognized in the consolidated income statement.

Dividends

The dividend income is recognized when the right to receive the payment has been acquired.

Inventories

Inventories are valued at the lower of cost or net realizable value. Cost elements included in inventories are materials, labor and an appropriate amount of factory overheads. Raw materials, spare parts, merchandise goods and construction materials are valued with using the weighted average cost method.

Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses

Tangible assets

With the exception of land and buildings, items of property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment in value. Land is not depreciated. When tangible assets are sold, their costs and accumulated depreciation are eliminated from the accounts and any gain or loss resulting from their disposal is included in the consolidated statement of income.

Buildings are stated at cost less accumulated depreciation. The difference between the cost value and the fair value is recognized as "revaluation funds" under the equity, net of deferred tax. During the usage period of the revaluated asset, the difference between the amortization calculated over the revalued and the amortization calculated over the initial cost amount is recognized in retained earnings after deducting the deferred tax effect.

Cost of tangible assets consist of; the purchase price, export tax, disallowable expenses, non-refundable taxes and expenses related to get tangible assets fully available for use. Repairs and maintenance are charged to the statements of income during the financial period in which they are incurred. The costs of major renovations are included in the carrying amount of the asset if these expenditures increase the future economic benefits expected to be derived from the asset.

Tangible assets are capitalized and amortized when their capacity is fully available for use. Assets that subject to depreciation are amortized on a straight-line basis over their estimated useful lives or they are amortized with pro rata depreciation based on accelerated depreciation method when it is considered that it reflects the project progress more reliable.

The depreciation periods for tangible assets, are as follows:

Buildings	50 years
Property, Plant and Equipment	5 – 20 years
Vehicles	5 years
Furniture and Fixtures	2 – 20 years
Assets Acquired Through Financial Leasing	5 – 15 years
Other Intangible Assets	5 – 35 years

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The asset's residual values, useful lives and methods are reviewed, and adjusted if appropriate, at the end of each financial year.

The Group reports its buildings at fair value.

Intangible assets

Intangible assets include; intangible assets related to service concession arrangements, rights, special costs, research and development expenses and software rights. Software rights are initially recognized at acquisition costs that are amortized over 3 to 10 years on a straight-line basis.

ATM Grup Uluslararası Havalimanı Yapım ve İşletme Limited Şirketi and Governorship of Kazakhstan, Mangistau Region signed the agreement of construction and operation of Aktau Airport. According to the Build-Operate-Transfer (BOT) agreement; the right to operate Aktau Airport has been granted to ATM Grup Uluslararası Havalimanı Yapım ve İşletme Ltd. Şti. for 30 years (will be end in 2036).

Investment properties

Real estates that are held in order to obtain rental income or gain appreciation, or both of them, rather than the purpose of selling or obtaining goods or services during normal course of business, are classified as 'investment property'.

If a real estate used by the owner is converted into an investment property to be shown on a fair value basis, the IAS 16 "Property, Plant and Equipment" standard will be applied until the change in use is made.

The difference between the book value of the real estate calculated in accordance with IAS 16 and the fair value at the date of transfer is treated as a revaluation according to IAS 16 and the revaluation differences is associated to the equity.

In subsequent periods, the gain or loss arising from the change in the fair value of the investment property is associated to profit or loss in the period in which it occurs.

Investment property is measured at its cost value at the financial statements if cost can be reliably measured and future economic benefits are probable.

The Group have reclassified its real estates of which have the investment property essence. After initial recognition, the Group has selected fair value and measured its all investment properties at fair value.

The Group reports its investment properties at fair value at the financial statements and recognizes the revaluation differences under the "Income from Investing Activities" in the current period income statement.

Business combinations

The acquisition of subsidiaries and businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquire and the equity interests issued by the Group in exchange for control of the acquire. Acquisition-related costs are generally recognized in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the undertaken liabilities are recognized at their fair value at the acquisition date, except that:

- Deferred tax assets or liabilities and liabilities or assets related to employee benefits are recognized and measured in accordance with IAS 12 "Income Taxes" and IAS 19 "Employee Benefits" respectively;
- Liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 "Share-Based Payments at the acquisition date"; and

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- Assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets which are acquired and the liabilities which are undertaken. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS.

When the consideration by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments to goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration, which is classified as equity is not re-measured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or liability is re-measured at subsequent reporting dates in accordance with IAS 39, or IAS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognized in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date (the date when the Group obtains control) and the resulting gain or loss, if any, is recognized in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have been recognized previously in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if they were known, would have affected the amounts recognized at that date.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

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A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in profit or loss in the consolidated statement of income statement. An impairment loss recognized for goodwill is not reversed in subsequent periods.

During the disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Non-current assets held for sale

The Group measures a non-current asset (or disposal group) which are classified as held for sale at the lower of its carrying amount and fair value less costs to sell. Non-current assets held for sale is not depreciated.

The Group classifies a non-current asset (or disposal group) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. For this to be the case, the asset (or disposal group) must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets (or disposal groups) and its sale must be highly probable.

For the sale to be highly probable, the appropriate level of management must be committed to a plan to sell the asset (or disposal group), and an active program to locate a buyer and complete the plan must have been initiated. Further, the asset (or disposal group) must be actively marketed for sale at a price that is reasonable in relation to its current fair value. In addition, the sale should be expected to qualify for recognition as a completed sale within one year from the date of classification, and actions required to complete the plan should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Discontinued operations

A discontinued operation is a component of an entity that either has been disposed of, or which is classified as held for sale, and represents a separate major line of business or geographical area of operations; is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations. The Group measured assets and liabilities related to the disposal group at the lower of their previous carrying amount and fair value less costs to sell.

Impairment of assets

Upon the occurrence of any changes or any events to cause the unrealized or the carried values of assets, the possibility or occurrence of any impairment is analyzed. In case that the said cautions occur or the carried values overcome the realizable value, the assets are reduced to their realizable values. When the carried costs of assets overcome the realizable value, the impairment allowance cost is reflected to consolidated income statement. The amount to be liquidated, is the highest one of asset net sales price and net book value in use. The liquidity value is predicted for each value if determined, if not predicted for each value, then predicted for the group determining the cash flow it is in.

But, the increase in asset carried value as a result of inverting of impairment allowance, is only recorded on the case that it does not overcome the determined value on the case that no allowance is made for the past years in the said asset.

The realizable value of tangible assets is the higher one of net sales price and actual value. The realizable value of an asset not determining an independent cash input, should be determined by the cash input determining unit the asset belongs to. The impairment of carried valued resulting from the revaluation of the tangible assets, is firstly recorded as debt netted from revaluations fund in consolidated shareholders equity; then if any balance is left from the total impairment, it is recorded as expense to the consolidated income statement.

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Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in the statement of income/(loss) in the period in which incurred. Borrowing costs include interest expense and other related borrowing expenses.

The Group recognizes a major part of the projects that it has realized in the scope of construction contracts, as qualifying assets. The Group recognizes borrowing costs related to qualifying assets at the cost of sales. The Group does not capitalize financial expense in the scope of real estate development projects of which are recognized as inventories.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

According to IFRS 9 "Financial Instruments" starting from 1 January 2010, the Group classifies its financial assets in the following categories: those to be measured subsequently at fair value, and those to be measured at amortized cost. This classification depends on whether the financial asset is a debt or equity investment.

(a) Financial assets that are assessed at their amortized cost

A financial asset is classified over 'amortized cost' only if both of the following criteria are met: the objective of the Group's business model is to hold the asset to collect the contractual cash flows; and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. The nature of any derivatives embedded in the debt investment is considered in determining whether the cash flows of the investment are solely payment of principal and interest on the principal outstanding and are not accounted for separately.

A gain or loss on a debt investment that is subsequently assessed at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the financial asset is derecognized or impaired and through the amortization process using the effective interest rate method.

(b) Financial assets that are assessed at their fair value

If either of the two criteria above is not met, the financial asset is classified as 'Financial assets measured at fair value through profit or loss'. The Group has classified its financial investments as financial assets measured at fair value through profit or loss.

Regular purchases and sales of financial assets are recognized on the trade-date - the date on which the Group commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

At initial recognition, the Group measures a financial asset at its fair value. A gain or loss on a financial asset that is subsequently measured at fair value and is not part of a hedging relationship is recognized in profit or loss and presented in the income statement in the period which they arise.

The Group is required to reclassify all affected financial assets only when its business model for managing those assets changes.

ATM Sağlık Kayseri Yatırım ve İşletme A.Ş. has signed interest rate swap contract with Ziraat Bankası, QNB Finansbank and International Finance Corporation (IFC) in order to avoid cash flow risk arising from project finance thus received floating rate borrowings in the 2015. Hedging instruments convert the Euribor floating interest rate swaps to 1.45% for the first tranche, 0.89% for the second tranche and 0.80% for the third tranche in 2019 constant rates by three months periods.

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ATM Sağlık Konya Yatırım ve İşletme A.Ş. has signed an interest swap agreement with UniCredit Bank in order to avoid cash flow risk arising from project finance thus received floating rate borrowings in 2016. Hedging instruments convert the Euribor floating interest rate swaps to the 0.955% constant rate by three months periods.

YDA Havalimanı Yatırım ve İşletme A.Ş. has signed interest rate swap contract with UniCredit Bank in order to avoid cash flow risk arising from project finance thus received floating rate borrowings in 2015. Hedging instruments convert the Euribor floating interest rate swaps to the 1.195% constant rate by three months periods.

The Group has signed an option contract (Collar Band Hedging) with HSBC Bank (Turkey) on 28 April 2015 for the period of 34 months from the date of first transaction which is 31 August 2015 in order to protect the TRY value of the Euro-denominated receipts in Kayseri Integrated Health Campus Construction. According to this; there is no obligation for the parties for a specific Euro/TRY exchange rate band however, as of balance sheet date the risks arising from option contracts are recognized in the financial statements since the Euro/TRY exchange rate did not remain in the band in the current period. This option contract ended in 2018.

The Group has signed an option contract (Collar Band Hedging) to be valid for 33 months starting from 30 November 2016 with Akbank on 10 October 2016 with the aim of protecting the value of Euro denominated progress payments in Konya Karatay Integrated Health Campus Construction. According to this; there is no obligation for the parties for a specific Euro/TRY exchange rate band however, as of balance sheet date the risks arising from option contracts are recognized in the financial statements since the Euro/TRY exchange rate did not remain in the band in the current period. This option contract ended in 2019.

Also, the Group has signed an option contract with various financial institutions to hedge exchange rate fluctuations. According to the contract, the parties recognize an optional right at a specified price to buy or not to buy or sell or not to sell at a determined price or a determined price in the future. This option contract ended in 2019.

Impairment of financial assets

Financial assets carried at amortized cost:

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets measured at amortized cost is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset and that loss event has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The criteria that the Group uses to determine if there is objective evidence of an impairment loss include:

- Significant financial difficulty of the issuer or obligor;
- A breach of contract, such as a default or delinquency in interest or principal payments;
- For economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;
- It becomes probable that the borrower will enter bankruptcy or other financial reorganization;
- The disappearance of an active market for that financial asset because of financial difficulties or
- Observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including:
 - i. Adverse changes in the payment status of borrowers in the portfolio; and,
 - ii. National or local economic conditions that correlate with defaults on the assets in the portfolio.

The Group initially assesses whether if objective evidence of impairment exists.

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For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognized in the consolidated income statement. If a loan or held to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in the following period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recognized impairment loss is recognized in the consolidated income statement.

The Group recognizes the private sector bonds as financial assets with the carried costs and recognizes the interest expense as financial expense that yields as of the reporting period.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that their maturities are three months or less from date of acquisition and that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Financial liabilities

Financial liabilities and equity instruments issued by the Group are classified according to the stage of completion of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Financial liabilities are classified as either financial liabilities at fair value through profit and loss or other financial liabilities. Contingent liabilities and the money borrowed from other companies can not be qualified as financial liability.

a) Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss are initially recognized at fair value and end of every period they are reassessed. Financial liabilities at fair value through profit and loss are stated at fair value, with any resultant gain or loss recognized in profit or loss. The net gain or loss recognized in profit or loss includes any interest paid for the financial liability.

b) Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Contingent liabilities can not be qualified as financial liability.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

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Derivative instruments and hedging

Derivative instruments are initially measured at fair value and are remeasured at their fair values subsequently. The major part of the derivative instruments of the Group consist of foreign exchange contracts with maturities, option and forward transactions and interest swaps. Even though foreign exchange contracts with maturities are used as part of the Group's risk management, they do not meet the criteria for hedge accounting according to the IFRS 9 "Financial Instruments" therefore they are not accounted as derivative instruments for hedging in the consolidated financial statements.

The fair value of currency forward contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles. The fair value of interest rate gap contracts is determined based on quoted market prices in active markets. Derivatives are recognized as assets when the fair value is positive and as liabilities when the fair value is negative. Any gains or losses arising from changes in fair value on derivatives that do not qualify for hedge accounting are taken directly to the consolidated income statement. The ineffective portion is immediately recognized in net profit or loss. If the cash flow hedge results in the recognition of an asset or a liability, all gains and losses previously recognized directly in equity are transferred from equity and included in the initial measurement of the cost or carrying value of the asset or liability. Otherwise, for all other cash flow hedges, gains and losses initially recognized in equity are transferred from hedging reserve to net profit or loss in the same period or periods during which the hedged firm commitment or forecasted transaction affects the statement of income.

When the hedge ceases to be highly effective, hedge accounting is discontinued prospectively. In this case, the cumulative gain or loss on the hedging instrument that has been reported directly in equity is retained in equity until the committed or forecasted transaction occurs. When the committed or forecasted transaction is no longer expected to occur, any net cumulative gain or loss previously reported in equity is transferred to the statement of income. Deferred tax relating to directly in equity is recognized under relevant equity account on net value.

The Group has ended the hedge accounting practice as of 1 January 2019.

Accounting at the date of transaction

All financial assets are recognized and derecognized on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe were established by the market regulations.

Offsetting

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

Derecognition of financial instruments

The Group derecognizes its financial assets or liabilities when its authority on the assets expires or its obligations in related to liabilities are discharged, canceled or ended.

Effects of changes in foreign exchange rates

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities arising from foreign translation differences are recorded at the rates of exchange prevailing on the balance sheet date and the arising differences have been reflected to the income statement.

Non-monetary items carried at cost are translated to functional currency at the rate of initial date. Non-monetary items carried at fair value that is denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined.

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Earnings per share

Basic earnings per share (EPS) disclosed in the consolidated income statement are determined by dividing net profit by the weighted average number of shares that have been outstanding during the related year concerned.

In Turkey, companies can increase their share capital by making a pro-rata distribution of shares (bonus shares) to existing shareholders without consideration for amounts resolved to be transferred to share capital from retained earnings. For the purpose of the EPS calculation, such bonus share distributions are regarded as stock dividends. If the number of ordinary shares outstanding increases as a result of a capitalization, bonus issue or share split, or decreases as a result of a reverse share split, the calculation of basic EPS for all periods presented is adjusted retrospectively.

Provisions, conditional liabilities and conditional assetsProvisions

Provisions are recorded only if the Group has a past and ongoing liability or there is a possibility of disposing of a resource which has an economic benefit for the Group and the amount of liability is determined in a reliable way.

The provisions are reflected as the reduced value in the balance sheet date of future losses, when the value loss of money became important. Provisions are revised at every balance sheet date and the regulations for reaching the best expectations are made.

Conditional liabilities and assets

A conditional liability is not reflected to the consolidated financial statements but disclosed in footnotes if the circumstances requiring the transfer of resources are not highly probable. The contingent assets are not reflected to the consolidated financial statements but disclosed in footnotes if there is a high probability of generating economic returns.

Leases – as a lesseeFinancial leasing

The fixed assets that are obtained through financial leasing is reflected with value of fair value in the starting day of leasing in balance sheet or if it is lower it was valued with at the date of balance sheet (related tangible assets are included in the consolidated financial tables). In calculating of present value of minimum leasing payment, the ratio determined in leasing transaction is used otherwise borrowing interest rate is used as a discount factor. The expenses arisen from first stage of acquisition of leasing are included into the cost. Liabilities arising from leasing are divided as interest and principal payment. Interest payments are calculated from fixed interest rate and are included into the income statement. Leased fixed assets which are reflected in consolidated financial statements are depreciated based on the shorter one of economic life and lease term.

Operational leasing

Leases of assets under which substantially all the risks and benefits of ownership are effectively retained by the lessor, are classified as operating leases. Lease payments under an operating lease are recognized as an expense on a straight-line basis over the lease term.

Leases – as a lessorOperational leasing

The receivables of operational renting payments are recorded as income with linear method over the lease term. Prepaid rent, deferred income is amortized on a monthly base and accepted as revenue over the balance sheet date. Initial direct costs incurred during negotiating and arranging an operating lease is added to carrying amount of the leased asset and recognized as an expense over the lease term on the same basis as lease income.

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Notes to the Consolidated Financial Statements for the Interim Period Ended 30 June 2020
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Related parties

Parties are considered related to the Group if:

(a) Directly or indirectly through one or more intermediaries, the party:

- (i) Controlling, is controlled by or is under common controlling with the Group (main partners, subsidiaries and fellow subsidiaries are included);
- (ii) has an influential right on the Group;
- (iii) has a common control power over the Group;

(b) The party is an associate of the Group;

(c) The party is a joint venture in which the Group is a venture;

(d) The party is member of the key management personnel of the Group 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);

(g) The party is a post-employment benefit plan for the benefit of employees of the Group or of any entity that is a related party of the Group

Related party transaction is the transfer of resources, services or liabilities regardless of whether a price is charged or not.

Income tax

Tax expense/income are the aggregate amount included in the determination of net income statement for the period in respect of the current and deferred tax.

Deferred income tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax liabilities are recognized for all taxable temporary differences.

Deferred income tax assets are recognized for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry-forward of unused tax assets and unused tax losses can be utilized. The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet dates.

Deferred tax relating to items recognized directly in equity is recognized under equity accounts.

Employee benefitsDefined benefit plans

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

In the consolidated financial statements, the Group has reflected a liability using the Projected Unit Credit Method and based upon estimated inflation rates and factors derived using the Group's experience of personnel terminating their services and being eligible to receive such benefits and discounted by using the current market yield at the balance sheet date on government bonds. Actuarial gains and losses are recognized at the equity through other comprehensive income.

Personnel working in branches operating in foreign countries and joint-operations do not have any employee termination liability as there is no legal obligation in these countries.

YDA İNŞAAT SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements for the Interim Period Ended 30 June 2020
(Amounts are expressed in Turkish Lira (TRY) unless otherwise stated.)

Defined contribution plan

In Turkey, the Group pay contributions to publicly administered Social Security Fund on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due.

Foreign subsidiaries and joint operations contribute to the related government body for the pension scheme of its employees in the country they are domiciled. Mandatory contributions to the governmental pension scheme are expensed when incurred.

Cash flow statement

Cash flows are reported and classified according to operating, investment and finance activities in the cash flow statement.

For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, excluding short run deposits with an original maturity of more than 3 months and deposits blocked in bank accounts as collateral.

Subsequent Events

Events following the balance sheet date, also known as 'subsequent events' include any favorable or unfavorable event that took place between the balance sheet date and the publication date of the balance sheet, despite any possible event that might arise after the publication of any information regarding profits or other financial figures.

The Group adjusts its financial statements if such adjusting subsequent events arise.

2.5. Significant Accounting Estimates and Assumptions

The Group is required to make estimations and assumptions that are determined the amount of revenues and expenses as the reporting date for the possible changing in the amount of assets and liabilities. The actual future results may in reality be different from those estimates. Estimations are regularly revised, required adjustments are made, and when it is realized, it would be reflected on the consolidated income statement.

The key assumptions concerning the future and other key resources of estimation at the consolidated balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and the significant judgments with the most significant effect on amounts recognized in the consolidated financial statements are as follows:

- The management of the Group has used the stage of completion method for accounting construction contracts. Based on IFRS 15 "Revenue from contracts with customers", The Group has calculated the contractual cost/total estimated cost ratio in order to identify the estimated total cost and the probability of the projects and made necessary provisions for the projects expected to be completed with loss.
- Effective interest rates determined within the scope of models for the service concession arrangements is used.
- Deferred tax assets over transferred tax losses are recorded when these tax losses can be deducted from taxable profits in the futures. The determination of deferred tax to be recorded requires significant estimations and management determinations to be made for the subjects about amount and timing of taxable profit in the futures.
- The Group have made significant assumptions in determining of useful economical life of tangible and intangible assets with the contribution of its technical crew.
- The Group have calculated maturity differences of receivables/payables according to expected maturity dates.
- The Group have made significant estimates and assumptions in calculating the fair value of service concession arrangements that these estimates and assumptions consist of long-term inflation, foreign currency exchange rates and reduction ratio of cash flows.

YDA İNŞAAT SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements for the Interim Period Ended 30 June 2020
(Amounts are expressed in Turkish Lira (TRY) unless otherwise stated.)

3. SEGMENTAL REPORTING

The Group's activities include; Construction&Contracting, Real Estate Property Development, Aviation (Airport Management), PPP Medical and Healthcare, Energy, Outdoor Digital Advertising (Smart Advertising), Agriculture, Service (Catering, Facility Management), Mining, PVC Manufacturing and Information Technology (IT) and Group's field of operation is realized in Turkey and in Kazakhstan mostly. These activities reported on geographically and sector basis are as follows;

30 June 2020	<i>Kazakhstan</i>	<i>Turkey</i>	<i>Consolidation Adjustments</i>	<i>Report</i>
	(A)	(B)	(C)	(D=A+B+C)
Assets				
Current Assets	644,056,667	8,653,846,238	(1,309,673,088)	7,988,229,817
Non-current Assets	343,968,755	18,257,565,723	(2,162,522,054)	16,439,012,424
Total Assets	988,025,422	26,911,411,961	(3,472,195,142)	24,427,242,241
Liabilities				
Current Liabilities	407,796,522	5,002,954,151	(1,370,711,115)	4,040,039,558
Non-current Liabilities	580,889,599	12,924,507,178	(811,346,010)	12,694,050,767
Equity	(660,699)	8,983,950,632	(1,290,138,017)	7,693,151,916
Total Liabilities and Equity	988,025,422	26,911,411,961	(3,472,195,142)	24,427,242,241

31 December 2019	<i>Kazakhstan</i>	<i>Turkey</i>	<i>Consolidation Adjustments</i>	<i>Report</i>
	(A)	(B)	(C)	(D=A+B+C)
Assets				
Current Assets	277,273,066	7,143,859,995	(820,158,112)	6,600,974,949
Non-current Assets	111,304,791	17,340,917,613	(1,643,015,483)	15,809,206,921
Total Assets	388,577,857	24,484,777,608	(2,463,173,595)	22,410,181,870
Liabilities				
Current Liabilities	218,668,492	3,766,980,102	(647,133,520)	3,338,515,074
Non-current Liabilities	240,093,760	11,646,488,099	(587,871,172)	11,298,710,687
Equity	(70,184,395)	9,071,309,407	(1,228,168,903)	7,772,956,109
Total Liabilities and Equity	388,577,857	24,484,777,608	(2,463,173,595)	22,410,181,870

YDA İNŞAAT SANAYİ VE TİCARET A.Ş.Notes to the Consolidated Financial Statements for the Interim Period Ended 30 June 2020
(Amounts are expressed in Turkish Lira (TRY) unless otherwise stated.)

30 June 2020	Kazakhstan (A)	Turkey (B)	Consolidation Adjustments (C)	Report (D=A+B+C)
Statement of Profit or Loss				
Revenue	80,841,484	1,511,106,289	(313,256,021)	1,278,691,752
Cost of Sales (-)	(59,580,452)	(1,275,018,891)	346,771,147	(987,828,196)
Gross Profit/(Loss)	21,261,032	236,087,398	33,515,126	290,863,556
Marketing, Selling and Distribution Expenses (-)	-	(15,155,170)	22,056	(15,133,114)
General Administrative Expenses (-)	(6,961,206)	(22,765,819)	6,941,559	(22,785,466)
Other Operating Income	702,326	648,369,203	(10,701,301)	638,370,228
Other Operating Expenses (-)	(1,101,640)	(68,641,300)	(8,838,604)	(78,581,544)
Operating Profit/(Loss)	13,900,512	777,894,312	20,938,836	812,733,660
Income from Investing Activities	-	6,903,948	-	6,903,948
Share of Profit/(Loss) of Investments Accounted for Using Equity Method	-	-	89,294	89,294
Operating Profit/(Loss) Before Financial Expense	13,900,512	784,798,260	21,028,130	819,726,902
Financial Income	63,880,364	205,663,121	-	269,543,485
Financial Expenses (-)	(60,354,911)	(1,088,699,929)	-	(1,149,054,840)
Profit/(Loss) Before Tax	17,425,965	(98,238,548)	21,028,130	(59,784,453)
Tax Income/(Expense)				
Current Tax Expenses	(1,688,088)	(8,143,685)	-	(9,831,773)
Deferred Tax Income/(Expense)	-	(109,163,954)	-	(109,163,954)
Net Profit/(Loss) for the Period	15,737,877	(215,546,187)	21,028,130	(178,780,180)
Amortization Expenses	12,504,202	122,790,695	-	135,294,897
EBITDA	26,404,714	907,588,955	21,028,130	955,021,799

YDA İNŞAAT SANAYİ VE TİCARET A.Ş.Notes to the Consolidated Financial Statements for the Interim Period Ended 30 June 2020
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30 June 2019	Kazakhstan (A)	Turkey (B)	Consolidation Adjustments (C)	Report (D=A+B+C)
Statement of Profit or Loss				
Revenue	38,740,091	1,755,250,970	(412,276,824)	1,381,714,237
Cost of Sales (-)	(26,595,607)	(1,251,578,668)	254,321,055	(1,023,853,220)
Gross Profit/(Loss)	12,144,484	503,672,302	(157,955,769)	357,861,017
Marketing, Selling and Distribution Expenses (-)	-	(5,235,179)	5,100	(5,230,079)
General Administrative Expenses (-)	(3,853,489)	(19,243,361)	1,937,762	(21,159,088)
Other Operating Income	174,803	1,942,307,244	(1,550,118)	1,940,931,929
Other Operating Expenses (-)	(398,220)	(50,878,468)	456,211	(50,820,477)
Operating Profit/(Loss)	8,067,578	2,370,622,538	(157,106,814)	2,221,583,302
Income from Investing Activities	-	4,086,731	-	4,086,731
Share of Profit/(Loss) of Investments Accounted for Using Equity Method	-	-	5,318,809	5,318,809
Operating Profit/(Loss) Before Financial Expense	8,067,578	2,374,709,269	(151,788,005)	2,230,988,842
Financial Income	9,104,541	126,886,923	-	135,991,464
Financial Expenses (-)	(9,026,387)	(829,193,466)	-	(838,219,853)
Profit/(Loss) Before Tax	8,145,732	1,672,402,726	(151,788,005)	1,528,760,453
Tax Income/(Expense)				
Current Tax Expenses	-	(1,400,604)	-	(1,400,604)
Deferred Tax Income/(Expense)	-	(392,453,435)	-	(392,453,435)
Net Profit/(Loss) for the Period	8,145,732	1,278,548,687	(151,788,005)	1,134,906,414
Amortization Expenses	5,852,143	108,197,586	-	114,049,729
EBITDA	13,919,721	2,482,906,855	(151,788,005)	2,345,038,571

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Notes to the Consolidated Financial Statements for the Interim Period Ended 30 June 2020
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30 June 2020	Construction & Contracting	Real Estate Development	Aviation	Medical (PPP) & Healthcare**	Information Technology (IT)	Other*	Total	Consolidation Adjustments	Report
	(A)	(B)	(C)	(D)	(E)	(F)	(G=A+B+C+D+E+F)	(H)	(I=G+H)
Assets									
Current Assets	5,813,085,658	1,231,667,682	454,879,363	1,656,108,350	52,122,030	90,039,822	9,297,902,905	(1,309,673,088)	7,988,229,817
Non-current Assets	2,262,927,824	365,477,859	5,042,595,589	10,781,970,943	11,267,182	137,295,081	18,601,534,478	(2,162,522,054)	16,439,012,424
Total Assets	8,076,013,482	1,597,145,541	5,497,474,952	12,438,079,293	63,389,212	227,334,903	27,899,437,383	(3,472,195,142)	24,427,242,241
Liabilities									
Current Liabilities	3,366,041,018	1,051,482,955	391,014,610	520,610,783	35,613,410	45,987,897	5,410,750,673	(1,370,711,115)	4,040,039,558
Non-current Liabilities	2,587,844,708	507,132,720	4,751,904,458	5,642,081,263	15,525,166	908,462	13,505,396,777	(811,346,010)	12,694,050,767
Equity	2,122,127,756	38,529,866	354,555,884	6,275,387,247	12,250,636	180,438,544	8,983,289,933	(1,290,138,017)	7,693,151,916
Total Liabilities and Equity	8,076,013,482	1,597,145,541	5,497,474,952	12,438,079,293	63,389,212	227,334,903	27,899,437,383	(3,472,195,142)	24,427,242,241

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31 December 2019	Construction & Contracting	Real Estate Development	Aviation	Medical (PPP) & Healthcare**	Information Technology (IT)	Other*	Total	Consolidation Adjustments	Report
	(A)	(B)	(C)	(D)	(E)	(F)	(G=A+B+C+D+E+F)	(H)	(I=G+H)
Assets									
Current Assets	4,169,368,555	1,742,503,457	249,164,484	1,203,792,107	24,490,564	31,813,894	7,421,133,061	(820,158,112)	6,600,974,949
Non-current Assets	1,793,777,202	363,591,068	4,514,866,385	10,716,040,157	9,125,475	54,822,117	17,452,222,404	(1,643,015,483)	15,809,206,921
Total Assets	5,963,145,757	2,106,094,525	4,764,030,869	11,919,832,264	33,616,039	86,636,011	24,873,355,465	(2,463,173,595)	22,410,181,870
Liabilities									
Current Liabilities	1,388,787,942	1,749,869,872	364,104,288	462,862,825	10,074,346	9,949,321	3,985,648,594	(647,133,520)	3,338,515,074
Non-current Liabilities	2,620,315,533	309,184,418	3,884,212,182	5,039,427,549	17,879,944	15,562,233	11,886,581,859	(587,871,172)	11,298,710,687
Equity	1,954,042,282	47,040,235	515,714,399	6,417,541,890	5,661,749	61,124,457	9,001,125,012	(1,228,168,903)	7,772,956,109
Total Liabilities and Equity	5,963,145,757	2,106,094,525	4,764,030,869	11,919,832,264	33,616,039	86,636,011	24,873,355,465	(2,463,173,595)	22,410,181,870

(*) Other activities includes; service, agriculture, mining and PVC manufacturing activities.

(**) PPP Medical&Healthcare activities includes the companies that operate integrated health facilities and Meyda Medikal A.Ş. whose main activity is medical material trade.

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Notes to the Consolidated Financial Statements for the Interim Period Ended 30 June 2020
(Amounts are expressed in Turkish Lira (TRY) unless otherwise stated.)

30 June 2020	Construction & Contracting	Real Estate Development	Aviation	Medical (PPP) & Healthcare**	Information Technology (IT)	Other*	Total	Consolidation Adjustments	Report
	(A)	(B)	(C)	(D)	(E)	(F)	(G=A+B+C+D+E+F)	(H)	(I=G+H)
Statement of Profit or Loss									
Revenue	994,130,495	19,474,094	43,375,301	435,023,229	52,182,823	47,761,831	1,591,947,773	(313,256,021)	1,278,691,752
Cost of Sales (-)	(706,411,189)	(16,513,310)	(162,195,062)	(393,911,943)	(28,106,642)	(27,461,197)	(1,334,599,343)	346,771,147	(987,828,196)
Gross Profit/(Loss)	287,719,306	2,960,784	(118,819,761)	41,111,286	24,076,181	20,300,634	257,348,430	33,515,126	290,863,556
Marketing, Selling and Distribution Expenses (-)	(3,423,930)	(175,363)	-	(8,797,154)	-	(2,758,723)	(15,155,170)	22,056	(15,133,114)
General Administrative Expenses (-)	(8,309,851)	(3,990,633)	(3,993,548)	(9,720,776)	(3,202,610)	(509,607)	(29,727,025)	6,941,559	(22,785,466)
Other Operating Income	32,250,741	15,438,271	749,313	600,618,481	-	14,723	649,071,529	(10,701,301)	638,370,228
Other Operating Expenses (-)	(26,134,798)	(303,334)	(39,806,608)	(3,347,958)	-	(150,242)	(69,742,940)	(8,838,604)	(78,581,544)
Operating Profit/(Loss)	282,101,468	13,929,725	(161,870,604)	619,863,879	20,873,571	16,896,785	791,794,824	20,938,836	812,733,660
Income from Investing Activities	6,903,948	-	-	-	-	-	6,903,948	-	6,903,948
Share of Profit/(Loss) of Investments Accounted for Using Equity Method	-	-	-	-	-	-	-	89,294	89,294
Operating Profit/(Loss) Before Financial Expense	289,005,416	13,929,725	(161,870,604)	619,863,879	20,873,571	16,896,785	798,698,772	21,028,130	819,726,902
Financial Income	147,481,712	6,546,957	37,455,637	77,427,442	147,873	483,864	269,543,485	-	269,543,485
Financial Expenses (-)	(141,786,746)	(29,281,910)	(86,027,179)	(888,950,313)	(1,745,527)	(1,263,165)	(1,149,054,840)	-	(1,149,054,840)
Profit/(Loss) Before Tax	294,700,382	(8,805,228)	(210,442,146)	(191,658,992)	19,275,917	16,117,484	(80,812,583)	21,028,130	(59,784,453)
Tax Income/(Expense)									
Current Tax Expenses	(3,375,481)	-	(1,688,088)	(161,616)	(2,704,016)	(1,902,572)	(9,831,773)	-	(9,831,773)
Deferred Tax Income/(Expense)	(74,357,951)	(1,560,156)	(54,420,017)	19,311,934	(502,659)	2,364,895	(109,163,954)	-	(109,163,954)
Net Profit/(Loss) for the Period	216,966,950	(10,365,384)	(266,550,251)	(172,508,674)	16,069,242	16,579,807	(199,808,310)	21,028,130	(178,780,180)
Amortization Expenses	14,342,977	289,355	114,658,241	241,482	2,260,008	3,502,834	135,294,897	-	135,294,897
EBITDA	303,348,393	14,219,080	(47,212,363)	620,105,361	23,133,579	20,399,619	933,993,669	21,028,130	955,021,799

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Notes to the Consolidated Financial Statements for the Interim Period Ended 30 June 2020
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30 June 2019	Construction & Contracting (A)	Real Estate Development (B)	Aviation (C)	Medical (PPP) & Healthcare** (D)	Information Technology (IT) (E)	Other** (F)	Total (G=A+B+C+D+E+F)	Consolidation Adjustments (H)	Report (I=G+H)
Statement of Profit or Loss									
Revenue	862,549,667	195,394,362	174,720,024	518,403,306	12,538,018	30,385,684	1,793,991,061	(412,276,824)	1,381,714,237
Cost of Sales (-)	(494,995,802)	(98,299,430)	(153,167,833)	(499,128,096)	(13,193,071)	(19,390,043)	(1,278,174,275)	254,321,055	(1,023,853,220)
Gross Profit/(Loss)	367,553,865	97,094,932	21,552,191	19,275,210	(655,053)	10,995,641	515,816,786	(157,955,769)	357,861,017
Marketing, Selling and Distribution Expenses (-)	(2,218,642)	-	-	(608,169)	-	(2,408,368)	(5,235,179)	5,100	(5,230,079)
General Administrative Expenses (-)	(11,541,202)	(305,987)	(3,621,741)	(4,866,461)	(2,372,528)	(388,931)	(23,096,850)	1,937,762	(21,159,088)
Other Operating Income	11,325,982	5,874,908	224,571	1,925,024,681	915	30,990	1,942,482,047	(1,550,118)	1,940,931,929
Other Operating Expenses (-)	(22,128,423)	(1,061,277)	(27,803,527)	(278,538)	-	(4,923)	(51,276,688)	456,211	(50,820,477)
Operating Profit/(Loss)	342,991,580	101,602,576	(9,648,506)	1,938,546,723	(3,026,666)	8,224,409	2,378,690,116	(157,106,814)	2,221,583,302
Income from Investing Activities	4,086,131	-	-	600	-	-	4,086,731	-	4,086,731
Share of Profit/(Loss) of Investments Accounted for Using Equity Method	-	-	-	-	-	-	-	5,318,809	5,318,809
Operating Profit/(Loss) Before Financial Expense	347,077,711	101,602,576	(9,648,506)	1,938,547,323	(3,026,666)	8,224,409	2,382,776,847	(151,788,005)	2,230,988,842
Financial Income	79,422,044	951,890	6,876,828	47,685,769	622,164	432,769	135,991,464	-	135,991,464
Financial Expenses (-)	(196,311,857)	(21,401,730)	(67,490,307)	(549,369,636)	(1,612,610)	(2,033,713)	(838,219,853)	-	(838,219,853)
Profit/(Loss) Before Tax	230,187,898	81,152,736	(70,261,985)	1,436,863,456	(4,017,112)	6,623,465	1,680,548,458	(151,788,005)	1,528,760,453
Tax Income/(Expense)	(297,397)	-	-	-	-	(1,103,207)	(1,400,604)	-	(1,400,604)
Current Tax Expenses	(49,437,867)	143,311	(26,391,306)	(317,358,226)	1,334,187	(743,534)	(392,453,435)	-	(392,453,435)
Net Profit/(Loss) for the Period	180,452,634	81,296,047	(96,653,291)	1,119,505,230	(2,682,925)	4,776,724	1,286,694,419	(151,788,005)	1,134,906,414
Amortization Expenses	8,886,676	440,808	101,365,806	162,533	1,187,886	2,006,020	114,049,729	-	114,049,729
EBITDA	355,964,387	102,043,384	91,717,300	1,938,709,856	(1,838,780)	10,230,429	2,496,826,576	(151,788,005)	2,345,038,571

(*) Other activities includes; service, agriculture, mining and PVC manufacturing activities.

(**) PPP Medical&Healthcare activities includes the companies that operate integrated health facilities and Meyda Medikal A.Ş. whose main activity is medical material trade.

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4. CASH AND CASH EQUIVALENTS

The details of cash and cash equivalents are as follows;

	30 June 2020	31 December 2019
Cash	7,159,236	2,617,405
Banks	1,384,626,103	1,066,389,581
-Demand deposits	694,260,806	534,311,667
-Time deposits	690,365,297	532,077,914
Other liquid assets	115,939	334,099
Total	1,391,901,278	1,069,341,085

The interest rate intervals of time deposits accounts are as follows;

Interest Rate Interval	30 June 2020	31 December 2019
Turkish Lira (TRY)	%8.75-10.5	%11.5-23
American Dollar (USD)	%0.75-3.75	%0.75-5
Euro (EUR)	%0.4-1	%0.5-3

5. FINANCIAL INVESTMENTS

The summary of the short-term financial investments of the Group are as follows;

Short-term Financial Investments	30 June 2020	31 December 2019
Restricted bank accounts*	645,263,802	664,824,338
Other financial securities	41,070,932	41,154,126
Total	686,334,734	705,978,464

(*) There are constraints on the bank accounts amounting to TRY 645,263,802 associated with ATM Sağlık Kayseri Yatırım ve İşletme A.Ş., ATM Sağlık Konya Yatırım ve İşletme A.Ş., ATM Sağlık Manisa Yatırım ve İşletme A.Ş., YDA Havalimanı Yatırım ve İşletme A.Ş. and Aktau Uluslararası Havaalanı A.Ş. (ATM AO), in favor of project financing banks in the scope of the Project Financing Agreement (31 December 2019: TRY 664,824,338).

The details related to other financial securities are as follows;

	30 June 2020	31 December 2019
Other financial securities (**)		
- Carried at cost	37,536,461	39,296,368
- Fair value differences	3,534,471	1,857,758
Total	41,070,932	41,154,126

(**) Other financial securities include; private sector bills and bonds (TRY and foreign currency denominated) which are issued by financial institutions and private sector companies. Besides, there are also funds which are invested through the portfolio management companies. These funds are compiled in order to minimize risks. Foreign currency and TRY-denominated resources are invested in fund options with different maturity dates through various portfolio management companies.

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6. FINANCIAL LIABILITIES

The summary of the short-term financial liabilities as of balance sheet date, are as follows;

Short-term Financial Liabilities	30 June 2020	31 December 2019
Short-term borrowings	536,327,325	449,341,330
- Short-term bank borrowings	340,027,173	77,997,000
- Leasing debts (net)	63,213,722	32,566,755
- Issued bonds	132,963,871	338,758,521
- Credit card debt	122,559	19,054
Short-term portion of long-term borrowings	1,081,444,768	698,948,305
- Project finance companies	436,205,145	482,280,475
- Other companies	645,239,623	216,667,830
Total	1,617,772,093	1,148,289,635

Details related to long-term financial liabilities are summarized below;

Long-term Financial Liabilities	30 June 2020	31 December 2019
Long-term bank borrowings	6,804,060,595	6,376,022,043
- Project finance companies	5,388,154,557	4,739,038,068
- Other companies	1,415,906,038	1,636,983,975
Leasing debts (net)	568,333,761	347,891,101
Issued bonds	179,990,000	190,000,000
Total	7,552,384,356	6,913,913,144

The Group have transferred some of its real estates to financial leasing companies and got financial source. As of 30 June 2020, the remaining principal debt related to financial transactions is TRY 618,282,531 (31 December 2019: TRY 369,215,277). The details are further described at accounting policies, Note-10 and Note-13.

Details of leasing debts are as follows;

Leasing Debts	30 June 2020	31 December 2019
Short-term leasing debts	132,660,750	105,520,154
Short-term deferred leasing debts (-)	(69,447,028)	(72,953,399)
Long-term leasing debts	811,517,124	598,508,439
Long-term deferred leasing debts (-)	(243,183,363)	(250,617,338)
Total	631,547,483	380,457,856

Redemption schedule of financial liabilities is as follows;

Financial Liabilities	30 June 2020	31 December 2019
0 - 3 months	249,481,144	413,056,902
3 - 12 months	1,368,290,949	735,232,733
1 - 5 years	3,418,692,076	3,709,357,376
More than 5 years	4,133,692,280	3,204,555,768
Total	9,170,156,449	8,062,202,779

The interest rates of TRY denominated bank borrowings (installment and revolving loans) varies between 6 - 16.5% per annum. The interest rate of EUR denominated bank borrowings varies between 3.55% - 6.5% per annum (31 December 2019; TRY 4-18.5% per annum, EUR 3.55 - 6.5% per annum).

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The amount TRY 45,602,268 as short-term and the amount TRY 101,395,954 as long-term and totally TRY 146,998,222 portion of bank borrowings are on Kazakhstan Tenge denominated which equals to KZT 4,658,222,207 and USD 700,000 (31 December 2019: TRY 76,952,469, KZT 4,658,222,207, USD 700,000).

The interest accrued on the bonds issued by the Group has been calculated as TRY 7,963,871 (31 December 2019: TRY 9,098,521). Details of the private sector bonds traded on the market which the Group invested for the qualified investors are shown in the table below;

Issuance Date	Issue Amount	Redemption Date	Interest Rate
26 July 2016	TRY 125,000,000	22 July 2020	3 month TRLIBOR interest + 350 Spread
15 December 2017	TRY 179,990,000	16 March 2022	2 year fixed-coupon government domestic debt (CTMR) interest + 375 Spread
Total	TRY 304,990,000		

7. DERIVATIVE FINANCIAL INSTRUMENTS

	30 June 2020		
	Fair Value		Notional Amount
Short-term Portion of Derivative Instruments:	Asset	Liability	
Forward, swap and option transactions	8,646,789	(33,052,777)	577,688,345
Total	8,646,789	(33,052,777)	577,688,345

	31 December 2019		
	Fair Value		Notional Amount
Long-term Portion of Derivative Instruments:	Asset	Liability	
Forward, swap and option transactions	-	(364,801,289)	3,860,589,584
Total	-	(364,801,289)	3,860,589,584

	31 December 2019		
	Fair Value		Notional Amount
Short-term Portion of Derivative Instruments:	Asset	Liability	
Forward, swap and option transactions	5,008,445	(24,361,143)	353,934,914
Total	5,008,445	(24,361,143)	353,934,914

	31 December 2019		
	Fair Value		Notional Amount
Long-term Portion of Derivative Instruments:	Asset	Liability	
Forward, swap and option transactions	-	(262,506,866)	3,701,360,406
Total	-	(262,506,866)	3,701,360,406

The Group has made forward, swap and option contracts (collar-band hedging) with various financial institutions in order to hedge exchange rate fluctuations and to design cash flow plan. Under the terms of the contract, the parties recognize an optional right to buy or not to buy or sell or not to sell at a fixed price or a fixed price in the future within certain lower and upper band ranges without any compensation.

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The Group has made Erabor interest rate swaps on loans, which are fixed or floating interest rate loans, under project financing. This process; converts the Euribor floating interest rate to swaps to 1.45% for the first tranche, 0.89% for the second tranche and 0.80% for the third tranche for project finance credits used for construction of Kayseri Integrated Health Campus, to 1.195% for project financing credits used for construction of Dalaman Airport and to 0.955% for project financing credits used for construction of Konya Karatay Integrated Health Campus.

YDA Havalimanı Yatırım ve İşletme A.Ş. has signed interest rate swap contract with Unicredit S.p.A due to project finance loans provided by European Bank for Reconstruction and Development (EBRD) and Unicredit S.p.A in order to avoid cash flow risk arising from project finance thus received floating rate borrowings in the 2015. Hedging instruments convert the Euribor floating interest rate swaps to the 1.195% constant rate by three months periods.

ATM Sağlık Kayseri Yatırım ve İşletme A.Ş. has signed interest rate swap contract with Ziraat Bankası, QNB Finansbank and International Finance Corporation (IFC) in order to avoid cash flow risk arising from project finance thus received floating rate borrowings in the 2015. Hedging instruments convert the Euribor floating interest rate swaps to 1.45% at first period, 0.89% for the second period in 2019 and 0.80% for the third period.

ATM Sağlık Konya Yatırım ve İşletme A.Ş. has signed an interest swap agreement with Unicredit S.p.A. due to project finance loans provided by European Bank for Reconstruction and Development (EBRD), Black Sea Trade and Development Bank (BSTDB), Islamic Development Bank (IsDB), Unicredit Bank AG and Siemens Bank to hedge cash flow risk arising from variable interest rate borrowings due to project financing in 2016. Relative hedging instruments convert floating rate swap Euribor rate to a constant rate of 0.955% at three months periods.

8. TRADE RECEIVABLES AND PAYABLES

The summary of the trade receivables is as follows;

Trade Receivables	30 June 2020	31 December 2019
Receivables	342,522,888	401,169,869
Notes receivable	22,493,840	41,703,349
Rediscount of notes receivables (-)	(5,793,575)	(10,076,000)
Other trade receivables*	5,629,135	24,306,627
Doubtful trade receivables	100,776,769	99,780,111
Provision of doubtful trade receivables (-)	(100,776,769)	(99,780,111)
Receivables from related parties	499,536,700	393,948,885
Total	864,388,988	851,052,730

(*) In the current period, TRY 4,260,088 of other trade receivables consists of commercial transactions arising from operations of the Group in Kazakhstan (31 December 2019: TRY 23,975,389).

The Group calculates provision for its doubtful receivables on customer or company basis. The amount of provision consists of receivables which are considered as customers can not refund or are considered as the realization of value of collaterals do not occur for these receivables. The transactions of provision for doubtful receivables realized within the period are as follows:

Doubtful Trade Receivables	30 June 2020	31 December 2019
Balance as the January 1	99,780,111	100,100,435
Increase within the period*	4,170,499	12,321,498
Worthless receivables, collections/cancellations	(3,173,841)	(12,641,822)
Total	100,776,769	99,780,111

(*) In accordance with IFRS 9, the Group have accounted necessary provisions based on customer's ability to pay.

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Expected maturity dates of trade receivables are as follows:

Trade Receivables	30 June 2020	31 December 2019
0 - 3 months	481,259,379	447,780,743
3 - 12 months	264,658,028	275,167,457
1 - 5 years	118,471,581	128,104,530
Total	864,388,988	851,052,730

The summary of the trade payables is as follows;

Short-Term Trade Payables	30 June 2020	31 December 2019
Payables	183,507,056	222,780,572
Notes payables	30,082,914	118,594,266
Other trade payables	20,504,621	10,859,987
GDSAA depreciation	194,347,012	165,482,576
Payables to related parties	1,599,326,770	1,293,789,318
Rediscount on notes payables (-)	(2,722,947)	(6,052,260)
Total	2,025,045,426	1,805,454,459

Long-Term Trade Payables	30 June 2020	31 December 2019
GDSAA depreciation*	3,047,062,259	2,594,512,281
Total	3,047,062,259	2,594,512,281

(*) The entire concession right fee to be paid to the General Directorate of State Airports Authority until 2040 in return for the operating right of YDA Airport has been capitalized.

Expected maturity dates of trade payables are as follows:

Trade Payables	30 June 2020	31 December 2019
0 - 3 months	1,835,625,259	1,463,447,989
3 - 12 months	189,420,167	342,006,470
1 - 5 years	410,330,722	349,388,357
More than 5 years	2,636,731,537	2,245,123,924
Total	5,072,107,685	4,399,966,740

Applied annual interest rates for unrealized financial revenue/expenses (rediscount) and undue trade receivables/payables is 10.5% (31 December 2019: 14.5%).

9. OTHER RECEIVABLES AND PAYABLES

As of balance sheet date, details associated with other receivables are as follows;

Short-term Other Receivables	30 June 2020	31 December 2019
Deposits and guarantees given	19,740,240	17,561,563
Receivables from shareholders	-	645,441
Other receivables*	148,519,433	123,585,524
Receivables from employees	84,500	84,500
Other receivables from related parties	51,210,933	36,135,531
Total	219,555,106	178,012,559

(*) The TRY 45,889,023 portion of other receivables arise from Group's operations in Kazakhstan and TRY 34,669,927 portion consist of VAT receivables (31 December 2019: Due to activities in Kazakhstan: TRY 49,513,175 and VAT receivables: 39,212,118).

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Details related to other long-term receivables are as follows;

Long-term Other Receivables	30 June 2020	31 December 2019
Deposits and guarantees given	8,783,873	7,480,003
Other receivables*	9,247,740	40,707,700
Total	18,031,613	48,187,703

(*) The TRY 2,025,153 portion of long-term other receivables arise from Group's operations in Kazakhstan (31 December 2019: Due to activities in Kazakhstan: TRY 25,488,039 and VAT receivables: 6,843,368).

The summary of the other payables is as follows;

Short-term Other Payables	30 June 2020	31 December 2019
Deposits and guarantees received	48,245,248	43,022,478
Other payables to related parties	710,137	79,337,182
Payables to shareholders	110,550,868	45,040,775
Other payables*	2,416,490	19,610,390
Total	161,922,743	187,010,825

(*) TRY 468,313 amount of short-term other payables due to Group's operations in Kazakhstan (31 December 2019: TRY 8,069,021).

Details related to other long-term payables are as follows;

Long-term Other Payables	30 June 2020	31 December 2019
Deposits and guarantees received	15,258,200	15,278,860
Other payables*	162,167,189	134,990,419
Total	177,425,389	150,269,279

(*) Consist of the Group's operations in Kazakhstan (31 December 2019: TRY 134,990,419).

10. INVENTORIES

	30 June 2020	31 December 2019
Raw Materials	158,990,296	131,478,235
Work in Process	509,148,021	483,217,336
YDA Söğütözü Residences & Offices Project (Söğütözü-Ankara)	207,275,024	204,043,139
YDA Akçalı Project (Ankara)	185,791,864	184,027,292
YDA Parkline Project (Alacaatlı-Ankara)	55,747,554	55,510,386
Other Projects Inventories	60,333,579	39,636,519
Finished Goods	615,946,087	601,784,534
YDA Center Project (Söğütözü -Ankara)	403,915,441	376,866,996
YDA Söğütözü Residences & Offices Project (Söğütözü-Ankara)	208,416,329	208,416,329
YDA Park Avenue Project (Y.Mahalle-Ankara)	3,132,440	15,898,550
Other Projects Inventories	481,877	602,659
Trade Goods	36,512,370	20,304,799
Total	1,320,596,774	1,236,784,904

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YDA Center Project is a Real Estate Development Project consisting of office and commercial areas being constructed by the Group on the Çankaya district, Karakusunlar neighborhood, 29096 lot 6 (new 10) parcels within the scope of 'construction rights in return for flats' agreement made with Ankara Metropolitan Municipality.

YDA Söğütözü Residences & Offices Project is under construction by YDA İnşaat Sanayi ve Ticaret A.Ş. (70%) and Bortor Turizm İnşaat Tic. Ltd. Şti. (30%) joint venture. It is a mixed-use Real Estate Development Project consisting of residential, retail, office and commercial areas.

YDA Akçalı Project is under construction by ATM Yapım Yatırım ve İşletme A.Ş. which is contained within YDA İnşaat Sanayi ve Ticaret A.Ş. and it's a mixed Real Estate Development project which consists of 73 blocks including residential and commercial areas.

YDA Park Avenue Project is one of the examples of urban transformation projects carried out jointly with Yenimahalle Municipality. It is a mixed-use Real Estate Development Project of the Group including residential, retail and commercial areas and located in Ankara, Yenimahalle, Anadolu Boulevard.

The YDA Parkline (Alacaatlı) is a Real Estate Development Project which is located on the Park Street axis, a bustling commercial street in the Çayyolu district, between the rapidly developing Çayyolu and Yaşamkent consisting of residential and commercial areas.

The Group have transferred some of its real estates under the projects of YDA Center and YDA Park Avenue-Twin and got financial source. Ownership of the real estates belongs to the financial leasing company until the Group fulfill the financial liability, yet the Group has rights to lease them and also buy-back or re-sell aforesaid real estates providing that pay off its financial liability. In 2019 and 2020, some of the relevant parts of these real estates were resubject to purchase and sale by using rights.

11. PREPAID EXPENSES AND DEFERRED INCOME

Short-term Prepaid Expenses	30 June 2020	31 December 2019
Advances given for purchases*	471,116,676	488,624,573
Advances given to subcontractor	141,546,568	72,349,005
Deferred financial expenses	436,719	19,734
Prepaid expenses for the following months	11,685,404	14,154,662
Total	624,785,367	575,147,974

(*) TRY 278,150,237 amount of advances given for purchases consist of advances given for the land of TED College Foundation (31 December 2019: TRY 278,150,237).

Long-term Prepaid Expenses	30 June 2020	31 December 2019
Prepaid expenses for the following years	568,840	421,136
Deferred financial expenses*	96,156,182	96,489,440
Advances given	23,480,731	20,728,120
Total	120,205,753	117,638,696

(*) Deferred financial expenses consist of the prepaid commission expenses for the credit agreements signed by ATM Sağlık Konya Yatırım ve İşletme A.Ş. and YDA Havalimanı Yatırım ve İşletme A.Ş. and ATM Sağlık Kayseri Yatırım ve İşletme A.Ş. and ATM Sağlık Manisa Yatırım ve İşletme A.Ş.

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Short-term Deferred Income	30 June 2020	31 December 2019
Advances received*	48,374,893	38,735,105
Other advances received	7,306,801	-
Shor-term deferred income	2,439,568	7,431,048
Total	58,121,262	46,166,153

(*) The amount TRY 1,577,146 of advances received consist of pre-sale real estates (residential+office) which have not been delivered officially yet and still under construction by the Group companies (31 December 2019: TRY 588,510). Also the amount TRY 677,691 consist of advances received from companies to which Kazakhstan companies provide goods and services (31 December 2019: TRY 1,073,759).

Long-term Deferred Income	30 June 2020	31 December 2019
Advances received*	218,387,856	144,755,135
Other advances received	94,425,450	81,469,850
Long-term deferred income	17,306,898	17,191,512
Total	330,120,204	243,416,497

(*) The amount TRY 7,706,976 of advances received consist of pre-sale real estates (residential+office) which have not been delivered officially yet and still under construction by the Group companies (31 December 2019: TRY 11,974,269). The amount TRY 90,891,973 of advances received consist of Halkbank Finance Center Project sales (31 December 2019: TRY 96,706,638).

12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

The list and participation details of the jointly controlled entities which are reported through equity method are as follows;

	30 June 2020		31 December 2019	
	Share (%)	Amount	Share (%)	Amount
YDA-Sigma-Makimsan-Burkay Adi Ortaklığı (Afyon-Polatlı High-speed Rail Line Project)	-	-	25	758,790
Teyda-YDA-Kıbrıs Adi Ortaklığı (Kars-Selim-Kötek Motorway Project)	33	2,757,161	33	2,682,444
Nurol Yüksel YDA Özka Adi Ortaklığı 2 (Ordu Belt Highway Project)	25	13,404,247	25	12,642,409
Total		16,161,408		16,083,643

Net profit (income-expense) for the period from the investments accounted for using the equity method as of 30 June 2020: TRY 89,294 (30 June 2019: TRY 5,318,809).

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13. INVESTMENT PROPERTIES

Investment Properties	1 January 2020 (A)	Valuation (B)	Additions (C)	Disposals/Reclassification (D)	30 June 2020 (E=A+B+C+D)
Lands	197,256,938	-	-	-	197,256,938
Buildings	268,000,843	-	-	-	268,000,843
Total	465,257,781	-	-	-	465,257,781

The table shows the changes related to investment properties realized with-in the year 2019 is as follows;

Investment Properties	1 January 2019 (A)	Valuation (B)	Additions (C)	Disposals/Reclassification (D)	31 December 2019 (E=A+B+C+D)
Lands	166,758,401	-	30,498,537	-	197,256,938
Buildings	264,710,399	-	3,290,444	-	268,000,843
Total	431,468,800	-	33,788,981	-	465,257,781

The Group hold stated lands in order to get capital gain, for buildings to get rental income and with this purpose the Group have recognized these lands and buildings as investment properties.

Upon lands, there are TRY 20,081,000 first degree mortgage on behalf of the banks that provides the financing sources for developing real estates projects (31 December 2019: TRY 20,081,000).

In 2018, the Group has an independent real estate appraisal company licensed by Capital Markets Board ("CMB"), revaluated the fair value of real estate properties in order to determine its fair value. In the scope of number 8,9,10,11 appraisal reports which have been prepared by real estate appraisal company based on the contract dated 23 November 2018, the Peer Assessment Method and the Market Approach Method have been performed during appraisement works. The Group believes that the appraisal company has knowledge about the subject and it has up-to-date information about the classification and location of the land and buildings.

The Group have transferred its investment properties (commercial areas) under the projects of YDA Center and YDA Park Avenue-Twin and provided financial source from leasing company in 2018. Ownership of the real estates belongs to the financial leasing company until the Group fulfill the financial liability, yet the Group has rights to lease them and also buy-back or re-sell aforesaid real estates providing that pay off its financial liability.

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14. TANGIBLE ASSETS

The changes associated with tangible assets realized in the current period are as follows;

Tangible Assets	1 January 2020 (A)	Valuation (B)	Additions (C)	Currency Translation Differences (D)	Disposals/ Classification (E)	30 June 2020 (F=A+B+C+D+E)
Lands	16,625,000	-	-	-	-	16,625,000
Land improvements	1,859,256	-	27,000	-	(504,890)	1,381,366
Buildings	32,170,308	-	-	-	(5,767)	32,164,541
Machinery, equipment and installations	125,326,998	(589,059)	34,728,691	1,696,050	(2,793,708)	158,368,972
Vehicles	40,268,198	-	2,974,781	433,024	(141,885)	43,534,118
Furniture and fixture	103,051,764	-	6,617,733	4,211,243	(3,272,076)	110,608,664
Other tangible assets	379,271	-	-	-	-	379,271
Construction in progress	4,778,065	-	7,140,994	-	(3,339,288)	8,579,771
Assets acquired through financial leases	27,307,629	589,059	-	-	(2,081,297)	25,815,391
Total	351,766,489	-	51,489,199	6,340,317	(12,138,911)	397,457,094

Accumulated Depreciation	1 January 2020 (A)	Valuation (B)	Depreciation Expense (C)	Currency Translation Differences (D)	Disposals/ Classification (E)	30 June 2020 (F=A+B+C+D+E)
Land improvements	(186,405)	-	(10,943)	-	-	(197,348)
Buildings	(1,786,707)	-	(767,985)	-	1,247	(2,553,445)
Machinery, equipment and installations	(73,657,982)	(4,216,638)	(8,219,022)	(2,157,585)	1,018,224	(87,233,003)
Vehicles	(29,974,427)	(75,919)	(2,094,581)	(679,135)	51,739	(32,772,323)
Furniture and fixture	(37,145,670)	(191,188)	(9,186,981)	(1,420,985)	1,300,599	(46,644,225)
Other tangible assets	(340,257)	-	(5,906)	-	-	(346,163)
Assets acquired through financial leases	(6,121,479)	-	(1,109,466)	-	724,531	(6,506,414)
Total	(149,212,927)	(4,483,745)	(21,394,884)	(4,257,705)	3,096,340	(176,252,921)
Net	202,553,562	-	-	-	-	221,204,173

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The changes realized with-in the year 2019 are as follows;

Tangible Assets	1 January 2019 (A)	Valuation (B)	Additions (C)	Currency Translation Differences (D)	Disposals/ Classification (E)	31 December 2019 (F=A+B+C+D+E)
Lands	16,625,000	-	-	-	-	16,625,000
Land improvements	1,314,866	-	47,000	504,890	(7,500)	1,859,256
Buildings	32,408,775	-	-	196	(238,663)	32,170,308
Machinery, equipment and installations	107,375,882	11,982,471	15,990,620	1,893,449	(11,915,424)	125,326,998
Vehicles	38,065,352	-	2,740,125	1,408,960	(1,946,239)	40,268,198
Furniture and fixture	58,355,560	2,611,776	45,367,369	2,170,385	(5,453,326)	103,051,764
Other tangible assets	380,681	-	-	-	(1,410)	379,271
Construction in progress	3,027,020	-	-	280,222	1,470,823	4,778,065
Assets acquired through financial leases	40,032,361	(14,594,247)	1,869,515	-	-	27,307,629
Total	297,585,497	-	66,014,629	6,258,102	(18,091,739)	351,766,489

Accumulated Depreciation	1 January 2019 (A)	Valuation (B)	Depreciation Expense (C)	Currency Translation Differences (D)	Disposals/ Classification (E)	31 December 2019 (F=A+B+C+D+E)
Land improvements	(87,386)	-	(60,006)	(46,513)	7,500	(186,405)
Buildings	(1,026,935)	-	(803,668)	-	43,896	(1,786,707)
Machinery, equipment and installations	(60,172,129)	(6,128,793)	(11,351,347)	(2,016,912)	6,011,199	(73,657,982)
Vehicles	(26,458,492)	-	(3,479,805)	(971,904)	935,774	(29,974,427)
Furniture and fixture	(27,861,878)	(590,757)	(9,908,585)	(1,451,113)	2,666,663	(37,145,670)
Other tangible assets	(330,756)	-	(10,897)	-	1,396	(340,257)
Assets acquired through financial leases	(10,354,734)	6,719,550	(2,486,295)	-	-	(6,121,479)
Total	(126,292,310)	-	(28,100,603)	(4,486,442)	9,666,428	(149,212,927)
Net	171,293,187	-	-	-	-	202,553,562

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Details of construction in progress are as follows;

Construction in Progress	1 January 2020 (A)	Additions (B)	Disposals/ Classification (C)	Currency Translation Differences (D)	30 June 2020 (E=A+B+C+D)
YDA İnşaat Sanayi ve Ticaret A.Ş.	56,441	3,445,553	(3,339,288)	-	162,706
ATM Grup Uluslararası Havalimanı Yapım Ltd. Şti.	2,320,750	218,652	-	-	2,539,402
Ardem Yapı Gayr. İnş. Taah. Ak. Mad. Tic. A.Ş.	19,035	-	-	-	19,035
ATM Yapım Yatırım İşletme A.Ş.	342,744	-	-	-	342,744
YDA İnşaat Sanayi ve Ticaret A.Ş. Astana Şube	2,039,095	3,476,789	-	-	5,515,884
Total	4,778,065	7,140,994	(3,339,288)	-	8,579,771

The changes with-in the year 2019 are as follows;

Construction in Progress	1 January 2019 (A)	Additions (B)	Disposals/ Classification (C)	Currency Translation Differences (D)	31 December 2019 (E=A+B+C+D)
YDA İnşaat Sanayi ve Ticaret A.Ş.	623,423	-	(566,982)	-	56,441
ATM Grup Uluslararası Havalimanı Yapım Ltd. Şti.	2,040,528	-	-	280,222	2,320,750
Ardem Yapı Gayr. İnş. Taah. Ak. Mad. Tic. A.Ş.	19,035	-	-	-	19,035
ATM Yapım Yatırım İşletme A.Ş.	344,034	(1,290)	-	-	342,744
YDA İnşaat Sanayi ve Ticaret A.Ş. Astana Şube	-	2,039,095	-	-	2,039,095
Total	3,027,020	-	1,470,823	280,222	4,778,065

YDA İNŞAAT SANAYİ VE TİCARET A.Ş.

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15. INTANGIBLE ASSETS

Intangible Assets Related to Service Concession Arrangements	1 January 2020 (A)	Additions (B)	Currency Translation Differences (C)	31 December 2020 (D=A+B+C)
Construction of Dalaman Airport International Terminal	4,950,105,678	-	787,181,874	5,737,287,552
Total	4,950,105,678	-	787,181,874	5,737,287,552
Accumulated Depreciation	1 January 2020 (A)	Depreciation Expense (B)	Currency Translation Differences (C)	31 December 2020 (D=A+B+C)
Construction of Dalaman Airport International Terminal	(754,944,207)	(107,080,047)	(128,731,859)	(990,756,113)
Total	(754,944,207)	(107,080,047)	(128,731,859)	(990,756,113)
Net	4,195,161,471			4,746,531,439

The Group signed concession arrangement with GDSAA on 22 July 2014 related to transfer of operational rights of Dalaman Airport current international terminal, domestic terminal and complementary of these and construction of the new domestic terminal building in accordance with the framework of the transfer of the operating right regulated under Article 33 of the Law No. 5335. According to contract, the Dalaman Airport international terminal will be operated by YDA Havalimanı Yatırım ve İşletme A.Ş. with the Rent-Operate-Transfer model until 31 December 2040 and the new domestic terminal building will be built. The concession arrangement amount of € 705,000,000 excluding VAT has been discounted according to the repayment schedule. Concession arrangements' discounted part of the amount of TRY 4,277,335,540 has been capitalized under the intangible assets with the start of arrangement and will be amortized during the concession arrangement period based on straight-line depreciation method. (31 December 2019: TRY 3,690,465,702 1 January 2019: TRY 3,344,980,491)

The capitalized costs amount of TRY 3,241,409,271 (31 December 2019: TRY 2,759,994,869) have been recognized as trade payables to the General Directorate of State Airports Authority. The relevant amount is discounted at each reporting date and the calculated discount expense is recognized under other operating expenses (Note 8).

YDA İNŞAAT SANAYİ VE TİCARET A.Ş.Notes to the Consolidated Financial Statements for the Interim Period Ended 30 June 2020
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	1 January 2019 (A)	Additions (B)	Currency Translation Differences (C)	31 December 2019 (D=A+B+C)
Intangible Assets Related to Service Concession Arrangements				
Construction of Dalaman Airport International Terminal	4,486,698,498	-	463,407,180	4,950,105,678
Total	4,486,698,498	-	463,407,180	4,950,105,678
Accumulated Depreciation				
Construction of Dalaman Airport International Terminal	(503,218,146)	(190,675,938)	(61,050,123)	(754,944,207)
Total	(503,218,146)	(190,675,938)	(61,050,123)	(754,944,207)
Net	3,983,480,352			4,195,161,471

In the scope of Dalaman Airport Project, the value of the insurance policy which covers the risks of material damage, terror and profit loss, is EUR 249,573,282 also the value of the airport statutory liability insurance policy is USD 300,000,000 (31 December 2019: USD 300,000,000).

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The transactions related to intangible assets realized with-in the current period are as follows:

	1 January 2020 (A)	Currency Translation Differences (B)	Additions (C)	Disposals/ Classification (D)	30 June 2020 (E=A+B+C+D)
Intangible Assets					
Rights	4,191,405	-	442,528	-	4,633,933
Special costs	147,110,984	13,789,890	211,190	-	161,112,064
Other intangible assets	1,108,635	73,364	964,755	-	2,146,754
Easement assets*	63,002,342	-	3,191,604	-	66,193,946
Research and development expenses	10,163,695	-	3,478,234	-	13,641,929
Total	225,577,061	13,863,254	8,288,311	-	247,728,626
Accumulated Depreciation					
Rights	(2,707,734)	-	(330,801)	-	(3,038,535)
Special costs	(112,680,007)	(10,682,093)	(3,418,688)	-	(126,780,788)
Other intangible assets	(2,379,987)	(28,384)	(415,812)	-	(2,824,183)
Easement assets*	(897,984)	-	(483,167)	-	(1,381,151)
Research and development expenses	(7,151,188)	-	(2,171,498)	-	(9,322,686)
Total	(125,816,900)	(10,710,477)	(6,819,966)	-	(143,347,343)
Net	99,760,161				104,381,283

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The changes related to intangible assets realized with-in the year 2019 are as follows;

Intangible Assets	1 January 2019 (A)	Currency Translation Differences (B)	Additions (C)	Disposals/Classification (D)	31 December 2019 (E=A+B+C+D)
Rights	3,096,427	140,260	962,271	(7,553)	4,191,405
Special costs	129,303,108	17,238,671	569,205	-	147,110,984
Other intangible assets	658,792	45,858	427,645	(23,660)	1,108,635
Easement assets*	26,718,847	-	36,283,495	-	63,002,342
Research and development expenses	10,163,695	-	-	-	10,163,695
Total	169,940,869	17,424,789	38,242,616	(31,213)	225,577,061

Accumulated Depreciation	1 January 2019 (A)	Currency Translation Differences (B)	Depreciation Expense (C)	Disposals/Classification (D)	31 December 2019 (E=A+B+C+D)
Rights	(2,102,736)	48,795	(657,860)	4,067	(2,707,734)
Special costs	(92,974,013)	(11,654,404)	(8,051,590)	-	(112,680,007)
Other intangible assets	(1,870,511)	(340,963)	(178,465)	9,952	(2,379,987)
Easement assets*	-	-	(897,984)	-	(897,984)
Research and development expenses	(3,387,898)	-	(3,763,290)	-	(7,151,188)
Total	(100,335,158)	(11,946,572)	(13,549,189)	14,019	(125,816,900)
Net	69,605,711				99,760,161

(*) The Group, has easement rights of Suleyman Demirel University Social Center with people capacity of 500 + 500 dormitory building and social living area facilities for 33 years in exchange for construction work, Uludag University student and staff living center, parking lot for 24 years in exchange for construction work and YDA Center Project F Block, parking, restaurant and nursery for 30 years in exchange for construction work. Suleyman Demirel University Social Center Project has been completed in the current period and amortization is recognized while other projects are still under construction.

ATM Grup Uluslararası Havalimanı Yapım ve İşletme Limited Şirketi and Governorship of Kazakhstan, Mangistau Region signed the agreement of construction and operation of Aktau Airport. According to the BOT agreement; the right to operate Aktau Airport has been granted to ATM Grup Uluslararası Havalimanı Yapım ve İşletme Ltd. Şti. for 30 years. The aforementioned expenses for the airport are reported at special costs.

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Notes to the Consolidated Financial Statements for the Interim Period Ended 30 June 2020
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16. GOODWILL

	30 June 2020	31 December 2019
Goodwill	29,500,000	29,500,000
Total	29,500,000	29,500,000

The amount of goodwill is arising from purchasing shares of Ardem Yapı Gayrimenkul İnşaat Taahhüt Akaryakıt Madencilik A.Ş. by ATM Havalimanı Yapım ve İşletim A.Ş.. The Group tests annually goodwill impairment test. As a result of the goodwill impairment test, no impairment was detected.

17. ASSETS RELATED TO CURRENT PERIOD TAX

Assets Related to Current Period Taxes	30 June 2020	31 December 2019
Prepaid taxes and funds short-term	18,972,681	40,488,980
Prepaid taxes and funds long-term*	103,793,109	92,035,466
Total	122,765,790	132,524,446

(*) Long-term prepaid taxes and funds consists of withholding taxes related to construction works.

18. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

The summary of the short-term provisions is as follows;

Short-term Provisions	30 June 2020	31 December 2019
Provisions for construction costs	11,997,667	10,382,251
Provisions for lawsuits	34,572,685	34,281,269
Total	46,570,352	44,663,520

There are 1248 lawsuits filed against the Group (31 December 2019: 1038). The total value of ongoing cases is TRY 78,431,439 (31 December 2019: TRY 77,953,524). The Group have calculated provision amounting to TRY 34,572,685 (31 December 2019: TRY 34,281,269) for ongoing cases and provision amounting to TRY 11,997,667 (31 December 2019: TRY 10,382,251) for construction expenses.

The summary of guarantees, pledges and mortgages (GPM) given by the Group is as follows;

The Guarantees, Pledges and Mortgages (GPMs) that are given by the Company	30 June 2020	31 December 2019
A. Total amount of G.P.M are given to behalf on its own legal personality	1,692,996,062	1,745,600,833
B. Total amount of G.P.M are given to behalf on subsidiaries are included into the consolidation	10,902,058,855	9,418,494,789
C. Total amount of G.P.M are given for the continuation of its activities on behalf of third parties	-	-
D. Total amount of other given G.P.M	-	-
i. Total amount of other given G.P.M in favor of the Parent Company	-	-
ii. Total amount of G.P.M are given to behalf of the Group Companies which is excluded from consolidation	-	-
Total	12,595,054,917	11,164,095,622

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As of balance sheet date, details related to contingent liabilities of the Group are as follows;

Contingent Liabilities	30 June 2020	31 December 2019
Letter of guarantee*	₺ 732,740,155	₺ 802,589,334
Letter of guarantee (USD)	\$ 1,693,138	\$ 1,618,138
Letter of guarantee (EUR)	€ 135,444,506	€ 150,337,259
Mortgage**	₺10,806,696,632	₺ 9,326,861,250
Cautionary remark	₺ 25,200,000	₺ 25,200,000
TRY Equivalent	12,595,054,917	11,164,095,622

(*) EUR 112,184,020 (TRY 864,736,864) and TRY 88,207,000 are arising from the guarantees given for project financing loans (31 December 2019: EUR 149,170,765 (TRY 992,075,090) and TRY 68,241,267 is arising from guarantees given for project financing loans).

(**) The mortgage amount of EUR 1,399,239,204 (TRY 10,785,632 originated from project financing loans and TRY 20,081,000 mortgages originated from land financing loans (31 December 2019: EUR 1,399,239,204 and TRY ve 20,081,000).

The summary of the contingent assets of the Group is as follows;

Contingent Assets	30 June 2020	31 December 2019
Letter of guarantee	54,977,028	43,533,368
Letter of guarantee (USD)	2,880,649	1,652,514
Letter of guarantee (EUR)	1,159,200	20,382,001
Guaranteed bill	65,210,778	61,271,146
Guaranteed bill (USD)	50,167,143	30,349,143
Guaranteed bill (EUR)	48,248,661	38,420,861
Guaranteed bill (KZT)	4,200,000,000	-
Guarantee checks	59,393,029	52,300,063
Guarantee checks (USD)	2,475,619	1,980,649
Guarantee checks (EUR)	20,025,688	732,370
TRY Equivalent	1,166,326,481	754,911,285

As of 30 June 2019, the value of insurance policy (all risk) on assets owned by the Group have is TRY 8,205,165,677 (31 December 2019: TRY 6,442,193,118). These insurances consist of;

TRY 2,432,133,225 (31 December 2019: TRY 1,809,652,425)

USD 1,200,000 (31 December 2019: USD 1,200,000)

EUR 747,881,712 (31 December 2019: EUR 695,487,994)

19. EMPLOYEE BENEFITS AND PROVISIONS**Debts within the scope of employee benefits:**

Employee Benefits	30 June 2020	31 December 2019
Due to personnel	8,749,053	7,083,257
Social security premiums payable	5,491,353	2,212,607
Total	14,240,406	9,295,864

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The long-term employee benefit consists of provisions for termination indemnity;

Provisions Employee Benefits	30 June 2020	31 December 2019
Provisions for termination indemnity	6,731,184	5,694,892
Provisions for day off	2,431,874	4,067,529
Total	9,163,058	9,762,421

Provision for termination indemnity: The Group assumes that all of its employees will retire when they work 25 years for men and 20 years for women. As of the balance sheet date, it is assumed that termination indemnity will increase 15% (31 December 2019: 15%) annually (increase in the salary of employees) until the retirement of the employee. In addition, according to the Labor Code, it is assumed that the upper limit for termination indemnity will increase in the same ratio every year. Thus, when he is retired, he will find the portion of his termination indemnity that corresponds to the seniority at the time of the balance sheet date. At this amount, the following rates are used to discount the time remaining to the retirement. The annual discount rate is based on 10.5% (31 December 2019: 14.5%). In addition, the number of employee who left from the job in the previous period without termination indemnity was divided by the total number of employees, so the liability is decreased by the calculated ratio.

The actuarial gains and losses arising in the following year due to differences between the discount rate and employee segregation rates are reported in shareholders' equity on the other Comprehensive Income/(Loss) Statement. Those who continue to work while retirement is possible, and those who continue to work after retirement are assumed to leave at the balance sheet date.

The upper limit for termination indemnity is revised every year. During these calculations, the upper limit of the remuneration for termination indemnity is taken into consideration. This upper limit is TRY 7,117.17 effective from 1 July 2020 (31 December 2019: TRY 6,730.15).

The changes related to termination indemnity during the period are presented in the table below;

Provisions for Termination Indemnity	30 June 2020	31 December 2019
Beginning of the period	5,694,892	4,461,454
Period expenses	2,062,198	2,688,806
Payments/cancellations	(2,508,917)	(3,567,746)
Actuarial gain/(loss)	1,483,011	2,112,378
End of the period	6,731,184	5,694,892

20. DEFERRED TAX ASSETS AND LIABILITIES

YDA İnşaat and the partnerships, subsidiaries, joint ventures which are included into the consolidation are subject to tax legislation and implications from the countries where they are operating.

The statutory corporate tax rate is 22% in Turkey as of the year 2019 (31 December 2019: 22%). Corporate taxes should be announced the night of the 25th day of the 4rd month of related accounting period and it should be paid with a single payment until the end of the month. According to tax legislation, temporary tax is accounted and paid at the rate of 22% (31 December 2019: 22%) over quarter's income. Annual revenue which occurs in this way is deducted over calculated tax. The corporate tax rate for the years 2018, 2019 and 2020 has been increased from 20% to 22%.

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Turkish Tax Legislation does not allow to announced tax return on a consolidated basis to partnerships are resident and founded in Turkey and partnerships are founded as subsidiaries, associates and joint and are included consolidation in Turkey. Therefore, the tax provision, which is reflected into the consolidated financial statements, is calculated separately for each company. The corporations' dividend share's gain (with exception of dividend share is gained from the investment funds participation certificate and investment partnership shares), which is obtained from shareholdings of a full obligated taxpayer corporation, is exempt from corporate tax.

In addition, 50% of gain obtains from participation shares, real estates, priority right, usufruct shares and founding shares, which is at least 2 years located in actives of a balance sheet, is exception from corporate tax. To be exploited from the exception, the said gains should be kept in a fund account in the passive side of balance and it should not be withdrawn at least 5 years. Cost of sale should be collected until the end of second years from the sale's day. The gains of the corporations arising from selling real estate and durable trading and leasing good are out of the exception scope.

As an addition to corporate tax, income tax withholding should be calculated on dividend shares too with exclusion of full taxpayer obligation's corporations and foreign companies which are adding the dividend shares into their corporate income and announced within it. Withholding of income tax was implied to all companies as a rate of 10% in between 24 April 2003 and 22 July 2006. This ratio is implied as 15% with the 2006/10731 number of the decision of the Council of Minister since 22 July 2006. Dividend shares which is not distributed and is added into the capital, is not subject to income tax withholding.

In accordance with the Corporate Tax Law No: 5520, financial losses, which are shown on tax return, can be deducted from corporate income tax base on condition that not to exceed 5 years. Tax returns and related accounting records can be investigated by tax authorities within 5 years.

Tax liability on profit for the period is as follows;

Tax Liability on Profit for the Period	30 June 2020	31 December 2019
Provision for calculated corporate tax	9,614,403	7,795,564
Prepaid taxes and funds	-	(3,226,622)
Total	9,614,403	4,568,942

Operating tax income/(expense) of the Group by periods is as follows:

Tax Income/(Expense)	1 January 30 June 2020	1 January 30 June 2019
Tax expense for the period	(9,831,773)	(1,400,604)
Deferred tax income/(expense)	(109,163,954)	(392,453,435)
Operating Tax Income/(Expense)	(118,995,727)	(393,854,039)

YDA İNŞAAT SANAYİ VE TİCARET A.Ş.

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Deferred tax assets, liabilities, temporary differences that form basis for deferred tax calculations are as follows;

Deferred Tax - 30 June 2020	Temporary Difference	Tax Assets	Tax Liabilities
Reduced corporate tax application*	3,144,113,865	695,829,289	-
Value adjustments on non-current assets and airport operating right	404,847,888	8,415,463	80,651,071
Provisions for employee benefits	4,349,882	956,875	-
Financial losses	14,459,353	2,727,639	453,419
Rediscounts on notes receivables	5,828,426	1,282,252	-
Rediscounts on notes payables	2,789,703	-	613,724
Provisions for expense, lawsuits and doubtful receivables	143,386,779	31,545,091	-
Ongoing construction projects	1,326,580,600	1,012,555	292,577,473
Interest accruals and currency difference adjustments	67,122,713	8,045,860	6,721,137
Investment property revaluation differences	247,870,809	-	54,531,578
Derivative instruments	398,924,973	85,861,201	1,902,294
Prepaid rental and concession cost	-	-	-
Adjustments differences related to receivables from service concession arrangements	7,421,268,364	-	1,632,679,040
Non-current assets revaluation differences	41,446,842	-	4,559,153
Provision for inventories	-	-	-
Capital in cash increase	91,391,314	20,106,089	-
Other	26,419,831	5,812,363	-
Total		861,594,677	2,074,688,889
NET			(1,213,094,212)

Deferred Tax - 31 December 2019	Temporary Difference	Tax Assets	Tax Liabilities
Reduced corporate tax application*	3,144,113,866	695,829,289	-
Value adjustments on non-current assets and airport operating right	5,496,262,101	659,928,098	549,249,565
Provisions for employee benefits	5,866,458	1,290,624	-
Financial losses	15,731,127	3,460,848	-
Rediscounts on notes receivables	10,076,000	2,216,721	-
Rediscounts on notes payables	6,031,823	-	1,327,003
Provisions for expense, lawsuits and doubtful receivables	139,308,066	30,647,775	-
Ongoing construction projects	1,079,895,534	126,690	237,445,646
Interest accruals and currency difference adjustments	36,540,076	2,467,199	5,571,617
Investment property revaluation differences	247,870,809	-	54,531,578
Derivative instruments	291,876,456	63,110,962	1,101,858
Prepaid rental and concession cost	23,801,480	487,360	4,748,966
Adjustments differences related to receivables from service concession arrangements	10,774,081,572	339,283,718	2,085,012,823
Non-current assets revaluation differences	41,446,842	-	4,559,153
Provision for inventories	14,482,141	1,656,628	1,529,441
Capital in cash increase	615,675	135,449	-
Other	91,391,318	20,106,090	-
Total		1,820,747,451	2,945,077,650
NET			(1,124,330,199)

YDA İNŞAAT SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements for the Interim Period Ended 30 June 2020
(Amounts are expressed in Turkish Lira (TRY) unless otherwise stated.)

(*) Reduced Corporate Tax:

Corporate Tax Law numbered 5520 Article 32/A and Reduced Corporate Tax Practice have entered into force on 28 February 2009. Since 2009, it has switched to a different system according to the old one about investment incentives. Principles relating to this system are explained with the Council of Ministers Decisions numbered 2009/15199 and 2012/3306.

With reduced corporate tax practice, it is aimed that the taxation of income derived from investments with reduced corporate tax rate until it reaches the amount of investment contribution. This system based on determining the investments' contribution rate and the amount and less taxation of gains derived from investments amounting contribution. Investments promoted by not to be charged of the tax amounting contribution by applying reduced corporate tax rate until it reaches the contribution amount determined for each investment.

The investment contribution amount is the amount of investments covered by the state through taxation by applying the reduced corporate tax; investment contribution rate is also the rate calculated by investment contribution amount divided by total investments. Reduced corporate tax will apply until it reaches the investment contribution amount. Therefore, reduced corporate tax practice is not limited to a certain period.

The Group has access to investment incentive practice by reduced corporate tax within the scope of Kayseri Integrated Health Campus (PPP), Konya Karatay Integrated Health Campus (PPP), Manisa Education Research Hospital (PPP) and Dalaman Airport International Terminal Building projects.

Investment Incentive:

Based on the decision of the Council of Ministers of 15 June 2012 and the incentive system of 1 January 2012 consists of four different applications:

1. Large Scale
2. Local
3. General
4. Strategic

The Group benefits from incentives for large-scale investments related to Dalaman Airport Project, Kayseri PPP Hospital Project, Manisa PPP Hospital Project and Konya Karatay PPP Hospital Project.

The total incentive to be deducted from the corporate tax is TRY 695,829,289 for the total investments made by the Group as of 30 June 2020 (31 December 2019: TRY 695,829,289).

	30 June 2020	31 December 2019
Reduced corporate tax application		
YDA Havalimanı Yatırım ve İşletme A.Ş.	247,859,983	247,859,983
ATM Sağlık Kayseri Yatırım ve İşletme A.Ş.	197,827,962	197,827,962
ATM Sağlık Konya Yatırım ve İşletme A.Ş.	107,910,234	107,910,234
ATM Sağlık Manisa Yatırım ve İşletme A.Ş.	138,106,871	138,106,871
YDA Tarım Gıda Sanayi ve Ticaret A.Ş.	4,124,239	4,124,239
Total	695,829,289	695,829,289

21. OTHER ASSETS AND LIABILITIES

As of balance sheet date, summary of the other current assets of the Group is as follows;

	30 June 2020	31 December 2019
Other Current Assets		
Deferred Value Added Tax (VAT)	137,373,223	98,129,904
Other current assets	1,636,368	1,002,326
Total	139,009,591	99,132,230

YDA İNŞAAT SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements for the Interim Period Ended 30 June 2020
(Amounts are expressed in Turkish Lira (TRY) unless otherwise stated.)

Other non-current assets of the Group consist of deductible Value Added Tax (VAT);

	30 June 2020	31 December 2019
Other Non-current Assets		
Deductible VAT in the future years	39,981,228	24,449,688
Total	39,981,228	24,449,688

The summary of the other short-term liabilities of the Group is as follows;

	30 June 2020	31 December 2019
Other Short-term Liabilities		
Taxes and funds payables	32,925,969	29,737,669
Overdue, deferred or restruc. tax. and other liabilities	515	208,889
Expense accruals	2,564,462	347,327
Total	35,490,946	30,293,885

22. RECEIVABLES AND PROGRESS PAYMENTS FROM ONGOING CONSTRUCTION AGREEMENTS

The receivables and payables arising from ongoing construction agreements as of 30 June 2020 and 31 December 2019 are shown below;

	30 June 2020	31 December 2019
Receivables and Progress Payments from Ongoing Construction Agreements		
Receivables from ongoing construction agreements	1,684,994,247	1,198,871,814
Payables due to ongoing construction agreements	(38,209,150)	(38,410,648)
Total (Net)	1,646,785,097	1,160,461,166

The details of realized/expected costs and progress payments related to ongoing construction agreements are as follows;

	30 June 2020	31 December 2019
Realized		
- Cost	3,513,558,317	5,251,220,626
- Progress payments	3,198,026,906	5,427,440,980
Expectation for the end of the work		
- Cost	7,470,504,924	10,440,664,432
- Progress payments	10,060,857,681	13,197,180,175

As of end of the periods, the revenue/(cost) and profit/(loss) calculations associated with ongoing construction agreements are as follows;

	30 June 2020	31 December 2019
Revenue according to the IFRS (a)	4,844,812,003	6,587,902,146
Realized cost (b)	(3,513,558,317)	(5,251,220,626)
Profit/(loss) according to the IFRS (c=a+b)	1,331,253,686	1,336,681,520
Received progress payments (d)	3,198,026,906	5,427,440,980
Receivables/(Payables) from constructions agreements (e=a-d)	1,646,785,097	1,160,461,166

YDA İNŞAAT SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements for the Interim Period Ended 30 June 2020
(Amounts are expressed in Turkish Lira (TRY) unless otherwise stated.)

23. FINANCIAL ASSETS FROM CONCESSION ARRANGEMENTS

As of balance sheet date, the Group's short-term financial assets from service concession arrangements are as follows;

Financial Assets from Service Concession Arrangements (Short-term)	30 June 2020	31 December 2019
- ATM Sağlık Kayseri Yatırım ve İşletme A.Ş.	499,137,316	388,509,062
- ATM Sağlık Konya Yatırım ve İşletme A.Ş.	218,389,887	-
- ATM Sağlık Manisa Yatırım ve İşletme A.Ş.	207,723,950	160,611,236
Total	925,251,153	549,120,298

Long-term receivables from service concession arrangements;

Financial Assets from Service Concession Arrangements (Long-term)	30 June 2020	31 December 2019
- ATM Sağlık Kayseri Yatırım ve İşletme A.Ş.	6,024,724,433	6,134,279,756
- ATM Sağlık Konya Yatırım ve İşletme A.Ş.	2,311,494,326	2,220,368,953
- ATM Sağlık Manisa Yatırım ve İşletme A.Ş.	2,341,538,987	2,255,965,507
Total	10,677,757,746	10,610,614,216

Receivables from service concession arrangements are composed of the receivables from the projects of Kayseri Integrated Health Campus, Manisa Education Research Hospital and Konya Karatay Integrated Health Campus which are arising from accounting transactions that have been made in the frame of IFRIC 12 "Service Concession Arrangements".

As of the reporting date, construction costs of Konya Karatay Integrated Health Campus has been financed by the amount of TRY 1,280,455,107 (31 December 2019: TRY 1,155,283,119) and construction revenue amounting to TRY 1,281,084,423 has been accounted based on the estimated profit margin of 0.05% for the year 2019 (31 December 2019: TRY 1,155,860,760). As of 30 June 2019, the contractual construction revenue worth of 2,311,494,326 (31 December 2019: TRY 2,220,363,953) which is unconditional right arising from the construction contracts have been accounted as service concession arrangements receivables in the financial statements.

24. SHAREHOLDERS' EQUITY**Capital**

The Parent Company's capital structure by years is as follows;

Shareholder	30 June 2020		31 December 2019	
	Amount (TRY)	Share (%)	Amount (TRY)	Share (%)
Hüseyin Arslan	35,937,500	47.92	35,937,500	47.92
Cüneyt Arslan	35,937,500	47.92	35,937,500	47.92
Melikhan Cüneyt Arslan	781,250	1.04	781,250	1.04
Emirhan Yaşar Arslan	781,250	1.04	781,250	1.04
Yaşar Arslan	1,562,500	2.08	1,562,500	2.08
Total	75,000,000	100	75,000,000	100

The capital value of YDA İnşaat Sanayi ve Ticaret A.Ş. is divided into total 75,000,000 shares with TRY 1 value per each share (31 December 2019: 75,000,000 shares).

YDA İNŞAAT SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements for the Interim Period Ended 30 June 2020
(Amounts are expressed in Turkish Lira (TRY) unless otherwise stated.)

Capital Adjustment Differences

The amount of positive difference in capital adjustment resulting from inflation adjustment is TRY 3,412,301 (31 December 2019: TRY 3,412,301).

Other Accumulated Comprehensive Income and Expenditure not to be Reclassified at Profit or Loss**Increase on Revaluation of Tangible Assets:**

	30 June 2020	31 December 2019
Revaluation Increases		
Revaluation increase arising from tangible assets	41,799,916	41,799,916
Deferred tax effect	(4,597,991)	(4,597,991)
Total	37,201,925	37,201,925

Revaluation increases of tangible assets include fair value measurement of buildings and lands. The Turkish Corporate Law number of Code 5520 article 5/1-e which gives right to apply on 50% tax exemption has been taken into consideration while calculating the deferred tax effect of value increases and as a result, the net deferred tax effect has been calculated as 11% (2019: tax exemption: 50%, net deferred tax effect: 11%).

Gains/(Losses) on Remeasurement of Defined Benefit Plans:

	30 June 2020	31 December 2019
Actuarial Gains/(Losses)		
Beginning of the period	(7,162,749)	(5,757,346)
Additions/(reductions) during the period	(689,373)	(1,687,357)
Deferred tax effect	217,107	281,954
Total	(7,635,015)	(7,162,749)

Total burden of termination indemnity that changes between two periods are divided into sections as interest cost, current period service cost, and actuarial gains/(losses). Interest cost is the cost of the usage of liabilities in period which is existed in the balance sheet of previous accounting period and also it is the amount multiplied of liabilities regarding those who continue to work at the beginning of the period and the discount rate used in that year. Current period service cost is the amount that termination indemnity of the employees that work in the current accounting period arising from the expected payment brought with discount rate into the balance sheet date. However, the differences rather than that reflect the actuarial gains and losses. Actuarial gains/(losses) are shown in shareholders' equity; interest cost and service cost of the current period are shown in the statement of comprehensive income.

Other Accumulated Comprehensive Income and Expenditure to be Reclassified at Profit or (Loss)**Currency Translation Differences:**

	30 June 2020	31 December 2019
Currency translation differences	327,101,971	232,803,840
Total	327,101,971	232,803,840

YDA İNŞAAT SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements for the Interim Period Ended 30 June 2020
(Amounts are expressed in Turkish Lira (TRY) unless otherwise stated.)

Hedging Gains/Losses:

	30 June 2020	31 December 2019
As of 1 January	46,508,626	50,734,866
Additions/(reductions) during the period	(2,113,120)	(4,226,240)
Net	44,395,506	46,508,626

Restricted Reserves from Profit

According to the Turkish Commercial Code, legal reserves consist of primary reserves and secondary reserves. Until the primary reserves reach 20 percent of the Company's capital, they are allocated at the rate of 5% of the current period profit. In cases where the profit distribution is made according to CMB Regulation, the secondary reserves are allocated at the rate of 1/10 of Company's share capital in excess of 5%, as for the cases where the profit distribution is made according to legal records, the secondary reserves are allocated at the rate of 1/11 of Company's share capital in excess of 5%. Primary and secondary reserves cannot be distributed as long as it does not exceed 50% of the total capital. However, they can be used at reimbursement in the event of depletion of voluntary reserves.

Legal reserves of the Group by years are as follows;

30 June 2020: TRY 45,328,377 (31 December 2019: TRY 44,178,255)

Prior Years' Profit/(Loss)

Prior years' profit/(loss) of the Group is as follows;

	30 June 2020	31 December 2019
Prior Years' Profit/(Loss)		
As of 1 January	4,086,049,093	3,516,686,577
Transfers/additions (Net)	2,220,581,957	523,497,688
Effects of changes in accounting policies (IFRS - 9)	-	45,864,828
End of the Period	6,306,631,050	4,086,049,093

Non-controlling Interests

Non-controlling interests by years are as follows;

	30 June 2020	31 December 2019
Non-controlling Interests		
As of 1 January	1,035,650,759	684,699,724
Transfers/additions (Net)	(96,807,786)	350,951,035
End of the Period	938,842,973	1,035,650,759

YDA İNŞAAT SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements for the Interim Period Ended 30 June 2020
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25. REVENUES AND COST OF SALES

The details associated with revenues and cost and as a result; the realized gross profit/(loss) at the 30 June 2020 and 31 December 2019 are as follows;

Revenues	1 January 30 June 2020	1 January 30 June 2019
Sales*	1,280,173,696	1,382,406,235
Other income	130,676	848,331
Sales returns (-)	(1,612,620)	(1,540,329)
Total	1,278,691,752	1,381,714,237
	1 January 30 June 2020	1 January 30 June 2019
Cost		
Cost of services sold	(896,377,867)	(914,043,010)
Cost of goods sold	(37,123,678)	(64,019,186)
Cost of trade goods sold	(54,234,242)	(45,791,024)
Cost of other sales	(92,409)	-
Total	(987,828,196)	(1,023,853,220)
Gross Profit/(Loss)	290,863,556	357,861,017

(*) The Group's sales and revenue details with respect to operating segments and geographical areas are further described at Note-3.

26. OPERATING EXPENSES

The summary of the operating expenses is as follows;

	1 January 30 June 2020	1 January 30 June 2019
Marketing, selling and distribution expenses (-)	(15,133,114)	(5,230,079)
General administrative expenses (-)	(22,785,466)	(21,159,088)
Total	(37,918,580)	(26,389,167)

YDA İNŞAAT SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements for the Interim Period Ended 30 June 2020
(Amounts are expressed in Turkish Lira (TRY) unless otherwise stated.)

Operational expenses with respect to its types are as follows;

Types of Operating Expenses	30 June 2020	30 June 2019
Depreciation and amortization expenses	(5,226,510)	(4,866,906)
Maintenance and repair expenses	(324,248)	(890,091)
Other expenses due to the outsourced external benefits and services	(1,139,647)	(97,779)
Other various expenses	(1,146,865)	(903,600)
Other expenses (non-deductible expenses)	(88,171)	(58,935)
Energy, fuel, water, communication expenses	(557,632)	(338,153)
Advertising expenses	(23,156)	(243,523)
Statutory payments	(497,833)	(410,642)
Cargo, shipping, commission and other transportation expenses	(4,831,624)	(1,001,337)
Rental expenses	(476,801)	(603,999)
Accommodation and travel expenses	(1,236)	(1,843)
The raw materials expenses	(1,788,229)	(1,797,338)
Corporate expenses	(65,068)	(152,581)
Financial, legal and other consultancy expenses	(6,683,744)	(3,334,369)
Notary, registration and court expenses	(146,159)	(162,432)
Insurance expenses	(559,088)	(611,174)
Subcontractor expenses	(227,657)	(178,733)
Fees and fee related expenses	(3,599,058)	(4,593,014)
Taxes, duties and fees	(3,574,648)	(2,289,230)
Overseas expenses	(6,961,206)	(3,853,489)
Total	(37,918,580)	(26,389,167)

27. EXPENSES BY QUALIFICATIONS

The proportion of amortization and depreciation expense recognized with-in the cost of sales and operating expenses are as follows:

Amortization and Depreciation Expenses	1 January 30 June 2020	1 January 30 June 2019
Recognized with-in the cost of sales (A)	(129,835,475)	(109,168,852)
Recognized with-in the operating expenses (B)	(5,459,422)	(4,880,877)
Total (C=A+B)	(135,294,897)	(114,049,729)

The proportion of termination indemnity expenses recognized with-in the cost of sales and operating expenses are as follows:

Termination Indemnity Expenses	1 January 30 June 2020	1 January 30 June 2019
Recognized with-in the cost of sales (A)	(1,998,663)	(1,151,784)
Recognized with-in the operating expenses (B)	(63,535)	(56,302)
Total (C=A+B)	(2,062,198)	(1,208,086)

YDA İNŞAAT SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements for the Interim Period Ended 30 June 2020
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28. OTHER OPERATING INCOME

	1 January 30 June 2020	1 January 30 June 2019
Litigation compensation income	33,247	5,841
Other various income	1,388,428	2,170,525
Profit on sale of non-current assets	2,720,028	3,152,944
Profit transfer from participations and subsidiaries	21,911,074	4,214,248
Rental income	4,267,243	1,334,843
Provisions no longer required	5,819,404	865,875
Fair value difference of financial assets*	599,512,299	1,924,749,585
Fair Value re-calculation (IFRS - 9)	2,077,140	3,189,870
Progress payments related to constructions completed with-in the prior periods	461,087	767,517
Commission fee of letter of guarantee	-	77,079
Insurance damage-compensation incomes	180,278	403,602
Total	638,370,228	1,940,931,929

(*) The Group has applied financial asset model for its receivables under the service concession arrangements. The fair value difference of financial assets originates from respectively the amount of TRY 215,505,276 by ATM Sağlık Manisa Yatırım ve İşletme A.Ş., the amount of TRY 199,715,426 by ATM Sağlık Kayseri Yatırım ve İşletme A.Ş. and the amount of TRY 184,291,597 by ATM Sağlık Konya Yatırım ve İşletme A.Ş.. Changes in accounting policies are further described at Note-2.5. (30 June 2019: ATM Sağlık Manisa Yatırım ve İşletme A.Ş.: TRY 439,752,884, ATM Sağlık Kayseri Yatırım ve İşletme A.Ş.: TRY 1,153,994,549, ATM Sağlık Konya Yatırım ve İşletme A.Ş.: TRY 331,002,152).

29. OTHER OPERATING EXPENSES

	1 January 30 June 2020	1 January 30 June 2019
Grants and aids	(80,000)	(975,000)
Other various expenses	(16,203,471)	(2,953,312)
Expenses related to accepted construction work	(432,261)	(4,165,351)
Non-deductible expenses	(9,200,170)	(394,069)
Provision expenses	(9,474,463)	(7,345,402)
Loss transfer from participations and subsidiaries	(143,432)	(1,628,628)
Out of insurance coverage	(24,428)	(95,572)
Rental expenses	(591,787)	-
Fair Value re-calculation (IFRS - 9)	(2,785,184)	(5,887,969)
Currency translation expenses*	(39,324,081)	(27,351,270)
Losses from sales of non-current assets	(322,267)	(23,904)
Total	(78,581,544)	(50,820,477)

(*) The amount of TRY 1,639,084,833 about concession arrangement, which was capitalized on the first agreement date, was recognized as debt to GDSAA. As of 30 June 2020, the amount of debt to GDSAA is TRY 3,241,409,271. The relevant amount is discounted at each reporting date and the amount is reflected in other operating expenses account in the statement of profit or loss.

YDA İNŞAAT SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements for the Interim Period Ended 30 June 2020
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Details of the provision expenses are as follows;

Provision Expenses	1 January 30 June 2020	1 January 30 June 2019
Provision for receivables	(3,114,268)	(2,242,435)
Provision for lawsuits	(4,744,779)	(5,031,896)
Provision for construction cost*	(1,615,416)	-
Provision for day off	-	(71,071)
Total	(9,474,463)	(7,345,402)

(*) Consist of provisions calculated for possible expenses for following periods related to completed projects.

30. INCOME FROM INVESTING ACTIVITIES

Details related to income from investing activities are as follows;

Income from Investing Activities	1 January 30 June 2020	1 January 30 June 2019
Rental income from investment properties	6,903,948	4,086,731
Total	6,903,948	4,086,731

31. FINANCIAL INCOME

Details related to financial income of the Group are summarized below;

Financial Income	1 January 30 June 2020	1 January 30 June 2019
Fair value differences of financial assets*	3,638,344	-
Foreign exchange gains	236,241,512	97,978,875
Interest income	14,639,957	20,042,683
Rediscount interest income	13,111,642	15,545,983
Gains on sale of marketable securities	1,912,030	2,423,923
Total	269,543,485	135,991,464

(*) Fair value differences of financial assets consist of only YDA İnşaat Sanayi ve Ticaret A.Ş.. Changes in accounting policies are further described at Note-2.5 (30 June 2019: None).

YDA İNŞAAT SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements for the Interim Period Ended 30 June 2020
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32. FINANCIAL EXPENSE

Financial Expenses	1 January 30 June 2020	1 January 30 June 2019
Foreign exchange losses	(779,000,027)	(442,509,645)
Interest expense	(256,137,876)	(180,764,148)
Fair value differences of derivative instruments*	(101,217,316)	(195,636,602)
Rediscount interest expense	(12,138,092)	(19,060,220)
Loss on sale of marketable securities	(561,529)	(249,238)
Total	(1,149,054,840)	(838,219,853)

(*) The fair value differences of derivative instruments originates from respectively the amount of TRY 50,196,101 by ATM Sağlık Kayseri Yatırım ve İşletme A.Ş., of TRY 7,007,924 by YDA Havalimanı Yatırım ve İşletme A.Ş., of TRY 44,013,291 by ATM Sağlık Konya Yatırım ve İşletme A.Ş. related to interest rate swap, forward and option (collar-band) contracts (30 June 2019: ATM Sağlık Kayseri Yatırım ve İşletme A.Ş.: TRY 53,629,277, YDA Havalimanı Yatırım ve İşletme A.Ş.: TRY 23,528,920, ATM Sağlık Konya Yatırım ve İşletme A.Ş.: TRY 66,579,864, YDA İnşaat Sanayi ve Ticaret A.Ş.: TRY 51,898,541).

33. EARNINGS PER SHARE

Earnings per share	1 January 30 June 2020	1 January 30 June 2019
Net profit/(loss) for the period	(178,780,180)	1,134,906,414
Net profit of the non-controlling shares	(101,653,008)	132,253,466
Net profit of equity holders of the Parent	(77,127,172)	1,002,652,948
Number of shares	75,000,000	75,000,000
Earnings per share*	(1.03)	13.37

(*) Earning per share is calculated by dividing the period profit/(loss) of the Parent by the number of shares each of them is worth TRY 1.

YDA İNŞAAT SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements for the Interim Period Ended 30 June 2020
(Amounts are expressed in Turkish Lira (TRY) unless otherwise stated.)

34. THE GRADE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

Credit Risk; the risk that a counterparty who is a party to a financial instrument or a customer may fail to meet its contractual obligations. Basically, financial losses that may arise from bank deposits and customer receivables form credit risk of the Group.

30 June 2020	Receivables					
	Trade Receivables		Other Receivables		Bank Deposits	Other
	Related Party	Third Party	Related Party	Third Party		
The maximum exposure to credit risk as of reporting date (E=A+B+C+D)	499,536,700	364,852,288	51,210,933	186,375,786	1,384,626,103	7,275,175
- The maximum risk that have been secured with collaterals, etc.	-	-	-	-	-	-
A. Net book value of financial assets that are not overdue or impaired	499,536,700	364,852,288	51,210,933	186,375,786	1,384,626,103	7,275,175
B. The book value of financial assets whose terms have been renegotiated otherwise that would be considered as past due or impaired	-	-	-	-	-	-
C. Net book value of financial assets that are past due but not impaired.	-	-	-	-	-	-
- The amount that have been secured with collaterals etc.	-	-	-	-	-	-
D. Net book values of financial assets that are impaired	-	-	-	-	-	-
- Past due (Gross book value)	-	100,776,769	-	-	-	-
- Impairment (-)	-	(100,776,769)	-	-	-	-
- The amount of net value that have been secured with collaterals etc.	-	-	-	-	-	-

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31 December 2019	Receivables					
	Trade Receivables		Other Receivables		Bank Deposits	Other
	Related Party	Third Party	Related Party	Third Party		
The maximum exposure to credit risk as of reporting date (E=A+B+C+D)	393,948,885	457,103,845	36,780,972	189,419,290	1,066,389,581	2,951,504
- The amount of maximum risk that have been secured with collaterals, etc.	-	-	-	-	-	-
A. Net book value of financial assets that are not overdue or impaired	393,948,885	457,103,845	36,780,972	189,419,290	1,066,389,581	2,951,504
B. The book value of financial assets whose terms have been renegotiated otherwise that would be considered as past due or impaired	-	-	-	-	-	-
C. Net book value of financial assets that are past due but not impaired.	-	-	-	-	-	-
- The amount that have been secured with collaterals etc.	-	-	-	-	-	-
D. Net book values of financial assets that are impaired	-	-	-	-	-	-
- Past due (Gross book value)	-	99,780,111	-	-	-	-
- Impairment (-)	-	(99,780,111)	-	-	-	-
- The amount of net value that have been secured with collaterals etc.	-	-	-	-	-	-

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Foreign Exchange Risk

Statement of Foreign Exchange Position at 30 June 2020	TRY Equivalent (Functional Currency)	USD	EUR	GBP	KZT (1000) Tenge
1. Trade Receivables	190,309,349	5,163,989	10,541,157	-	4,322,377
2a. Monetary Financial Assets (Including cash-bank accounts)	1,004,013,982	41,256,762	87,404,814	-	2,813,840
2b. Non-Monetary Financial Assets	-	-	-	-	-
3. Other	86,288,586	338,196	2,223,740	31,349	3,902,960
4. Current Assets (1+2+3)	1,280,611,917	46,758,947	100,169,711	31,349	11,039,177
5. Trade Receivables	24,002,695	-	-	-	1,407,278
6a. Monetary Financial Assets	-	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-	-
7. Other	6,842,200	1,000,000	-	-	-
8. Non-current Assets (5+6+7)	30,844,895	1,000,000	-	-	1,407,278
9. Total Assets (4+8)	1,311,456,812	47,758,947	100,169,711	31,349	12,446,455
10. Trade Payables	181,343,733	2,123,917	12,277,137	14,405	4,224,610
11. Financial Liabilities	598,716,150	-	71,497,189	-	2,790,877
12a. Other Monetary Liabilities	19,471,103	695,407	446,500	-	660,835
12b. Other mon-Monetary Liabilities	-	-	-	-	-
13. Current Liabilities (10+11+12)	799,530,986	2,819,324	84,220,826	14,405	7,676,322
14. Trade Payables	7,972,387	1,046,504	105,342	-	-
15. Financial Liabilities	5,000,444,180	-	614,255,377	-	15,574,525
16 A. Other Monetary Liabilities	2,934,982	-	380,761	-	-
16 B. Other Non-monetary Liabilities	-	-	-	-	-
17. Non-current Liabilities (14+15+16)	5,011,351,549	1,046,504	614,741,480	-	15,574,525
18. Total Liabilities (13+17)	5,810,882,535	3,865,828	698,962,306	14,405	23,250,847
19. Net Asset/(Liability) of Derivative Instruments off the Balance (19a-19b)	-	-	-	-	-
19a. Amount of Asset Nutured Derivative Instrument off the Balance in Foreign Currency	-	-	-	-	-
19b. Amount of Liability Nutured Derivative Instrument off the Balance in Foreign Currency	-	-	-	-	-
20. Net Position of Foreign Exchange Asset/(Liability) (9-18+19)	(4,499,425,723)	43,893,119	(598,792,595)	16,944	(10,804,392)
21. Position of Monetary Items Net Foreign Exchange Asset/(Liability) (1+2a+5+6a-10-11-12a-14-15-16a)	(4,592,556,509)	42,554,923	(601,016,335)	(14,405)	(14,707,352)
22. Fair Value of Financial Tools for Foreign Exchange Hedge	-	-	-	-	-
23. Hedging Amount of Foreign Exchange Assets	-	-	-	-	-
24. Hedging Amount of Foreign Exchange Liabilities	-	-	-	-	-
25. Export	-	-	-	-	-
26. Import	-	-	-	-	-

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Statement of Foreign Exchange Position at 31 December 2019	TRY Equivalent (Functional Currency)	USD	EUR	GBP	KZT (1000) Tenge
1. Trade Receivables	118,646,333	302,071	5,925,029	-	4,962,802
2a. Monetary Financial Assets (Including cash-bank accounts)	854,042,585	2,787,034	117,881,584	41	3,428,502
2b. Non-Monetary Financial Assets	-	-	-	-	-
3. Other	45,926,785	651,719	2,056,140	1,930	1,817,685
4. Current Assets (1+2+3)	1,018,615,703	3,740,824	125,862,753	1,971	10,208,989
5. Trade Receivables	48,567,275	-	-	-	3,112,191
6a. Monetary Financial Assets	-	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-	-
7. Other	6,358,786	1,000,000	-	-	26,823
8. Non-current Assets (5+6+7)	54,926,061	1,000,000	-	-	3,139,014
9. Total Assets (4+8)	1,073,541,764	4,740,824	125,862,753	1,971	13,348,003
10. Trade Payables	170,193,041	2,380,236	3,237,250	20,420	8,610,142
11. Financial Liabilities	550,197,219	-	79,183,749	-	1,510,864
12a. Other Monetary Liabilities	34,160,506	209,714	-	-	2,109,178
12b. Other mon-Monetary Liabilities	1,325,780	-	-	-	84,956
13. Current Liabilities (10+11+12)	755,876,546	2,589,950	82,420,999	20,420	12,315,140
14. Trade Payables	6,323,339	1,045,445	17,019	-	-
15. Financial Liabilities	4,437,322,098	-	631,304,562	-	15,300,252
16 A. Other Monetary Liabilities	28,020,926	-	4,213,293	-	-
16 B. Other Non-monetary Liabilities	-	-	-	-	-
17. Non-current Liabilities (14+15+16)	4,471,666,363	1,045,445	635,534,874	-	15,300,252
18. Total Liabilities (13+17)	5,227,542,909	3,635,395	717,955,873	20,420	27,615,392
19. Net Asset/(Liability) of Derivative Instruments off the Balance (19a-19b)	-	-	-	-	-
19a. Amount of Asset Nutured Derivative Instrument off the Balance in Foreign Currency	-	-	-	-	-
19b. Amount of Liability Nutured Derivative Instrument off the Balance in Foreign Currency	-	-	-	-	-
20. Net Position of Foreign Exchange Asset/(Liability) (9-18+19)	(4,154,001,145)	1,105,429	(592,093,120)	(18,449)	(14,267,389)
21. Position of Monetary Items Net Foreign Exchange Asset/(Liability) (1+2a+5+6a-10-11-12a-14-15-16a)	(4,204,960,935)	(546,290)	(594,149,260)	(20,379)	(16,026,941)
22. Fair Value of Financial Tools for Foreign Exchange Hedge	-	-	-	-	-
23. Hedging Amount of Foreign Exchange Assets	-	-	-	-	-
24. Hedging Amount of Foreign Exchange Liabilities	-	-	-	-	-
25. Export	-	-	-	-	-
26. Import	-	-	-	-	-

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Currency Risk Sensitivity;

Under the assumption of all variables are constant such as interest rates, the analyze has been done in cases of ± 20% depreciation/appreciation of the foreign currencies against Turkish Lira (31 December 2019: ± 20%).

30 June 2020	Gain/(Loss)	
	Foreign exchange appreciation	Foreign exchange depreciation
In case +/- 20% Fluctuation of USD Rate against TRY:		
1- U.S. Dollar net asset/liability	60,065,100	(60,065,100)
2- Hedging amount of USD (-)		
3- U.S. Dollar Net Effect (1+2)	60,065,100	(60,065,100)
In case +/- 20% Fluctuation of EUR Rate against TRY:		
4- EUR net asset/liability	(923,122,616)	923,122,616
5- Hedging amount of EUR (-)		
6- EURO Net Effect (4+5)	(923,122,616)	923,122,616
In case +/- 20% Fluctuation of GBP Rate against TRY:		
7- GBP net asset/liability	28,561	(28,561)
8- Hedging amount of GBP (-)		
9- GBP Net Effect (7+8)	28,561	(28,561)
In case +/- 20% Fluctuation of Kazakhstan Tenge Rate against TRY:		
10- Tenge net assets/liabilities	(36,856,190)	36,856,190
11- Hedging amount of KZT (-)		
12- Tenge Net Effect (10+11)	(36,856,190)	36,856,190
TOTAL (3+6+9+12)	(899,885,145)	899,885,145

31 December 2019	Gain/(Loss)	
	Foreign exchange appreciation	Foreign exchange depreciation
In case +/- 20% Fluctuation of USD Rate against TRY:		
1- U.S. Dollar net asset/liability	1,313,294	(1,313,294)
2- Hedging amount of USD (-)		
3- U.S. Dollar Net Effect (1+2)	1,313,294	(1,313,294)
In case +/- 20% Fluctuation of EUR Rate against TRY:		
4- EUR net asset/liability	(787,554,901)	787,554,901
5- Hedging amount of EUR (-)		
6- EURO Net Effect (4+5)	(787,554,901)	787,554,901
In case +/- 20% Fluctuation of GBP Rate against TRY:		
7- GBP net asset/liability	(28,694)	28,694
8- Hedging amount of GBP (-)		
9- GBP Net Effect (7+8)	(28,694)	28,694
In case +/- 20% Fluctuation of Kazakhstan Tenge Rate against TRY:		
10- Tenge net assets/liabilities	(44,529,928)	44,529,928
11- Hedging amount of KZT (-)		
12- Tenge Net Effect (10+11)	(44,529,928)	44,529,928
TOTAL (3+6+9+12)	(830,800,229)	830,800,229

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Liquidity Risk;

Liquidity risk is the possibility of the Group's default on fulfilling its obligation on net funding. The occurrence of some facts such as disruptions occurred in market or lowering of credit ratings etc. that result in decrease of funding, cause liquidity risk. The management of the Group manages the liquidity risk by maintaining sufficient cash and cash equivalents resources in order to fulfill current and future liabilities through distributing fund resources. The following is a table showing the Group's liquidity risk as of 30 June 2020 and 31 December 2019.

30 June 2020	Book Value	Total Cash Outflow According to Contract (VI=I+II+III+IV+V)	Less than 3 Months (I)	3-12 Months (II)	1-5 Years (III)	More than 5 Years (IV)	On Demand (V)
Contractual Maturities							
Non-derivative Financial Liabilities							
Bank borrowings	8,225,532,536	9,958,629,600	116,696,166	1,217,861,916	4,344,828,198	4,279,243,320	-
Financial leasing liabilities	631,547,483	941,976,234	32,635,048	97,824,062	507,769,378	303,747,746	-
Issued capital market instruments	312,953,871	347,568,875	134,547,375	16,515,750	196,505,750	-	-
Expected Maturities	Book Value	Cash Outflows Expected (VI=I+II+III+IV+V)	Less than 3 Months (I)	3-12 Months (II)	1-5 Years (III)	More than 5 Years (IV)	On Demand (V)
Non-derivative Financial Liabilities							
Trade payables	5,072,107,685	5,074,830,632	1,838,348,206	189,420,167	410,330,722	2,636,731,537	-
Other payables	339,348,132	339,348,132	-	339,348,132	-	-	-
Tax liabilities of current period profit	9,614,403	9,614,403	-	9,614,403	-	-	-
Debt provisions	46,570,352	46,570,352	-	46,570,352	-	-	-
Other liabilities	35,490,946	35,490,946	33,831,756	-	1,659,190	-	-
Provisions for employee benefits	9,163,058	9,163,058	-	-	-	-	9,163,058

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As of 31 December 2019;

31 December 2019	Book Value	Total Cash Outflow According to Contract (VI=I+II+III+IV+V)	Less than 3 Months (I)	3-12 Months (II)	1-5 Years (III)	More than 5 Years (IV)	On Demand (V)
Contractual Maturities							
Non-derivative Financial Liabilities							
Bank borrowings	7,152,986,402	9,180,568,292	270,630,752	694,703,219	3,891,386,239	4,323,848,082	-
Financial leasing liabilities	380,457,856	702,845,017	26,354,834	77,831,330	401,391,083	197,267,770	-
Issued capital market instruments	528,758,521	607,260,550	224,547,010	157,727,890	224,985,650	-	-
Expected Maturities	Book Value	Cash Outflows Expected (VI=I+II+III+IV+V)	Less than 3 Months (I)	3-12 Months (II)	1-5 Years (III)	More than 5 Years (IV)	On Demand (V)
Non-derivative Financial Liabilities							
Trade payables	4,399,966,740	4,406,019,012	1,469,500,261	342,006,470	349,388,357	2,245,123,924	-
Other payables	337,280,104	337,280,104	-	337,280,104	-	-	-
Tax liabilities of current period profit	4,568,942	4,568,942	-	4,568,942	-	-	-
Debt provisions	44,663,520	44,663,520	-	44,663,520	-	-	-
Other liabilities	30,293,885	30,293,885	30,293,885	-	-	-	-
Provisions for employee benefits	9,762,421	9,762,421	-	-	-	-	9,762,421

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Capital Risk Management;

The Group's objectives are to maintain the optimal capital structure in order to reduce returns and capital costs to its partners, and to ensure the Group's continuing activities.

The Group monitors the capital by using the debt/equity ratio. This ratio is calculated dividing net debt by total capital. Net debt is calculated by deducting cash and cash equivalents from total liability. Total capital is calculated by adding equity and net debt as shown in the balance sheet.

	30 June 2020	31 December 2019
Total debts	16,734,090,325	14,637,225,773
Cash and cash equivalents	(1,391,901,278)	(1,069,341,097)
Net Debt	15,342,189,047	13,567,884,676
Net debt	15,342,189,047	13,567,884,676
Total equity	7,693,151,916	7,772,956,109
Total Capital	23,035,340,963	21,340,840,785
Net Debt/Total Capital Ratio	0.67	0.64

35. RELATED PARTY DISCLOSURES

Within the scope of IAS 24 "Related Party Disclosures", the Company's shareholders, the Group firms and their affiliated companies, their managers, and other companies known to be related are disclosed as related parties.

All transactions with related parties are significant and measurable.

36. FINANCIAL INSTRUMENTS – EXPLANATIONS ON FAIR VALUE AND HEDGING ACCOUNTING DISCLOSURES

Fair value of financial instruments

Fair value is the amount at which a financial instrument is traded between willing parties in a current transaction, except in cases of forced sale or liquidation. The quoted prices, if any, are the correct value of a financial instrument. Financial receivables and liabilities denominated foreign exchange are valued with the currency of the date which the financial statements have been prepared. The following methods and assumptions are used in estimating the fair value of the financial instruments which is reflected at the Group's balance sheet as cost or amortized cost:

Financial assets

Costs and financial statements are considered to approximate carrying values of the fair value due to the short-term nature of the cash and cash equivalent and other short-term financial assets. After recovering trade receivables and deducting the provision for doubtful receivables, the carrying values are considered to be close to their fair values.

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Financial liabilities

Due to their short-term nature, trade payables and other monetary liabilities are considered and approximated to their carrying values. Bank loans are stated at amortized cost and transaction costs are added to the initial credit values of the loans. The interest rates on it are considered to represent the values of the variable values. It is foreseen that after deduction of rediscount, the fair value of trade payables is close to their fair value.

Fair value hierarchy table

The Group has following financial assets and liabilities accounted with their fair values in its balance sheet of 30 June 2020 and 31 December 2019. The Group uses the following hierarchy in determining and showing the fair values of the financial assets and liabilities.

- Level 1: Identical assets and liabilities listed in active markets,
- Level 2: Direct and indirect monitoring of inputs that may have significant impact on the fair value reflected in the financial statements,
- Level 3: Selection of inputs that may have significant impact on the fair value reflected in the financial statements without referring observable market data.

30 June 2020	Level 1	Level 2	Level 3
Fair Value Classification			

Assets			
Lands and buildings	-	-	51,342,986
Investment property	-	-	465,257,781
Goodwill	-	-	29,500,000
Marketable securities	41,070,932	-	-
Derivative instruments	-	8,646,789	-

Liabilities			
Derivative instruments	-	397,854,066	-

31 December 2019	Level 1	Level 2	Level 3
Fair Value Classification			

Assets			
Lands and buildings	-	-	47,008,601
Investment property	-	-	465,257,781
Goodwill	-	-	29,500,000
Marketable securities	41,154,126	-	-

Liabilities			
Derivative instruments	-	286,868,009	-

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37. SUBSEQUENT EVENTS

- The last coupon payment of corporate bonds with the ISIN code of TRSYDAT72010 issued by YDA İnşaat Sanayi ve Ticaret A.Ş. was realized on 22 July 2020 and payment amounts have been transferred to accounts of the investors in AK Yatırım Menkul Değerler A.Ş. The 16th coupon interest rate was finalized at 3.2337%.
- According to the credit rating analysis performed by Türk Rating Uluslararası Derecelendirme Hizmetleri A.Ş. on 29 July 2020, it has been affirmed that the long-term national credit rating as TR AA+, short-term national credit rating as TR A1 and the outlook as stable for YDA İnşaat Sanayi ve Ticaret A.Ş.
- Konya City Hospital's first phase was put into service on 20 July 2020 which is formed by Public Private Partnership model within the scope of the contract signed between ATM Sağlık Konya Yatırım ve İşletme A.Ş. and Republic of Turkey Ministry of Health.

Appendix - 1

	30 June 2020		1 July 2019 - 30 June 2020			
	Financial Liability (I)	Cash and Cash Equivalents (II)	Net Financial Liability (I-II)	EBIT	Depreciation	EBITDA
Consolidation (a)	9,568,010,515	2,037,165,080	7,530,845,435	2,715,600,090	253,571,718	2,969,171,808
Project finance companies (b)	6,222,221,379	645,799,234	5,576,422,145	2,006,902,498	207,936,856	2,214,839,354
Non Project (a-b)	3,345,789,136	1,391,365,846	1,954,423,290	708,697,592	45,634,862	754,332,454

	31 December 2019		1 January - 31 December 2019			
	Financial Liability (I)	Cash and Cash Equivalents (II)	Net Financial Liability (I-II)	EBIT	Depreciation	EBITDA
Consolidation (a)	8,291,212,676	1,722,950,736	6,568,261,940	4,126,862,030	232,326,550	4,359,188,580
Project finance companies (b)	5,450,328,440	653,761,298	4,796,567,142	3,470,924,868	198,766,533	3,669,691,401
Non-Project (a-b)	2,840,884,236	1,069,189,438	1,771,694,798	655,937,162	33,560,017	689,497,179

Project finance companies refers to; ATM Sağlık Kayseri Yatırım ve İşletme A.Ş., ATM Sağlık Manisa Yatırım ve İşl. A.Ş., ATM Sağlık Konya Yatırım ve İşletme A.Ş., YDA Havalimanı Yatırım ve İşletme A.Ş. and Aktau Uluslararası Havalimanı A.Ş (ATM AO).

Non-project finance companies refer to all Group companies within the scope of consolidation excluding project finance companies stated above.

Cash and cash equivalents includes restricted amounts for project financing.

As of 30 June 2020, The Group's EBITDA ratio calculated based on the "Non-Project Finance Companies Net Financial Liabilities/Non-Project Finance Companies EBITDA" is **2.59** (31 December 2019: 2.33).

EBIT and EBITDA figures also includes income from investing activities and shares in profit/loss of investments accounted for using equity method.

EBIT: Earnings Before Interest and Taxes.

EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortization.