

DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2020 AND 31 DECEMBER 2019**

(Convenience translation of consolidated financial statements originally issued in Turkish and amounts expressed in thousands of TL unless otherwise indicated.)

	Notes	Reviewed	Audited	
		31 March 2020	31 December 2019	
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	5	371,212	648,342	
Trade receivables		766,782	745,346	
<i>Trade receivables due from related parties</i>	22.1	542,986	542,311	
<i>Trade receivables due from third parties</i>	8.1	223,796	203,035	
Other receivables		88,014	135,510	
<i>Other receivables due from related parties</i>	22.2	5,142	5,460	
<i>Other receivables due from third parties</i>	9	82,872	130,050	
Inventories	10	1,260,354	935,907	
Prepayments		45,271	33,844	
Current income tax assets	20	2,372	9,004	
Other current assets		2,061	6,672	
Total current assets		2,536,066	2,514,625	
NON-CURRENT ASSETS				
Financial investments		561,463	561,463	
<i>Financial assets measured at fair value through other comprehensive income</i>	6	561,463	561,463	
Other receivables		7,460	6,771	
<i>Other receivables due from related parties</i>		1,174	1,335	
<i>Other receivables due from third parties</i>		6,286	5,436	
Investments accounted for using equity method	11	505,076	452,264	
Investment property	13	107,017	107,658	
Property, plant and equipment	12	844,647	847,759	
Right of use asset	24	102,816	111,005	
Intangible assets		35,759	34,394	
Prepayments		1,339	2,607	
Deferred tax asset	20	14,340	26,398	
Total non-current assets		2,179,917	2,150,319	
TOTAL ASSETS		4,715,983	4,664,944	

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

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	Notes	Reviewed	Audited	
		31 March 2020	31 December 2019	
LIABILITIES				
CURRENT LIABILITIES				
Current borrowings	7	2,096,343	2,138,073	
Short-term portion of long-term borrowings	7	51,473	63,860	
Trade payables		690,095	713,263	
<i>Trade payables to related parties</i>	22.5	24,188	47,573	
<i>Trade payables to third parties</i>	8.2	665,907	665,690	
Employee benefit obligations		9,355	18,648	
Deferred income		42,000	24,098	
Current tax liabilities	20	3,418	6,440	
Current provisions		44,774	42,350	
<i>Other current provisions</i>	14	44,774	42,350	
Other current liabilities	15	70,808	86,438	
Total current liabilities		3,008,266	3,093,170	
NON-CURRENT LIABILITIES				
Long-term borrowings	7	247,269	236,119	
Deferred income		5,752	6,087	
Non-current provisions		77,462	77,027	
<i>Non-current provisions for employee benefits</i>		53,419	50,280	
<i>Other long-term provisions</i>		24,043	26,747	
Deferred tax liabilities	20	486	-	
Total non-current liabilities		330,969	319,233	
TOTAL LIABILITIES		3,339,235	3,412,403	
EQUITY				
Equity attributable to equity holders of the Company		1,368,603	1,245,251	
Issued capital	16	220,000	220,000	
Inflation adjustment on capital	16	23,115	23,115	
Treasury shares (-)	16	(220,310)	(220,310)	
Other accumulated comprehensive income (loss) that will not be reclassified in profit or loss		(25,114)	(24,322)	
<i>Gains (losses) on revaluation and remeasurement</i>		(25,114)	(24,322)	
<i>Gains (losses) on remeasurements of defined benefit plans</i>		(25,114)	(24,322)	
Other accumulated comprehensive income (loss) that will be reclassified in profit or loss		481,388	481,376	
<i>Exchange differences on translation</i>	16	2,059	2,047	
<i>Gains (losses) on revaluation and reclassification</i>		479,329	479,329	
<i>Gains (losses) from financial assets measured at fair value through other comprehensive income</i>	16	479,329	479,329	
Restricted reserves appropriated from profits	16	397,068	397,068	
<i>Legal reserves</i>		127,493	127,493	
<i>Treasury share reserves</i>		220,310	220,310	
<i>Other restricted profit reserves</i>		49,265	49,265	
Prior years' profit or losses	16	368,324	292,547	
Profit (loss) for the period		124,132	75,777	
Non-controlling interests	16	8,145	7,290	
TOTAL EQUITY		1,376,748	1,252,541	
TOTAL EQUITY AND LIABILITIES		4,715,983	4,664,944	

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

DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.

**CONDENSED CONSOLIDATED INTERIM PROFIT OR LOSS STATEMENTS
FOR THE THREE MONTH PERIOD ENDED 31 MARCH**

(Convenience translation of consolidated financial statements originally issued in Turkish and amounts expressed in thousands of TL unless otherwise indicated.)

	<u>Notes</u>	Reviewed 31 March 2020	Reviewed 31 March 2019
Revenue		3,181,218	1,808,534
Cost of sales		(2,765,925)	(1,553,795)
GROSS PROFIT (LOSS) FROM COMMERCIAL OPERATIONS		415,293	254,739
GROSS PROFIT (LOSS)		415,293	254,739
General administrative expenses	17.2	(109,026)	(101,846)
Marketing expenses	17.1	(77,967)	(76,859)
Other income from operating activities		17,490	27,157
Other expenses from operating activities		(27,194)	(19,009)
PROFIT (LOSS) FROM OPERATING ACTIVITIES		218,596	84,182
Investment activity income	18	6,507	9,589
Share of profit (loss) from investments accounted for using equity method	11	51,870	(8,928)
PROFIT (LOSS) BEFORE FINANCING INCOME (EXPENSE)		276,973	84,843
Finance income	19	13,104	22,698
Finance costs	19	(140,939)	(182,939)
PROFIT (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX		149,138	(75,398)
Tax (expense) income, continuing operations		(24,151)	7,419
Current period tax (expense) income	20	(11,383)	(614)
Deferred tax (expense) income	20	(12,768)	8,033
PROFIT (LOSS) FROM CONTINUING OPERATIONS		124,987	(67,979)
PROFIT (LOSS)		124,987	(67,979)
Profit (loss), attributable to			
Non-controlling interests		855	1,497
Owners of parent		124,132	(69,476)
Basic earnings per share			
Basic earnings (loss) per share from continuing operations	21	0.6269	(0.3509)
Diluted earnings per share			
Diluted earnings (loss) per share from continuing operations	21	0.6269	(0.3509)

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

DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.

**CONDENSED CONSOLIDATED INTERIM OTHER COMPREHENSIVE PROFIT OR LOSS STATEMENTS
FOR THE THREE MONTH PERIOD ENDED 31 MARCH**

(Convenience translation of consolidated financial statements originally issued in Turkish and amounts expressed in thousands of TL unless otherwise indicated.)

	<u>Notes</u>	Reviewed 31 March 2020	Reviewed 31 March 2019
PROFIT (LOSS)		124,987	(67,979)
Other comprehensive income			
Other comprehensive income that will not be reclassified to profit or loss		(792)	(814)
Gains (losses) on remeasurements of defined benefit plans		(1,016)	(1,017)
Taxes related to components of other comprehensive income that will not be reclassified to profit or loss		224	203
<i>Taxes relating to measurements of defined benefit plans</i>	20	224	203
Other comprehensive income that will be reclassified to profit or loss		12	748
Exchange differences on translation		12	378
Other comprehensive income (loss) related with financial assets measured at fair value through other comprehensive income		-	367
<i>Gains (losses) on financial assets measured at fair value through other comprehensive income</i>	6	-	367
Share of other comprehensive income of associates and joint ventures accounted for equity method that will be reclassified to profit or loss	11	-	21
Taxes relating to components of other comprehensive income that will be reclassified to profit or loss		-	(18)
<i>Taxes relating to financial assets measured at fair value through other comprehensive income</i>	20	-	(18)
OTHER COMPREHENSIVE INCOME (LOSS)		(780)	(66)
TOTAL COMPREHENSIVE INCOME (LOSS)		124,207	(68,045)
Total comprehensive income attributable to			
Non-controlling interests		855	1,497
Owners of parent		123,352	(69,542)

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

DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.

**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE MONTH PERIOD ENDED 31 MARCH**

(Convenience translation of condensed consolidated interim financial statements originally issued in Turkish and amounts expressed in thousands of TL unless otherwise indicated.)

	Issued capital (Note 16)	Inflation adjustments on capital (Note 16)	Treasury shares (Note 16)	Gains / losses on remeasurements of defined benefit plans	Foreign currency translation difference (Note 16)	Accumulated other comprehensive income and expense that will not be reclassified through profit or loss	Accumulated other comprehensive income and expense that will be reclassified through profit or loss	Accumulated earnings		Equity attributable to equity holders of the Company	Non-controlling interests (Note 16)	Total Equity
								Restricted reserve (Note 16)	Retained earnings / (Accumulated losses)	Net profit / loss for the period		
Balance at 1 January 2019	220,000	23,115	(220,288)	(20,519)	1,473	486,690	460,402	217,534	133,157	1,301,564	6,308	1,307,872
Transfers	-	-	-	-	-	-	-	-	133,157	(133,157)	-	-
Total comprehensive income (loss)	-	-	-	(814)	378	370	-	-	(69,476)	(69,542)	1,497	(68,045)
Profit (loss) for the period	-	-	-	-	-	-	-	-	(69,476)	(69,476)	1,497	(67,979)
Other comprehensive income (loss)	-	-	-	(814)	378	370	-	-	-	(66)	-	(66)
Balance at 31 March 2019	220,000	23,115	(220,288)	(21,333)	1,851	487,060	460,402	350,691	(69,476)	1,232,022	7,805	1,239,827
Balance at 1 January 2020	220,000	23,115	(220,310)	(24,322)	2,047	479,329	397,068	292,547	75,777	1,245,251	7,290	1,252,541
Transfers	-	-	-	-	-	-	-	-	75,777	(75,777)	-	-
Total comprehensive income (loss)	-	-	-	(792)	12	-	-	-	124,132	123,352	855	124,207
Profit (loss) for the period	-	-	-	-	-	-	-	-	124,132	124,132	855	124,987
Other comprehensive income (loss)	-	-	-	(792)	12	-	-	-	-	(780)	-	(780)
Balance at 31 March 2020	220,000	23,115	(220,310)	(25,114)	2,059	479,329	397,068	368,324	124,132	1,368,603	8,145	1,376,748

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DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS FOR THE THREE MONTH PERIOD ENDED 31 MARCH

(Convenience translation of consolidated financial statements originally issued in Turkish and amounts expressed in thousands of TL unless otherwise indicated.)

	<u>Notes</u>	Reviewed	31 March 2020	31 March 2019
A. CASH FLOWS FROM OPERATING ACTIVITIES			(106,806)	266,408
Profit (loss) for the period			124,987	(67,979)
Adjustments to for profit (loss) for the period reconciliation:			211,025	254,032
Adjustments for depreciation and amortization expense	17.2		31,587	33,244
Adjustments for impairment loss (reversal of impairment loss)			4,216	381
<i>Adjustments for impairment loss (reversal of impairment loss) of receivables</i>			2,861	83
<i>Adjustments for impairment loss (reversal of impairment loss) of inventories</i>	10		1,355	298
Adjustments for provisions			101,334	80,657
<i>Adjustments for (reversal of) provisions related with employee benefits</i>			2,999	2,242
<i>Adjustments for (reversal of) lawsuit and/or penalty provision expenses</i>			878	(37)
<i>Adjustments for (reversal of) warranty provisions</i>			28,455	37,605
<i>Adjustments for (reversal of) other provisions</i>			69,002	40,847
Adjustments for interest (income) and expense			98,902	122,057
<i>Adjustments for interest income</i>	19		(13,104)	(18,454)
<i>Adjustments for interest expense</i>	19		112,006	140,511
Adjustments for unrealized foreign exchange losses (gains)			9,212	25,773
Adjustments for undistributed profits of investments accounted for using equity method	11		(51,870)	8,928
Adjustments for tax (income) expenses	20		24,151	(7,419)
Adjustments for losses (gains) on disposal of non-current assets			(6,507)	(9,589)
<i>Adjustments for losses (gains) arised from sale of tangible assets</i>	18		(6,507)	(9,589)
Changes in working capital			(407,224)	126,158
Adjustments for decrease (increase) in trade receivables			(26,962)	11,631
<i>Decrease (increase) in due from related parties</i>			(675)	(25,916)
<i>Decrease (increase) in due from third parties</i>			(26,287)	37,547
Adjustments for decrease (increase) in inventories			(325,802)	178,462
Adjustments for increase (decrease) in trade payables			(92,170)	(199,905)
<i>Increase (decrease) in due to related parties</i>			(23,385)	(52,128)
<i>Increase (decrease) in due to third parties</i>			(68,785)	(147,777)
Increase (decrease) in deferred income			17,567	6,006
Adjustments for other increase (decrease) in working capital			20,143	129,964
Cash flows from operations			(71,212)	312,211
Payments related with provisions for employee benefits			(875)	(958)
Payments related with other provisions			(26,946)	(39,160)
Income taxes refund (paid)			(7,773)	(5,687)
Other cash inflows (outflows)			-	2
B. CASH FLOWS FROM INVESTING ACTIVITIES			(12,879)	10,169
Cash outflows arising from purchase of shares or capital increase of associates and/or joint ventures			(942)	-
Proceeds from sales of property, plant and equipment and intangible assets			9,411	21,417
<i>Proceeds from sales of property, plant and equipment</i>			9,411	21,417
Purchase of property, plant, equipment and intangible assets			(21,348)	(11,248)
<i>Purchase of property, plant and equipment</i>	12		(13,597)	(6,121)
<i>Purchase of intangible assets</i>			(7,751)	(5,127)
C. CASH FLOWS FROM FINANCING ACTIVITIES			(155,517)	(228,810)
Proceeds from borrowings			1,184,336	982,496
Repayments of borrowings			(1,222,588)	(1,074,476)
Payments of lease liabilities			(10,289)	-
Interest paid			(120,080)	(155,284)
Interest received			13,104	18,454
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES (A+B+C)			(275,202)	47,767
D. EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS			(1,928)	(993)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)			(277,130)	46,774
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	5		648,342	365,892
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D+E)	5		371,212	412,666

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