

PINAR ENTEGRE ET VE UN SANAYİİ A.Ş.
Financial Report
Unconsolidated
2019 - 2. 3 Monthly Notification

General Information About Financial Statements

Independet Audit Comment

| | |
|---------------------------|---|
| Independent Audit Company | PwC BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş. |
| Audit Type | Limited |
| Audit Result | Positive |

ARA DÖNEM ÖZET FİNANSAL BİLGİLERE İLİŞKİN

SINIRLI DENETİM RAPORU

Pınar Entegre Et ve Un Sanayii A.Ş.

Genel Kurulu'na

Giriş

1. Pınar Entegre Et ve Un Sanayii A.Ş.'nin ("Şirket") 30 Haziran 2019 tarihli ilişikteki özet finansal durum tablosunun, aynı tarihte sona eren altı aylık dönemine ait özet kar veya zarar ve diğer kapsamlı gelir tablosunun, özet özkaynaklar değişim tablosunun ve özet nakit akış tablosunun ve diğer açıklayıcı dipnotlarının ("ara dönem özet finansal bilgiler") sınırlı denetimini yürütmüş bulunuyoruz. Şirket yönetimi, söz konusu ara dönem özet finansal bilgilerin Türkiye Muhasebe Standardı 34'e ("TMS 34") "Ara Dönem Finansal Raporlama" uygun olarak hazırlanmasından ve gerçeğe uygun bir biçimde sunumundan sorumludur. Sorumluluğumuz, yaptığımız sınırlı denetime dayanarak söz konusu ara dönem finansal bilgilere ilişkin bir sonuç bildirmektir.

Sınırlı Denetimin Kapsamı

2. Yaptığımız sınırlı denetim, Sınırlı Bağımsız Denetim Standardı ("SBDS") 2410'a "Ara Dönem Finansal Bilgilerin, İşletmenin Yıllık Finansal Tablolarının Bağımsız Denetimini Yürüten Denetçi Tarafından Sınırlı Bağımsız Denetimi" uygun olarak yürütülmüştür. Ara dönem finansal bilgilere ilişkin sınırlı denetim, başta finans ve muhasebe konularından sorumlu kişiler olmak üzere ilgili kişilerin sorgulanması ve analitik prosedürler ile diğer sınırlı denetim prosedürlerinin uygulanmasından oluşur. Ara dönem finansal bilgilerin sınırlı denetiminin kapsamı; Bağımsız Denetim Standartları'na uygun olarak yapılan ve amacı finansal tablolar hakkında bir görüş bildirmek olan bağımsız denetimin kapsamına kıyasla önemli ölçüde dardır. Sonuç olarak ara dönem finansal bilgilerin sınırlı denetimi, denetim şirketinin, bir bağımsız denetimde belirlenebilecek tüm önemli hususlara vakıf olabileceğine ilişkin bir güvence sağlamamaktadır. Bu sebeple, bir bağımsız denetim görüşü bildirmemekteyiz.

Sonuç

3. Sınırlı denetimimize göre ilişikteki ara dönem özet finansal bilgilerin, tüm önemli yönleriyle, TMS 34'e uygun olarak hazırlanmadığı kanaatine varmamıza sebep olacak herhangi bir husus dikkatimizi çekmemiştir.

PwC Bağımsız Denetim ve

Serbest Muhasebeci Mali Müşavirlik A.Ş.

Mehmet Karakurt, SMMM

Sorumlu Denetçi

İstanbul, 7 Ağustos 2019

Statement of Financial Position (Balance Sheet)

| | |
|--------------------------------|----------------|
| Presentation Currency | TL |
| Nature of Financial Statements | Unconsolidated |

| | Footnote Reference | Current Period 30.06.2019 | Previous Period 31.12.2018 |
|--|--------------------|------------------------------|-------------------------------|
| Statement of Financial Position (Balance Sheet) | | | |
| Assets [abstract] | | | |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | | 2.462.497 | 3.599.385 |
| Trade Receivables | | 130.872.243 | 101.845.706 |
| Trade Receivables Due From Related Parties | 3 | 103.752.293 | 81.316.540 |
| Trade Receivables Due From Unrelated Parties | | 27.119.950 | 20.529.166 |
| Other Receivables | | 8.554.935 | 17.577.715 |
| Other Receivables Due From Related Parties | 3 | 5.438.573 | 17.530.330 |
| Other Receivables Due From Unrelated Parties | | 3.116.362 | 47.385 |
| Inventories | 4 | 54.306.803 | 67.109.520 |
| Biological Assets | | 11.792.700 | 18.028.475 |
| Prepayments | | 1.570.078 | 968.249 |
| Prepayments to Unrelated Parties | | 1.570.078 | 968.249 |
| Current Tax Assets | 9 | 0 | 3.016.840 |
| Other current assets | | 233.629 | 196.911 |
| Other Current Assets Due From Related Parties | | 0 | 0 |
| Other Current Assets Due From Unrelated Parties | | 233.629 | 196.911 |
| SUB-TOTAL | | 209.792.885 | 212.342.801 |
| Total current assets | | 209.792.885 | 212.342.801 |
| NON-CURRENT ASSETS | | | |
| Financial Investments | | 1.278.274 | 1.278.274 |
| Investments accounted for using equity method | 6 | 173.158.985 | 182.680.727 |
| Investment property | | 19.226.775 | 19.155.000 |
| Property, plant and equipment | 7 | 309.245.445 | 316.296.032 |
| Land and Premises | | 134.830.000 | 134.830.000 |
| Land Improvements | | 9.019.029 | 9.019.029 |
| Buildings | | 58.974.869 | 59.969.845 |
| Machinery And Equipments | | 93.813.779 | 99.066.381 |
| Vehicles | | 667.687 | 699.400 |
| Fixtures and fittings | | 9.662.726 | 10.834.100 |
| Construction in Progress | | 2.277.355 | 1.877.277 |
| Right of Use Assets | | 1.626.054 | 0 |
| Intangible assets and goodwill | | 1.754.575 | 1.176.176 |
| Other intangible assets | | 1.754.575 | 1.176.176 |
| Prepayments | | 4.363 | 4.363 |
| Prepayments to Unrelated Parties | | 4.363 | 4.363 |
| Total non-current assets | | 506.294.471 | 520.590.572 |
| Total assets | | 716.087.356 | 732.933.373 |
| LIABILITIES AND EQUITY | | | |
| CURRENT LIABILITIES | | | |
| Current Borrowings | | 10.960.967 | 5.269.154 |
| Current Borrowings From Unrelated Parties | | 10.960.967 | 5.269.154 |
| Bank Loans | 8 | 10.042.222 | 5.122.778 |
| Lease Liabilities | 8 | 918.745 | 146.376 |
| Other Financial Liabilities | | 2.634.921 | 2.491.148 |
| Other Miscellaneous Financial Liabilities | 8 | 2.634.921 | 2.491.148 |
| Trade Payables | | 106.811.751 | 111.381.850 |
| Trade Payables to Related Parties | 3 | 16.666.261 | 26.082.474 |
| Trade Payables to Unrelated Parties | 5 | 90.145.490 | 85.299.376 |
| Employee Benefit Obligations | | 7.553.450 | 1.580.418 |
| Other Payables | | 9.820.646 | 7.098.348 |
| Other Payables to Related Parties | 3 | 7.487.011 | 5.087.011 |
| Other Payables to Unrelated Parties | | 2.333.635 | 2.011.337 |
| Deferred Income Other Than Contract Liabilities | | 235.273 | 243.260 |
| Deferred Income Other Than Contract Liabilities from Unrelated Parties | | 235.273 | 243.260 |
| Current tax liabilities, current | 9 | 2.959.148 | 0 |
| Current provisions | | 737.301 | 800.004 |
| Current provisions for employee benefits | | 335.419 | 398.122 |
| Other current provisions | | 401.882 | 401.882 |

| | | | |
|--|----|-------------|-------------|
| Other Current Liabilities | | 10.220 | 9.685 |
| Other Current Liabilities to Unrelated Parties | | 10.220 | 9.685 |
| SUB-TOTAL | | 141.723.677 | 128.873.867 |
| Total current liabilities | | 141.723.677 | 128.873.867 |
| NON-CURRENT LIABILITIES | | | |
| Long Term Borrowings | | 792.095 | 0 |
| Long Term Borrowings From Related Parties | | 0 | 0 |
| Long Term Borrowings From Unrelated Parties | | 792.095 | 0 |
| Lease Liabilities | 8 | 792.095 | 0 |
| Non-current provisions | | 28.626.321 | 25.997.926 |
| Non-current provisions for employee benefits | | 28.626.321 | 25.997.926 |
| Deferred Tax Liabilities | 9 | 23.231.327 | 24.381.024 |
| Total non-current liabilities | | 52.649.743 | 50.378.950 |
| Total liabilities | | 194.373.420 | 179.252.817 |
| EQUITY | | | |
| Equity attributable to owners of parent | | 521.713.936 | 553.680.556 |
| Issued capital | 10 | 43.335.000 | 43.335.000 |
| Inflation Adjustments on Capital | 10 | 37.059.553 | 37.059.553 |
| Other Accumulated Comprehensive Income (Loss) that will not be Reclassified in Profit or Loss | | 175.741.979 | 181.377.516 |
| Gains (Losses) on Revaluation and Remeasurement | | 158.951.580 | 163.172.175 |
| Increases (Decreases) on Revaluation of Property, Plant and Equipment | 7 | 170.416.244 | 172.986.907 |
| Gains (Losses) on Remeasurements of Defined Benefit Plans | | -11.464.664 | -9.814.732 |
| Share of Other Comprehensive Income of Investments Accounted for Using Equity Method that will not be Reclassified to Profit or Loss | | 16.287.317 | 17.702.259 |
| Other Gains (Losses) | | 503.082 | 503.082 |
| Other Accumulated Comprehensive Income (Loss) that will be Reclassified in Profit or Loss | | 9.018.634 | 7.797.614 |
| Gains (Losses) on Revaluation and Reclassification | | 0 | 0 |
| Share of other comprehensive income of associates and joint ventures accounted for using equity method that will be reclassified to profit or loss | 6 | 9.018.634 | 7.797.614 |
| Restricted Reserves Appropriated From Profits | | 45.523.458 | 41.329.035 |
| Legal Reserves | 10 | 45.523.458 | 41.329.035 |
| Prior Years' Profits or Losses | | 197.767.699 | 180.664.449 |
| Current Period Net Profit Or Loss | | 13.267.613 | 62.117.389 |
| Total equity | | 521.713.936 | 553.680.556 |
| Total Liabilities and Equity | | 716.087.356 | 732.933.373 |

Profit or loss [abstract]

| | |
|--------------------------------|----------------|
| Presentation Currency | TL |
| Nature of Financial Statements | Unconsolidated |

| | Footnote Reference | Current Period 01.01.2019 - 30.06.2019 | Previous Period 01.01.2018 - 30.06.2018 | Current Period 3 Months 01.04.2019 - 30.06.2019 | Previous Period 3 Months 01.04.2018 - 30.06.2018 |
|---|--------------------|--|---|--|---|
| Profit or loss [abstract] | | | | | |
| PROFIT (LOSS) | | | | | |
| Revenue | 11 | 353.498.386 | 338.409.101 | 188.549.140 | 177.170.200 |
| Cost of sales | 11 | -303.572.563 | -290.335.147 | -161.199.611 | -154.278.033 |
| GROSS PROFIT (LOSS) FROM COMMERCIAL OPERATIONS | | 49.925.823 | 48.073.954 | 27.349.529 | 22.892.167 |
| Change in Fair Value of Biological Assets | 11 | -3.494 | 230.026 | 21.606 | -28.732 |
| GROSS PROFIT (LOSS) | | 49.922.329 | 48.303.980 | 27.371.135 | 22.863.435 |
| General Administrative Expenses | 12 | -12.770.837 | -11.009.219 | -6.610.210 | -5.359.159 |
| Marketing Expenses | 12 | -16.525.998 | -15.354.302 | -8.548.782 | -7.642.632 |
| Research and development expense | | -909.346 | -1.417.127 | -450.300 | -665.237 |
| Other Income from Operating Activities | 13 | 3.600.811 | 3.181.848 | 1.406.604 | 2.288.427 |
| Other Expenses from Operating Activities | 13 | -2.346.368 | -1.734.059 | -421.666 | -1.352.695 |
| PROFIT (LOSS) FROM OPERATING ACTIVITIES | | 20.970.591 | 21.971.121 | 12.746.781 | 10.132.139 |
| Investment Activity Income | 14 | 1.168.831 | 567.725 | 372.967 | 284.888 |
| Investment Activity Expenses | 14 | -43.685 | -91.442 | 0 | -91.442 |
| Share of Profit (Loss) from Investments Accounted for Using Equity Method | 6 | -3.217.518 | 9.884.671 | 1.703.691 | 2.440.616 |
| PROFIT (LOSS) BEFORE FINANCING INCOME (EXPENSE) | | 18.878.219 | 32.332.075 | 14.823.439 | 12.766.201 |
| Finance income | 15 | 2.240.438 | 1.544.879 | 1.260.350 | 834.952 |
| Finance costs | 15 | -3.411.241 | -1.712.707 | -2.228.168 | -1.004.904 |
| PROFIT (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX | | 17.707.416 | 32.164.247 | 13.855.621 | 12.596.249 |
| Tax (Expense) Income, Continuing Operations | | -4.439.803 | -3.567.562 | -2.658.648 | -3.525.522 |
| Current Period Tax (Expense) Income | 9 | -5.177.016 | -2.572.785 | -3.030.552 | -2.516.687 |
| Deferred Tax (Expense) Income | 9 | 737.213 | -994.777 | 371.904 | -1.008.835 |
| PROFIT (LOSS) FROM CONTINUING OPERATIONS | | 13.267.613 | 28.596.685 | 11.196.973 | 9.070.727 |
| PROFIT (LOSS) | | 13.267.613 | 28.596.685 | 11.196.973 | 9.070.727 |
| Profit (loss), attributable to [abstract] | | | | | |
| Non-controlling Interests | | 0 | | | |
| Owners of Parent | | 13.267.613 | 28.596.685 | 11.196.973 | 9.070.727 |
| Earnings per share [abstract] | | | | | |
| Earnings per share [line items] | | | | | |
| Basic earnings per share | | | | | |
| Diluted Earnings Per Share | | | | | |

Statement of Other Comprehensive Income

| | |
|--------------------------------|----------------|
| Presentation Currency | TL |
| Nature of Financial Statements | Unconsolidated |

| | Footnote Reference | Current Period 01.01.2019 - 30.06.2019 | Previous Period 01.01.2018 - 30.06.2018 | Current Period 3 Months 01.04.2019 - 30.06.2019 | Previous Period 3 Months 01.04.2018 - 30.06.2018 |
|--|--------------------|--|---|--|---|
| Statement of Other Comprehensive Income | | | | | |
| PROFIT (LOSS) | | 13.267.613 | 28.596.685 | 11.196.973 | 9.070.727 |
| OTHER COMPREHENSIVE INCOME | | | | | |
| Other Comprehensive Income that will not be Reclassified to Profit or Loss | | -2.344.273 | -16.611.970 | -577.310 | -16.385.540 |
| Gains (Losses) on Remeasurements of Defined Benefit Plans | | -2.062.415 | -3.030.258 | -625.962 | -2.398.133 |
| Share of Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will not be Reclassified to Profit or Loss | | -698.909 | -14.219.133 | -89.771 | -14.498.403 |
| Gains (Losses) on Remeasurements of Defined Benefit Plans of Associates and Joint Ventures Accounted for Using Equity Method | 6 | -698.909 | -643.795 | -89.771 | -246.144 |
| Other Share of Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method | 6 | 0 | -13.575.338 | 0 | -14.252.259 |
| Other Components of Other Comprehensive Income That Will Not Be Reclassified to Profit Or Loss | 6 | 4.568 | 31.369 | 13.231 | 31.369 |
| Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss | | 412.483 | 606.052 | 125.192 | 479.627 |
| Taxes Relating to Remeasurements of Defined Benefit Plans | 9 | 412.483 | 606.052 | 125.192 | 479.627 |
| Other Comprehensive Income That Will Be Reclassified to Profit or Loss | | 1.221.020 | 1.744.043 | 545.035 | 992.965 |
| Share of Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will be Reclassified to Profit or Loss | | 1.221.020 | 1.744.043 | 545.035 | 992.965 |
| Gains (Losses) on Exchange Differences on Translation of Investments Accounted for Using Equity Method | 6 | 1.221.020 | 1.744.043 | 545.035 | 992.965 |
| Taxes Relating to Components of Other Comprehensive Income that will be Reclassified to Profit or Loss | | 0 | 0 | 0 | 0 |
| OTHER COMPREHENSIVE INCOME (LOSS) | | -1.123.253 | -14.867.927 | -32.275 | -15.392.575 |
| TOTAL COMPREHENSIVE INCOME (LOSS) | | 12.144.360 | 13.728.758 | 11.164.698 | -6.321.848 |
| Total Comprehensive Income Attributable to | | | | | |
| Non-controlling Interests | | 0 | | | |
| Owners of Parent | | 12.144.360 | 13.728.758 | 11.164.698 | -6.321.848 |

Statement of cash flows (Indirect Method)

| | |
|--------------------------------|----------------|
| Presentation Currency | TL |
| Nature of Financial Statements | Unconsolidated |

| | Footnote Reference | Current Period 01.01.2019 - 30.06.2019 | Previous Period 01.01.2018 - 30.06.2018 |
|--|--------------------|---|--|
| Statement of cash flows (Indirect Method) | | | |
| CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES | | 16.369.262 | 28.646.325 |
| Profit (Loss) | | 13.267.613 | 28.596.685 |
| Profit (Loss) from Continuing Operations | | 13.267.613 | 28.596.685 |
| Adjustments to Reconcile Profit (Loss) | | 20.222.071 | 3.735.523 |
| Adjustments for depreciation and amortisation expense | 7 | 8.721.381 | 6.873.183 |
| Adjustments for Impairment Loss (Reversal of Impairment Loss) | | 98.562 | -30.800 |
| Adjustments for Impairment Loss (Reversal of Impairment Loss) of Receivables | | 71.177 | 21.062 |
| Adjustments for Impairment Loss (Reversal of Impairment Loss) of Inventories | 6 | 27.385 | -51.862 |
| Adjustments for provisions | | 6.490.396 | 4.664.715 |
| Adjustments for (Reversal of) Provisions Related with Employee Benefits | 12 | 3.402.953 | 2.245.971 |
| Adjustments for (Reversal of) Other Provisions | | 3.087.443 | 2.418.744 |
| Adjustments for Dividend (Income) Expenses | | -14.857 | -21.922 |
| Adjustments for Interest (Income) Expenses | | -2.409.675 | -1.086.368 |
| Adjustments for Interest Income | 13,14,15 | -3.498.545 | -1.591.830 |
| Adjustments for interest expense | 13,15 | 1.088.870 | 505.462 |
| Adjustments for unrealised foreign exchange losses (gains) | | -339.464 | -188.077 |
| Adjustments for fair value losses (gains) | | 3.494 | -230.026 |
| Adjustments for Fair Value Losses (Gains) of Biological Assets and Agricultural Products | 11 | 3.494 | -230.026 |
| Adjustments for Undistributed Profits of Investments Accounted for Using Equity Method | | 3.217.518 | -9.884.671 |
| Adjustments for undistributed profits of associates | 6 | 3.217.518 | -9.884.671 |
| Adjustments for Tax (Income) Expenses | 9 | 4.439.803 | 3.567.562 |
| Adjustments for losses (gains) on disposal of non-current assets | | 14.913 | 71.927 |
| Adjustments for Losses (Gains) Arised From Sale of Tangible Assets | | 14.913 | 71.927 |
| Changes in Working Capital | | -12.002.877 | -1.240.226 |
| Adjustments for decrease (increase) in trade accounts receivable | | -28.764.763 | -9.205.327 |
| Decrease (Increase) in Trade Accounts Receivables from Related Parties | 3 | -22.195.255 | -2.539.973 |
| Decrease (Increase) in Trade Accounts Receivables from Unrelated Parties | | -6.569.508 | -6.665.354 |
| Adjustments for Decrease (Increase) in Other Receivables Related with Operations | | -3.068.977 | -362.315 |
| Decrease (Increase) in Other Unrelated Party Receivables Related with Operations | | -3.068.977 | -362.315 |
| Adjustments for Decrease (Increase) in Contract Assets | | -95.097 | 0 |
| Decrease (Increase) In Other Contract Assets | | -95.097 | 0 |
| Adjustments for decrease (increase) in inventories | | 12.802.717 | -17.234.476 |
| Decrease (Increase) in Biological Assets | | 6.232.281 | 413.226 |
| Decrease (Increase) in Prepaid Expenses | | -601.829 | -485.207 |
| Adjustments for increase (decrease) in trade accounts payable | | -4.687.767 | 25.156.596 |
| Increase (Decrease) in Trade Accounts Payables to Related Parties | 3 | -9.416.213 | 2.270.157 |
| Increase (Decrease) in Trade Accounts Payables to Unrelated Parties | | 4.728.446 | 22.886.439 |
| Increase (Decrease) in Employee Benefit Liabilities | | 7.396.564 | 483.628 |
| Adjustments for increase (decrease) in other operating payables | | 0 | 0 |
| Increase (Decrease) in Deferred Income Other Than Contract Liabilities | | -1.502.122 | -617.541 |
| Other Adjustments for Other Increase (Decrease) in Working Capital | | 286.116 | 611.190 |
| Decrease (Increase) in Other Assets Related with Operations | | -36.716 | 89.346 |
| Increase (Decrease) in Other Payables Related with Operations | | 322.832 | 521.844 |
| Cash Flows from (used in) Operations | | 21.486.807 | 31.091.982 |

| | | | |
|---|---|--------------------|--------------------|
| Payments Related with Provisions for Employee Benefits | | -2.899.676 | -2.355.842 |
| Income taxes refund (paid) | | -2.217.869 | -89.815 |
| CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES | | 20.505.935 | -3.116.062 |
| Proceeds from sales of property, plant, equipment and intangible assets | | 23.442 | 193.927 |
| Proceeds from sales of property, plant and equipment | | 23.442 | 193.927 |
| Purchase of Property, Plant, Equipment and Intangible Assets | | -1.926.183 | -7.297.741 |
| Purchase of property, plant and equipment | 7 | -991.206 | -7.108.040 |
| Purchase of intangible assets | | -934.977 | -189.701 |
| Cash advances and loans made to other parties | | 0 | |
| Cash receipts from repayment of advances and loans made to other parties | | 12.091.757 | -8.665.210 |
| Paybacks from Cash Advances and Loans Made to Related Parties | | 12.091.757 | -8.665.210 |
| Dividends received | 3 | 6.818.375 | 11.061.131 |
| Interest received | | 3.498.544 | 1.591.831 |
| CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES | | -38.136.266 | -23.782.718 |
| Proceeds from borrowings | | 22.061.381 | 8.989.319 |
| Proceeds from Loans | | 21.968.887 | 8.559.803 |
| Proceeds from Other Financial Borrowings | | 92.494 | 429.516 |
| Repayments of borrowings | | -17.049.441 | -8.662.423 |
| Loan Repayments | | -17.049.441 | -8.662.423 |
| Payments of Lease Liabilities | | -561.562 | 0 |
| Dividends Paid | | -41.710.984 | -23.604.152 |
| Interest paid | | -875.660 | -505.462 |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES | | -1.261.069 | 1.747.545 |
| Effect of exchange rate changes on cash and cash equivalents | | 124.181 | 57.499 |
| Net increase (decrease) in cash and cash equivalents | | -1.136.888 | 1.805.044 |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD | | 3.599.385 | 2.253.131 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD | | 2.462.497 | 4.058.175 |

[illegible]

[illegible]