INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
ŞENER BOYA KİMYA TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ

A. Audit of the Financial Statements

1. Opinion

We have audited the accompanying financial statements of **ŞENER BOYA KİMYA TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**(the "Company"), which comprise the statements of financial position as at 31 March 2020 and the statement of profit or loss, statement of other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and the notes to the financial statements and a summary of significant accounting policies and financial statement notes.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2020, and its financial performance and its cash flows for the year then ended in accordance with Turkish Accounting Standards ("TAS").

2. Basis for Opinion

We conducted our audit in accordance with standards on auditing issued by the Capital Markets Board of Turkey and the Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics published by the Public Oversight Accounting and Auditing Standards Authority. We have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with TAS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

4.Auditor's Responsibilities for the Audit of the Financial Statements

In ındependent audit, the responsibilities of us as independent auditors are as follows:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion (The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.).

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

4.Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

B. Reports on Independent Auditor's Responsibilities Arising from Other Regulatory Requirement

1) Pursuant to subparagraph 4, Article 402 of "TCC", no significant matter has come to our attention that causes us to believe that the Company's bookkeeping activities for the period 1 April 2019 – 31 March 2020 is not in compliance with the code and provisions of the Company's articles of association in relation to financial reporting.

2) Pursuant to subparagraph 4, Article 402 of "TCC", the Board of Directors submitted to us the necessary explanations and provided required documents within the context of audit.

Hikmet KABUK is the responsible auditor who executes and finalizes this independent audit.

Birleşim Bağımsız Denetim ve YMM A.Ş.

Hikmet KABUK
Partner
30 June 2020, Istanbul

ŞENER BOYA KİMYA TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
CONSOLIDATED BALANCE SHEETS AT 31 MARCH 2020

(Amount expressed in Turkish Lira ("TL") unless otherwise stated)

	Note	31 March 2020	8 August 2019
ASSETS			
Cash and cash equivalents	4	861.024	1.375.902
Trade receivables	6	47.563.643	26.500.024
Trade receivables from third parties		*47.563.643*	*26.500.024*
Other receivables	7	1.314.275	4.542
Other receivables from third parties		*1.314.275*	*4.542*
Inventories	8	15.091.198	9.971.774
Prepaid expenses	9	160.007	59.035
Current Period Tax Related Assets	13	-	-
Other current assets	14	4.436.968	3.106.145
SUBTOTAL		**69.427.115**	**41.017.421**
TOTAL CURRENT ASSETS		**69.427.115**	**41.017.421**
Other receivables	7	7.063	6.927
Other receivables from third parties		*7.063*	*6.927*
Property, plant and equipment	11	424.331	410.448
Right of usage assets	16	608.323	702.373
Intangible Assets except goodwill	12	47.132	-
Prepaid expenses	9	367	129
Deferred Tax assets	10	557.018	479.821
Other Non-current assets	14		
TOTAL NON-CURRENT ASSETS		**1.644.234**	**1.599.698**
TOTAL ASSETS		**71.071.349**	**42.617.119**

ŞENER BOYA KİMYA TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
CONSOLIDATED BALANCE SHEETS AT 31 MARCH 2020
(Amount expressed in Turkish Lira ("TL") unless otherwise stated)

LIABILITIESAND SHAREHOLDERS' EQUITY	Note	31 March 2020	08August 2019
Current liabilities			
Short term financial liabilities	5	7.711.870	3.145.118
Liabilities about Leasing Transactions	16	166.813	117.739
Trade payables	6	27.498.913	13.084.872
Trade payables to related parties		*27.225.990*	*10.688.807*
Trade payables to third parties		*272.923*	*2.396.065*
Other payables	7	8.570.195	5.828.075
Other payables to related parties		*8.191.260*	*5.774.727*
Other payables to third parties	10	*378.935*	*53.348*
Deferred Income	10	-	432.885
Term profit tax liability	13	120.279	206.584
Short-term provisions	15	43.433	23.380
Short-term provisions for employee benefits		*43.433*	*23.380*
SUBTOTAL		**44.111.503**	**22.838.652**
TOTAL CURRENT LIABILITIES		**44.111.503**	**22.838.652**
Non-current liabilities			
Long term financial liabilities	5	6.715.327	-
-Liabilities about Leasing Transactions	16	464.274	589.801
Trade payables	6	-	-
Trade payables to third parties		-	-
Long-term provisions	15	339.395	243.835
Long-term provisions for employee benefits		*339.395*	*243.835*
Deferred tax liabilities	31	260.442	374.850
TOTAL NON-CURRENT LIABILITIES		**7.779.438**	**1.208.486**
TOTAL LIABILITIES		**51.890.941**	**24.047.138**
EQUITY			
Attributable to owners of the Company		**19.180.408**	**18.569.981**
Share capital	17	18.700.000	18.700.000
Accumulated other comprehensive income		(29.277)	-
Not be reclassified in Profit or Loss	17	*(29.277)*	-
Restricted reserves appropriated from profit	17	213.864	213.864
Prior years' profit	17	(904.670)	(904.670)
Net profit or loss for the period	17	1.200.491	560.787
TOTAL EQUITY		**19.180.408**	**18.569.981**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**71.071.349**	**42.617.119**

ŞENER BOYA KİMYA TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF PROFIT OR LOSSFOR THE YEARS ENDED 31 MARCH 2020

(Amount expressed in Turkish Lira ("TL") unless otherwise stated)

	Not	01.01.2020 31.03.2020	09.08.2019 31.12.2019	01.04.2019 31.03.2020	09.08.2019 31.03.2020
Sales	18	18.962.637	19.864.233	53.371.717	38.826.870
Cost of sales (-)	18	(17.401.219)	(16.824.336)	(47.330.299)	(34.225.555)
Gross Profit		**1.561.418**	**3.039.897**	**6.041.418**	**4.601.315**
Marketing expenses (-)	19	(301.147)	(44.617)	(345.764)	(345.764)
Administrative expenses (-)	19	(486.589)	(1.705.296)	(2.939.528)	(2.191.885)
Other income from operating activities	20	1.610.651	1.992.459	5.426.978	3.603.110
Other expenses from operating activities (-)	20	(3.352.319)	(1.647.277)	(6.394.681)	(4.999.596)
Operating Profit or Loss		**(967.986)**	**1.635.166**	**1.788.423**	**667.180**
Impairment Gains / (Losses) Determined in accordance with TFRS 9	22	(35.023)	(204.389)	(239.412)	(239.412)
OPERATING PROFIT (LOSS) BEFORE FINANCIAL EXPENSE (INCOME)		**(1.003.009)**	**1.430.777**	**1.549.011**	**427.768**
Finance income / (expense), net	21	1.050.485	(739.765)	225.603	310.720
ONGOING ACTIVITIES PROFIT BEFORE TAX (LOSS)		**47.476**	**691.012**	**1.774.614**	**738.488**
Period tax expense / (income)		(120.278)	(161.854)	(488.716)	(282.132)
Deferred tax expense / (income)		171.530	11.818	(85.407)	183.348
Net Period (Profit) / Losses		**98.728**	**540.976**	**1.200.491**	**639.704**
Equity		**18.700.000**	**18.700.000**	**18.700.000**	**18.700.000**
Earning per share (%)	24	**0,01**	**0,03**	**0,06**	**0,03**

OTHER COMPREHENSIVE INCOME		(14.567)	-	(14.567)	(14.567)
Comprehensive Income / Expense that will not be Reclassified in P / L		**(14.710)**	**(14.567)**	**(29.277)**	**(29.277)**
Defined Benefit Plans Remeasurement Gains (Losses)	17	(18.859)	(18.676)	(37.535)	(37.535)
Deferred Tax Expense / (Income)		4.149	4.109	8.258	8.258
TOTAL INCOME		**84.018**	**526.409**	**1.171.214**	**610.427**

ŞENER BOYA KİMYA TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31MARCH 2020
(Amount expressed in Turkish Lira ("TL") unless otherwise stated)

	Note	Share Capital	Adjustment to share capital	Defined Benefit Plans Remeasurement Gains (Loss)	Restricted reserves	Previous year's Gains (Loss)	Net Gain (Loss) for the year	Equity holders of parent	Non-controlling interests	Total Equity
Balance as of 01 April 2019	17	**18.700.000**	-	-	**213.864**	**(904.670)**	-	**18.009.194**	-	**18.009.194**
Net profit or loss for the period		-	-	-	-	-	*560.787*	*560.787*	-	*560.787*
Balance as of 08August2019	17	**18.700.000**	-	-	**213.864**	**(904.670)**	**560.787**	**18.569.980**	-	**18.569.980**
Balance as of 01 April 2019	17	**18.700.000**	-	-	**213.864**	**(904.670)**	-	**18.009.194**	-	**18.009.194**
Net profit or loss for the period		-	-	-	-	-	*1.200.491*	*1.200.491*	-	*1.200.491*
Total Other Comprehensive Income		-	-	*(29.277)*	-	-	-	*(29.277)*	-	*(29.277)*
Balance as of 31 March 2020	17	**18.700.000**	-	**(29.277)**	**213.864**	**(904.670)**	**1.200.491**	**19.180.408**	-	**19.180.408**

ŞENER BOYA KİMYA TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
CONSOLIDATED STATEMENT OF CASH FLOW FOR 31 March 2020
(Amount expressed in Turkish Lira ("TL") unless otherwise stated)

	Note	1.04.2019 31.03.2020	1.04.2019 8.08.2019
A. Cash Flows From Operating Activities		**(11.043.759)**	**425.758**
Profit for the period		**1.200.491**	**560.787**
Adjustments to reconcile net profit for the period			
Tax Income / Expense Adjustments (+/-)	23	(78.726)	(1.529)
Adjustments for Financing Expenses	21	89.136	(338.510)
Adjustments Regarding Interest Income (-)		(708.527)	(409.159)
Adjustments Related to Decreases (Increases) in Stocks (+/-)	8	(12.056.067)	(6.936.642)
Adjustments for Decreases (Increases) in Trade Receivables (+/-)	6	(24.131.713)	(2.640.449)
Adjustments Regarding Decreases (Increases) in Other Receivables Related to Operations (+/-)	7	(4.747.216)	(1.948.082)
Adjustments for Increases (Decreases) in Trade Payables (+/-)	6	22.768.467	8.487.943
Adjustments for Increases (Decreases) in Other Debts Related to Operations (+/-)	7	6.298.590	3.471.550
Adjustment Amortization and Amortization Expenses	11	71.880	16.463
Adjustment about Provision (+/-)	15	174.717	1.872
Total Adjustments		**(12.319.459)**	**(296.543)**
Change in Operating Assets and Liabilities (+/-)		**75.209**	**161.514**
Tax Refunds (Payments) (+/-)		75.209	161.514
B. Cash Flows from Investment Activities		**(142.172)**	**(25.740)**
Cash Outflows From Tangible Fixed Asset Purchase (-)	11	(90.123)	(25.740)
Cash Inflows from the Sale of Intangible Assets	12	(52.049)	-
C. Cash Flow from Financing Activities		**11.110.781**	**39.709**
Cash Inflows From Borrowing	6	11.117.293	34.542
Cash Outflows Related to Lease Liabilities (-)	16	22.764	5.167
Other Cash Inflows (Outflows) (+/-)		(29.276)	-
Net Increase (Decrease) in Cash and Cash Equivalents Before the Effect of Foreign Currency Conversion Differences (+/-) (A + B + C)		**(75.150)**	**439.727**
D. Effect of Foreign Currency Translation Differences on Cash and Cash Equivalents		-	-
Net Increase (Decrease) in Cash and Cash Equivalents (+/-) (A+B+C+D)		**(75.150)**	**439.727**
E. Cash and Cash Equivalents at the Beginning of the Period	4	936.174	936.174
Cash and Cash Equivalents at the End of the Period (A+B+C+D+E)	4	**861.024**	**1.375.901**

(Amounts expressed in Turkish Lira (TL) unless otherwise indicated).

NOTE 1 – ORGANIZATION AND NATURE OF OPERATIONS

Şener Boya Kimya Tekstil Sanayi Ticaret Ltd. Sti. ("The Company") was established on 13 January 1992 in Istanbul for the purpose of textile dyes activities. The company changed its title on 18.12.2019 and its title became "Şener Boya Kimya Tekstil Sanayi ve Ticaret Anonim Şirekti". Announcement about this changing, published in the Turkey Trade Registry Gazette No. 9979 date of December 24, 2019 on page 317.

The company's headquarters; Istanbul Balmumcu Mahallesi ,Gazi Umur Paşa Sokak ,Balmumcu Plaza 4, No:36/6 Beşiktaş 34349.

As of 31 March 2020, there are 24 personnel employed within the Company personnel (08 August 2019: 16).

Subsidiaries

The subsidiaries of The Company, the countries they are incorporated in, and the nature of their businesses are as follows:

Subsidiaries	Country of incorporation	Nature of business	Voting power held
Şenpa Dış Ticaret Anonim Şirketi	Turkey	International trade	100%

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of Presentation

The financial statements and disclosures have been prepared in accordance with Turkish Accounting Standards/Turkish Financial Reporting Standards (TAS/TFRS) promulgated by the Public Oversight Accounting and Auditing Standards Authority (POA), which are in line with Group Accounting Policies of Holding Company, i.e. Bodal Chemicals Ltd.

The Company maintain their books of accounts and prepare their statutory financial statements on the basis of Turkish Commercial Code ("TCC"), tax legislation and the Uniform Chart of Accounts issued by the Ministry of Finance of the Republic of Turkey. These financial statements are based on the statutory records, which are maintained under historical cost conversion, with the required adjustments and reclassifications reflected for the purpose of fair presentation in accordance with the Turkish Accounting Standards,the format specified in the Guidelines for Use issued by POA, which are in line with Group Accounting Policies of Holding Company, i.e. Bodal Chemicals Ltd.

The financial statements have been prepared on a historical cost basis.

2.2 Principles of consolidation

The significant accounting policies used during the preparation of these consolidated financial statements are summarised below:

a) The consolidated financial statements include the accounts of the parent company, Şener Boya and itssubsidiary as of the date of the consolidated financial statements, and are prepared in accordance with IFRS as explained in Note 2.1.

b) Subsidiaryis Şenpa in which Şener Boya has the power to control their financial and operating policies.Şener Boya's control over the investee, onlyand only when all of the following indicators are available; (a) has power over the investee, (b) the exposure to variable returns from its involvement with the investee or is entitled to these returns, and (c) hasthe ability to use its power over the investee to affect the amount of return to be earned.

The balance sheet and statement of income of the subsidiary,Şenpais consolidated on a line-by-line basis and the carrying value of the investment held by Şener Boya and its subsidiary is eliminated against the related equity. Intercompany transactions and balances between Şener Boya and Şenpa are eliminated on consolidation.

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 Functional and Presentation Currency

Functional currency of all entities' included is Turkish Lira ("TL") and they maintain their books of account in TL in accordance with Turkish Commercial Code, Tax Legislation and the Uniform Chart of Accounts issued by the Ministry of Finance.

2.4 Going concern

The financial statements have been prepared assuming that the Company will continue as a going concern on the basis that the entities will be able to realize its assets and discharge its liabilities in the normal course of business.

2.5 The New Standards, Amendments and Interpretations

The accounting policies adopted in preparation of the consolidated financial statements as at December 31, 2019 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRIC interpretations effective as of January 1, 2019. The effects of these standards and interpretations on the Group's financial position and performance have been disclosed in the related paragraphs.

i) The new standards, amendments and interpretations which are effective as at January 1, 2019 are as follows:

TFRS 16 Leases
In April 2018, POA has published a new standard, TFRS 16 'Leases'. The new standard brings most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and finance leases. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. TFRS 16 supersedes TAS 17 'Leases' and related interpretations and is effective for periods beginning on or after January 1, 2019, with earlier adoption permitted.
Lessees have recognition exemptions to applying this standard in case of short-term leases (i.e., leases with a lease term of 12 months or less) and leases of 'low-value' assets (e.g., personal computers, office equipment, etc.). At the commencement date of a lease, a lessee measures the lease liability at the present value of the lease payments that are not paid at that date (i.e., the lease liability), at the same date recognizes an asset representing the right to use the underlying asset (i.e., the right-of-use asset) and depreciates it during the lease term. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate. Lessees are required to recognize the interest expense on the lease liability and the depreciation expense on the right-of-use asset separately.
Lessees are required to remeasure the lease liability upon the occurrence of certain events (e.g. a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). Under these circumstances, the lessee recognizes the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Amendments to TAS 28 "Investments in Associates and Joint Ventures" (Amendments)
In December 2017, POA issued amendments to TAS 28 Investments in Associates and Joint Ventures. The amendments clarify that a company applies TFRS 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. TFRS 9 Financial Instruments excludes interests in associates and joint ventures accounted for in accordance with TAS 28 Investments in Associates and Joint Ventures. In this amendment, POA clarified that the exclusion in TFRS 9 applies only to interests a company accounts for using the equity method. A company applies TFRS 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.

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

TFRIC 23 Uncertainty over Income Tax Treatments
The interpretation clarifies how to apply the recognition and measurement requirements in "TAS 12 Income Taxes" when there is uncertainty over income tax treatments.
When there is uncertainty over income tax treatments, the interpretation addresses:
(a) whether an entity considers uncertain tax treatments separately;
(b) the assumptions an entity makes about the examination of tax treatments by taxation authorities;
(c) how an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates; and
(d) how an entity considers changes in facts and circumstances.

The interpretation is effective for annual reporting periods beginning on or after 1 January 2019. The interpretation did not have a significant impact on the financial position or performance of the Company.

Annual Improvements – 2015–2017 Cycle
In January 2019, POA issued Annual Improvements to TFRS Standards 2015–2017 Cycle, amending the following standards:
• TFRS 3 Business Combinations and TFRS 11 Joint Arrangements — The amendments to TFRS 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 TFRS 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.
• TAS 12 Income Taxes — The amendments clarify that all income tax consequences of dividends (i.e. distribution of profits) should be recognised in profit or loss, regardless of how the tax arises.
• TAS 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.

The amendments are effective from annual periods beginning on or after 1 January 2019. The amendments did not have a significant impact on the financial position or performance of the Company.

Plan Amendment, Curtailment or Settlement" (Amendments to TAS 19)
In January 2019, the POA published Amendments to TAS 19 "Plan Amendment, Curtailment or Settlement" The amendments require entities to use updated actuarial assumptions to determine current service cost and net interest for the remainder of the annual reporting period after a plan amendment, curtailment or settlement occurs. These amendments are applied for annual periods beginning on or after 1 January 2019. The amendments are not applicable for the Group and did not have an impact on the financial position or performance of the Company.

Prepayment Features with Negative Compensation (Amendments to TFRS 9)
The POA issued minor amendments to TFRS 9 Financial Instruments to enable companies to measure some prepayable financial assets at amortized cost.
Applying TFRS 9, a company would measure a financial asset with so-called negative compensation at fair value through profit or loss. Applying the amendments, if a specific condition is met, entities will be able to measure at amortized cost some prepayable financial assets with so-called negative compensation.
These amendments are applied for annual periods beginning on or after 1 January 2019. The amendments are not applicable for the Group and did not have an impact on the financial position or performance of the Company.

ii) Standards issued but not yet effective and not early adopted

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

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

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

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

TFRS 17 - The new Standard for insurance contracts

The PAO issued TFRS 17 in February 2019, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. TFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. TFRS 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 Company.

Definition of a Business (Amendments to TFRS 3)

In May 2019, the PAO issued amendments to the definition of a business in TFRS 3 Business Combinations. The amendments are intended to assist entities to determine whether a transaction should be accounted for as a business combination or as an asset acquisition.
The amendments:
- clarify the minimum requirements for a business;
- remove the assessment of whether market participants are capable of replacing any missing elements;
- add guidance to help entities assess whether an acquired process is substantive;
- narrow the definitions of a business and of outputs; and
- introduce an optional fair value concentration test.

The amendments to TFRS 3 are effective for annual reporting periods beginning on or after 1 January 2020 and apply prospectively. Earlier application is permitted. The amendments are not applicable for the Group and will not have an impact on the financial position or performance of the Company.

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

In June 2019, the PAO issued amendments to TAS 1 Presentation of Financial Statements and TAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to align the definition of 'material' across the standards and to clarify certain aspects of the definition. The new definition states that, 'Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity. The amendments clarify that materiality will depend on the nature or magnitude of information, or both. An entity will need to assess whether the information, either individually or in combination with other information, is material in the context of the financial statements. The amendments to TAS 1 and TAS 8 are required to be applied for annual periods beginning on or after 1 January 2020. The amendments must be applied prospectively and earlier application is permitted. Overall, the Company expects no significant impact on its balance sheet and equity.

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

The amendments issued to TFRS 9 and TAS 39 which are effective for periods beginning on or after January 1, 2020 provide certain reliefs for 4 fundamental matters in connection with interest rate benchmark reform. These reliefs are related to hedge accounting as follows:
- Highly probable requirement
- Prospective Assessments
- Retrospective Assessments
- Separately identifiable risk components

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

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

iii) The new standards, amendments and interpretations that are issued by the International Accounting Standards Board (IASB) but not issued by Public Oversight Authority (POA)
On January 23, 2020, the IASB issued amendments to IAS 1 Presentation of Financial Statements. The amendments issued to IAS 1 which are effective for periods beginning on or after 1 January 2022, clarify the criteria for the classification of a liability as either current or non-current. Amendments must be applied retrospectively in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Early application is permitted. The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

2.6 Changes in Accounting Estimates and Corrections of Errors (Continues)

restatement of the comparative information or the presentation of additional pro forma information. The amount of the correction of a fundamental error that relates to prior periods should be reported by adjusting the opening balance of retained earnings.

2.7 Offsetting

Financial assets and liabilities are offset and the net amount reported in the financial position statement 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.

2.8 Summary of Significant Accounting Policies

The significant accounting policies implemented during the preparation of the accompanying financial statements are as follows;

Cash and cash equivalents
Cash and cash equivalents comprise cash at banks and on hand and cash in transit. Cash and cash equivalents consist of short-term highly liquid investments including time deposits generally having original maturities of three months or less.

Foreign currency bank deposits valued at the end of period rate. Recorded value is estimated market value of other cash and bank deposits on the balance.

Trade payables
Trade payables are carried at amortized values which reflect the fair value of goods and services purchased.

Inventories
Inventories are valued at the lower of cost or net realizable value. The costs of inventories are determined using the "First in First Out (FIFO" method. Inventories include all purchasing costs, costs of conversion and other costs incurred in order for the inventories to be brought into their existing situation and position. The costs of conversion of the inventories include the costs directly related to production overhead, such as direct labor costs. These costs also include the amounts distributed systematically from the fixed and variable production overheads incurred during the conversion of the raw materials and supplies into finished goods. Net realizable value is yielded by the estimated sales price in the ordinary course of business, less the total estimated costs of the completion and sales to be undertaken.

Property, plant and equipment
The tangible assets are shown as cost of purchasing value less accumulated depletion and permanent depreciation. The historical cost of the tangible asset consists of the purchase price and non-refundable taxes and expenses to make the tangible asset available. The costs of tangible assets in except for land, landed property and construction in progress, are subjected to pro rata depreciation using straight-line method of depreciation based on their expected useful lives. The expected useful life, residual value and method of depreciation are reviewed each and every year for the possible effects of the changes that may occur in the estimations and accounted prospectively in case of a change in the estimations.

(Amounts expressed in Turkish Lira (TL) unless otherwise indicated).

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.8 Summary of Significant Accounting Policies (Contiued)

Property, plant and equipment (Continued)

Profits or losses from sales of property, plant and equipment are included in the other operating income and expense accounts respectively. The tangible assets purchased prior to 1 January 2005 are carried from the costs adjusted according to the effects of inflation costs adjusted according to the effects of inflation.

Impairment of assets

The Company assesses whether there is any indication of impairment in relation to an asset at each balance sheet date. If there is any such indication, the recoverable amount of that asset is estimated. Impairment occurs if the book value of the said asset or any cash generating unit pertaining to that asset is higher than the amount to be recovered through use or sale. The recoverable amount is found out by selecting the higher of its fair value less costs to sell and its value in use. Value in use is the estimated present value of the future cash flows expected to be derived from an asset after its continuous use and disposal at the end of its useful life. Impairment losses are recognized in the statement of income.

Borrowing costs

The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that qualifying asset. All other borrowing costs are realized as expense in the period they are incurred.

Foreign currency transactions

The foreign currency transactions realized within the year are converted over the foreign exchange rates valid at the dates of transactions. The monetary assets and liabilities depending on foreign exchange are converted into Turkish Lira over the exchange rates valid at the end of the period. The exchange difference arising out of the conversions of monetary assets and liabilities depending on foreign exchange are reflected into the statement of income at the period their income or losses are realized.

The foreign exchange rates used at the end of the period are as follows;

	31.03.2020	08.08.2019
USD	6,5160	5,4957
EURO	7,2150	6,1504
GBP	8,0579	6,6866

Events after the balance sheet date

The events after the date of the Financial statement include all events that occurred between the date of the Financial statement and the date of authorization for the publication of the Financial statement; even if they took place after an announcement on the income for the period or a public disclosure of other selected financial information.

If events that require the adjustment occur after the date of the financial statement, the Company corrects the amounts recognized in the financial statements in compliance with this new situation.

Provisions, contingent assets and liabilities

In order for any amount of provisions to be recognized in the financial statements, the Company is to have a present legal or constructive obligation as a result of past events, it should be probable that an outflow of resources with economic benefits will be required to fulfill this obligation, and a reliable estimate of the amount of the said liability can be made. If the said criteria did not occur, then the Company discloses the said matters in the relevant notes. Contingent assets are not recognized until they are realized and only disclosed in the notes.

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Contingent assets are continuously assessed in order for the true representation of the related developments in the financial statements. In the event that the inflow of economic benefit into the operation is almost certain, the relevant asset and the income related thereto are reflected into the financial statements of the term that the change occurred. In the event that the inflow of economic benefit becomes probable, the operation displays the said contingent asset in the notes of the financial statement.

Capital and dividends
Ordinary shares are classified as capital. The dividends distributed over the ordinary shares are recorded as deduced from the accumulated profit in the declared period.

Statement of cash flows
In the statement of cash flows, cash flows in relation to the period are reported as classified on the basis of operating activities, investment activities and financing activities. The cash and cash equivalents in the statement of cash flows include the cash and bank deposits.

Earnings per share
Earnings per share are determined by dividing the net income by the weighted average number of shares that have been outstanding during the year concerned. The Company can increase their share capital by making a pro-rata distribution of their shares ("Bonus Shares") to existing shareholders from retained earnings and allowed reserves. When calculating the earnings per share, these bonus shares are considered as issued shares. Therefore, the weighted average number of shares used in the calculation of the earnings per share is obtained by implementing retrospectively the bonus issuance of the shares.

Related parties
Within the scope of this report, Company shareholders, affiliates, subsidiaries and other entities than subsidiaries that the Company shareholders are in a capital or administrative relationship directly or indirectly, Company or administrative personnel such as the member of Company's board of directors, general manager, etc, authorized and responsible for planning, performance and auditing of the Company operations directly or indirectly, close family members of these persons and companies under direct or indirect control of these persons are considered as the related parties. Transactions with related parties are disclosed in the notes to the financial statement.

Employee benefits
Payments to defined contribution retirement benefit plans are charged as an expense in the year in which the contributions relate to. Payments made to the Social Security Institution of Turkey and Turkish Republic Retirement Fund are dealt with as payments to defined contribution plans where the Company's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan. The Company pays contributions to the Social Security Institution of Turkey on a mandatory basis. The NOTE

Company has no further payment obligations once the contributions have been paid. The contributions are recognized as an employee benefit expense in the period to which the employees' service relates.

The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for any unrecognized past service cost. There is no funding requirement for defined benefit plans. The Company recognizes actuarial gains and losses in the statement of comprehensive income.

Taxes on corporate income

Income tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the statement of financial position date.

(Amounts expressed in Turkish Lira (TL) unless otherwise indicated).

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the statement of financial position liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realized. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis. Deferred tax assets and liabilities are reflected as non-current in the financial statements.

Financial Instruments
Financial assets and financial liabilities are recognised when a Company entity becomes a party to the contractual provisions of the instruments.
Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Leases
The Company has adopted IFRS 16, Leases, using modified retrospective method.
Accordingly, the comparative have not been retrospectively adjusted. The adoption of IFRS 16, did not have any material impact on the standalone results for the period ended 30th September, 2019.

2.9 Critical Accounting Estimates and Assumptions

The critical accounting estimates that have significant effect on the book values of the assets and liabilities are as follows;

Useful life:
Tangible and intangible assets are subjected to amortization and depreciation throughout their estimated useful lives.

Useful lives of tangible assets
Estimated useful lives of the tangible assets are as follows:

Buildings	30-60 years
Plant & Machinery	20 years
Furniture & Fixtures	10 years
Vehicles	10 years
Office Equipments	3-5 years

(Amounts expressed in Turkish Lira (TL) unless otherwise indicated).

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Deferred financing income / expense:
The calculation of the amortized cost of trade receivables and payables by using the effective interest method is based on the expected collection and payment dates of the receivables and payables.

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises primarily from financial assets such as trade receivables, investment in mutual funds, derivative financial instruments, other balances with banks, loans and other receivables.

Credit risk arising from investment in mutual funds, derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the international credit rating agencies.

The Group is making provision on Trade Receivables based on Expected Credit Loss Model (ECL) as below.

No. of Days for which amount is due	<=60 Days	61-120 Days	121-180 Days	181-360 Days	>360 Days
% of Provision	0%	0.25%	0.50%	0.75%	1%

Employment termination benefits:
The provision for employment termination benefits is reduced to its value at the balance sheet date by calculating the personnel turnover rate based on the past year experiences and expectations.

The estimations used are displayed in the relevant accounting policies or notes.

NOTE 3 – RELATED PARTY

Receivables /Payables;

a)Short-term trade payables to related parties

	31.03.2020	08.08.2019
Bodal Chemicals Ltd.	27.225.990	10.688.807
	27.225.990	**10.688.807**

b) Other short-term debts to related parties

	31.03.2020	08.08.2019
Payables to Shareholders	8.191.260	5.774.727
	8.191.260	**5.774.727**

c) Long-term financial liabilities

	31.03.2020	08.08.2019
Long-term financial liabilities BODAL CHEMİCALS LTD.	6.715.327	-
	6.715.327	**-**

iii) Key management remuneration

	01.04.2019-31.03.2020	01.04.2019-08.08.2019
Key management remuneration	517.033	166.111
	517.033	**166.111**

(Amounts expressed in Turkish Lira (TL) unless otherwise indicated).

NOTE 4 – CASH AND CASH EQUIVALENTS

	31.03.2020	08.08.2019
Cash on hand	42.255	18.683
Due from banks	818.769	1.357.218
demand deposits	818.769	1.357.218
	861.024	**1.375.902**

NOTE 5 – FINANCIAL LIABILITIES

a.) Short-term financial liabilities

	31.03.2020	08.08.2019
Short-term financial liabilities	7.711.870	3.145.118
	7.711.870	**3.145.118**

b.) Long-term financial liabilities

	31.03.2020	08.08.2019
Long-term financial liabilities	6.516.000	-
Interest Accrual	199.327	-
	6.715.327	-

NOTE6 – TRADE RECEIVABLES AND PAYABLES

	31.03.2020	08.08.2019
Trade receivables	26.610.788	14.524.171
Notes receivable	22.742.527	13.337.880
Rediscount on trade receivables	(1.789.672)	(1.362.026)
Doubtful receivables	431.592	374.360
Provision for doubtful receivables(-)	(431.592)	(374.360)
	47.563.643	**26.500.024**

Maturity details of notes receivable as of 31March 2020 and 08 August 2019 are as follows:

	31.03.2020	8.08.2019
Overdue	770.962	-
1-30 days	2.418.728	2.296.450
31-60 days	1.014.264	1.992.704
61-90 days	1.975.670	1.444.521
91-120 days	1.668.649	1.649.144
121-150 days	2.937.438	937.355
151-180 days	2.103.580	951.586
181-210 days	1.395.000	764.962
211-240 days	2.576.412	373.962
241-270 days	2.588.824	816.204
271-300 days	1.608.000	885.704
301-330 days	1.185.000	755.288
1-5 years	500.000	470.000,00
	22.742.527	**13.337.880**

(Amounts expressed in Turkish Lira (TL) unless otherwise indicated).

NOTE6 – TRADE RECEIVABLES AND PAYABLES (Continued)

Movements in the provision for doubtful trade receivables during the periods ended 31 March 2020 and 08 August 2019 are as follows:

	31.03.2020	08.08.2019
Opening balance	(374.360)	(374.360)
Collection in the period	107.180	-
Disposal in the period	75.000	-
Provisions in the period	(239.412)	-
Closing balance	**(431.592)**	**(374.360)**

The details of short term trade payables as of 31 March 2020 and 08 August 2019 are as follows:

	31.03.2020	08.08.2019
Trade payables	1.421.748	3.240.522
Due to related parties	27.225.990	10.688.807
Cheques and payment orders given	35.000	40.000
Rediscount of trade payables	(1.183.825)	(884.457)
	27.498.913	**13.084.872**

Maturity details of notes payables as of 31March 2020 and 08 August 2019 are as follows:

	31.03.2020	08.08.2019
1-30 days	-	20.000
30-60 days	20.000	
61-90 days	15.000	20.000
	35.000	**40.000**

NOTE7 – OTHER RECEIVABLES AND PAYABLES

a.1) Other short term receivables

	31.03.2020	08.08.2019
Other short term receivables	6.709	4.542
VAT refund receivables	1.307.566	-
	1.314.275	**4.542**

a.2) Other long term receivables

	31.03.2020	08.08.2019
Deposits and guarantees given	7.063	6.927
	7.063	**6.927**

(Amounts expressed in Turkish Lira (TL) unless otherwise indicated).

NOTE7 – OTHER RECEIVABLES AND PAYABLES (Continued)

a) Other short term payables	31.03.2020	08.08.2019
Due to Shareholders	8.191.260	5.774.727
Other	91.900	2.188
Tax payabes	255.301	27.746
Social security payables	30.069	23.413
Private retirement fund payables	1.665	-
	8.570.195	**5.828.074**

NOTE8 – INVENTORIES

	31.03.2020	08.08.2019
Raw materials	7.129.935	7.279
Finished goods	1.911.358	-
Trade goods	6.049.905	9.964.494
	15.091.198	**9.971.774**

NOTE9 – PREPAID EXPENSES

a) Prepaid expenses-short term	31.03.2020	08.08.2019
Order advances given	26.708	
Prepaid expenses - short term	133.299	4.197
Advances given for business purposes	-	54.838
	160.007	**59.035**

b) Prepaid expenses-long term	31.03.2020	08.08.2019
Prepaid expenses - Long Term	367	129
	367	**129**

NOTE-10DEFERRED INCOME

a) Short-term Deferred Income

	31.03.2020	08.08.2019
Received advances	-	432.885
	-	**432.885**

(Amounts expressed in Turkish Lira (TL) unless otherwise indicated).

NOTE 11 – TANGIBLE FIXED ASSETS

Cost	9August 2019	Addition	Disposal	Transfer	31 March 2020
Plant, Machinery and Equipment	207.019	3.905	-	11.070	221.994
Furniture and fixtures	260.316	60.478	-	(465)	320.329
Leasehold improvements	133.224	-	-	(10.605)	122.619
Total	**600.559**	**64.383**	-	-	**664.942**

Accumulated depreciation (-)	9August 2019	Addition	Disposal	Transfer	31 March 2020
Plant, Machinery and Equipment	90.722	17.470	-	4.726	112.918
Furniture and fixtures	61.066	28.693	-	4.079	93.838
Leasehold improvements	38.323	4.337	-	(8.805)	33.855
Total	**190.111**	**50.500**	-	-	**240.611**
Net Book Value	**410.448**				**424.331**

Cost	1 April 2019	Addition	Disposal	8 August 2019
Plant, Machinery and Equipment	199.556	7.463	-	207.019
Furniture and fixtures	242.039	18.277	-	260.316
Leasehold improvements	133.224	-	-	133.224
Total	**574.819**	**25.740**	-	**600.559**

Accumulated depreciation (-)	1 April 2019	Addition	Disposal	8 August 2019
Plant, Machinery and Equipment	85.330	5.392	-	90.722
Furniture and fixtures	53.313	7.753	-	61.066
Leasehold improvements	35.005	3.318	-	38.323
Total	**173.648**	**16.463**	-	**190.111**
Net Book Value	**401.171**			**410.448**

(Amounts expressed in Turkish Lira (TL) unless otherwise indicated).

NOTE 12– INTANGIBLE ASSETS

Cost	9August 2019	Addition	Disposal	31 March 2020
Rigths		13.158	-	13.158
Other Intangible Assets	-	46.440	(7.549)	38.891
Total	**-**	**59.598**	**(7.549)**	**52.049**

Accumulated depreciation	9August 2019	Addition	Disposal	31 March 2020
Rigths	-	945	-	945
Other Intangible Assets		9.942	(5.970)	3.972
Total	**-**	**10.887**	**(5.970)**	**4.917**
Net Book Value	**-**			**47.132**

NOTE 13 – CURRENT TAX ASSET

	31.03.2020	08.08.2019
Provisions of current year profit	488.716	206.584
Prepaid tax and other liabilities on current year profit	(368.437)	-
	120.279	**206.584**

NOTE 14 – OTHER ASSETS AND LIABILITIES

Other current assets

	31.03.2020	08.08.2019
Vat Asset – Short Term	4.436.968	3.106.145
	4.436.968	**3.106.145**

NOTE 15 – PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Short Term Provisions for Employee Benefits

	31.03.2020	08.08.2019
Leave of absence provisions	43.433	23.380
	43.433	**23.380**

(Amounts expressed in Turkish Lira (TL) unless otherwise indicated).

NOTE 15 – PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS (Continued)

Long Term Provisions for Employee Benefits

	31.03.2020	08.08.2019
Employment termination benefits	339.395	243.835
	339.395	**243.835**

The movement table of provision for employment termination benefits for the periods ending on 31.03.2020 and 08.08.2019 is as follows:

	31.03.2020	08.08.2019
Opening balance	243.835	
Service cost	58.026	243.835
Actuarial difference	37.534	-
Closing balance	**339.395**	**243.835**

NOTE-16RIGHT OF USE ASSETS AND LIABILITIES

a) Right of Use Assets

	31.03.2020	08.08.2019
Right of Use Assets	729.988	729.988
Right of Use AssetsAmortization (-)	(121.665)	(27.615)
	608.323	**702.373**

b) Short Term Right of Use Liabilities

	31.03.2020	08.08.2019
Short Term Right of Use Liabilities	166.813	117.739
	166.813	**117.739**

c) Long Term Right of Use Liabilities

	31.03.2020	08.08.2019
Long Term Right of Use Liabilities	464.274	589.802
	464.274	**589.802**

(Amounts expressed in Turkish Lira (TL) unless otherwise indicated).

NOTE 17 – EQUITY

The issued capital shares of the Company are divided into 18.700.000 shares, each with a value of 1 Turkish Lira. The partnership structure of the Company as at 31 March 2020 and 08 August 2019 are as follows

Shareholders	31.03.2020 Percentage (%)	TRY	08.08.2019 Percentage (%)	TRY
ADNAN ŞENKÜR	10%	1.870.000	50%	9.350.000
CÜNEYT ŞENKÜR	10%	1.870.000	50%	9.350.000
BODAL CHEMICALS LTD	80%	14.960.000	0%	
	100%	**18.700.000**	**100%**	**18.700.000**

Restricted Reserves

The legal reserves consist of first and second reserves, appropriated in accordance with the Turkish Commercial Code. The Turkish Commercial Code stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5 % per annum, until the total reserve reaches 20 % of the paid in share capital. The second legal reserves, on the other hand, is 10 % of the distributed profits exceeding 5 % of the paid in share capital. According to the Turkish Commercial Code, the legal reserves can only be used to offset losses and are not available for any other usage unless they exceed 50% of paid-in share capital

	31.03.2020	08.08.2019
Opening balance	213.864	213.864
Additions	-	-
Closing balance	**213.864**	**213.864**

Actuarial gain / loss fund for provision for employment termination benefits

With the amendment made in the TAS- 19 "Employee Benefits" the actuarial losses and earnings taken into consideration in the calculation of the provision for employment termination benefits are not allowed to be accounted for in the statement of income. The losses and earnings that occurred in consequence of the change in the actuarial assumptions are accounted for in the equity.

	31.03.2020	08.08.2019
Opening balance	-	-
Additions	37.534	-
Deferred tax effect	(8.257)	-
Closing balance	**29.277**	-

(Amounts expressed in Turkish Lira (TL) unless otherwise indicated).

NOTE 17 – EQUITY (Continued)

Profit distribution

Dividend distribution is made to the provisions of the Articles of Association. According to the Turkish Commercial Code, each shareholder has the right to participate in the dividend to the net profit for the period decided to be distributed to the shareholders. There is no profit distribution performed by the Company

Previous year Profit / (Loss)

	31.03.2020	08.08.2019
Opening balance	(904.670)	(904.670)
Additions	-	-
	(904.670)	**(904.670)**

NOTE 18– SALES AND COST OF SALES

	01.04.2019-31.03.2020	01.04.2019-08.08.2019
Domestic sales	29.297.468	13.343.288
Exports	24.350.275	8.797.629
	53.647.743	**14.544.847**
Sales return (-)	(276.026)	-
Net Sales	**53.371.717**	**14.544.847**

Cost of Sales

	01.04.2019-31.03.2020	01.04.2019-08.08.2019
Cost of goods sold (-)	31.916.604	5.649.674
Cost of merchandises sold (-)	15.413.695	7.455.070
	47.330.299	**13.104.744**

(Amounts expressed in Turkish Lira (TL) unless otherwise indicated).

NOTE 19 – OPERATING EXPENSES

	01.04.2019-31.03.2020	01.04.2019-08.08.2019
General administrative expenses	2.939.528	747.643
Marketing, Sales and Distribution Expenses	345.764	-
Operating expenses	**3.285.292**	**747.643**

Marketing, Sales and Distribution Expenses (-)	**01.04.2019-31.03.2020**	**01.04.2019-08.08.2019**
Cargo and shipping costs	255.652	-
Personnel expenses	57.653	-
Packaging expenses	32.459	-
	345.764	-

General administrative expenses (-)	**01.04.2019-31.03.2020**	**01.04.2019-08.08.2019**
Personnel expenses	999.658	304.885
Depreciation expenses	77.850	16.463
Consulting expenses	142.089	19.103
Rent expenses	227.635	106.891
Repair expenses	1.810	-
Lawsuits and notary expenses	139.025	32.764
Insurance expenses	48.249	16.835
Food expenses	54.143	19.271
Bank expenses	66.680	24.111
Representation, hospitality expenses	79.336	43.059
Travel expenses	290.959	70.579
Fuel expenses	26.196	9.581
Advertising and communication expenses	26.797	5.258
Energy expenses	7.164	2.216
Other	751.937	76.627
Total	**2.939.528**	**747.643**

(Amounts expressed in Turkish Lira (TL) unless otherwise indicated).

NOT 20 - OTHER INCOME AND EXPENSE FROM OTHER OPERATIONS

	01.04.2019-31.03.2020	01.04.2019-08.08.2019
Foreign exchange gains	4.485.269	1.049.492
Rediscount Interest Income	708.527	747.669
Other ordinary income and profits	61.702	-
Other extraordinary income and profits	64.300	26.707
Doubtful receivable collection income	107.180	-
Total	**5.426.978**	**1.823.868**

	01.04.2019-31.03.2020	01.04.2019-08.08.2019
Foreign exchange losses	5.470.498	596.312
Rediscount Interest Expenses	89.136	-
Other extraordinary expense and losses	835.047	798.773
Total	**6.394.681**	**1.395.085**

NOTE 21 – FINANCIAL INCOME AND EXPENSE

Financial income

	01.04.2019-31.03.2020	01.04.2019-08.08.2019
Interest income	4.393.997	171.411
	4.393.997	**171.411**

Financial expenses

	01.04.2019-31.03.2020	01.04.2019-08.08.2019
Short term financing expenses	4.168.394	256.528
	4.168.394	**256.528**

NOTE22–EXPECTED CREDIT LOSS PROVISION EXPENSE

	01.04.2019-31.03.2020	01.04.2019-08.08.2019
Expected credit loss provision expense (-)	239.412	-
	239.412	**-**

(Amounts expressed in Turkish Lira (TL) unless otherwise indicated).

NOTE 23 – TAXATION ON INCOME

Corporate tax

The required provisions are reserved in the accompanying financial statements for the estimated tax liabilities with regards to the current period operating results of the Company.

The ratio of the corporate tax to be accrued over the taxable corporate income is calculated over the base remaining after the addition of the expenses written off as expense in the determination of the trade earnings which cannot be deduced from the tax base, and the deduction of the earnings exempt from tax, tax free income and other discounts (retained losses and investment discounts used on demand, if any). The corporate tax ratio applied in the year 2018 is 20 % .
"The Law on the Amendment of Certain Tax Laws and Some Other Laws (No. 7061)" (Law No. 7061) published on December 5, 2018 and the corporate tax rate was determined to be 22% for corporate earnings for taxation periods of 2018, 2019 and 2020. "

Advance taxes in Turkey are calculated and accrued on a quarterly basis. At the taxation stage as of the advance tax periods of the corporate earnings for the year 2018, the rate of advance tax to be calculated over the corporate earnings is 20 %."The rate related to Law No. 7061 has been determined as 22% for the years 2018, 2019 and 2020 as of May 14, 2018." The losses can be carried over for a maximum period of 5 years to be deduced from the taxable income to be generated in the coming years. However, the incurred losses are not deduced retrospectively from the retained income.

With regards to the taxes to be paid in Turkey, there is no practice of reconciliation with the tax authority. The corporate tax returns are submitted to the respective tax office until the evening of the 25th day of the fourth month following the month that the accounting period is closed. Notwithstanding, the tax authorities have the right to audit tax returns may inspect the related accounting records for a period of five years and in case an erroneous transaction is detected, then the amounts of taxes payable may change.

In addition to the corporate tax, except for those distributed to fully obliged institutions that acquire share from profits in the event they are distributed and declares these shares from profits by including them into the earnings of the institution, and to the braches of foreign companies in Turkey, income tax withholding should separately be calculated over the shares of profits. The income tax withholding is applied at the rate of 15 %.

Tax income / expense	**01.04.2019-31.03.2020**	**01.04.2019-08.08.2019**
Current corporate tax (-)	488.716	206.584
Deferred Tax Income/Expense (-)	85.407	268.755
	574.123	**475.339**

(Amounts expressed in Turkish Lira (TL) unless otherwise indicated).

NOTE 23 – TAXATION ON INCOME (Continued)

Deferred taxes

The Company accounts for the deferred tax assets and liabilities for the temporary timing differences resulting from the differences between the statutory financial statements that set the basis of the tax and the financial statements prepared according to TAS / TFRS. The said differences in general result from the financial statements that set the basis of the tax, as well as their being in different periods in the financial statements prepared according to TAS / TFRS, and these differences in question are specified below.The calculation of deferred tax assets and liabilities is based on tax rates of 22% for the years 2018, 2019 and 2020 and 20% for the other periods, which are expected to be applied in the periods when the assets are converted to income or when the liabilities are paid.

	31.03.2020	31.03.2020	8.08.2019	8.08.2019
	Cumulative Temporary Differences	Deferred Tax Asset/ (Liabilitie)	Cumulative Temporary Differences	Deferred Tax Asset/ (Liabilities)
Deferred tax asset:				
Rediscount on receivables	1.789.672	393.728	1.362.026	272.405
Adjustment of tangable asstets	-	-	11.303	2.261
Accumulated depreciation	72.322	15.911	958	191
Doubtful receivable provision	239.412	52.671	-	-
Adjustment on righ of use assets	22764	5.008	27.615	5.523
Adjustment on righ of use assets			729.988	145.998
Provision for severance pay	43.433	9.555	23.380	4.676
Allowance for ETB	339.395	74.666	243.835	48.767
Adjustment on invetory	24.903	5.479	-	-
Total		**557.018**		**479.821**
Deferred tax liability				
Rediscount on debt	1.183.825	260.442	884.457	176.891
Other	-	-	-	-
Accumulated depreciation	-	-	-	-
Adjustment on righ of use assets	-	-	22.448	4.490
Birikmiş Amortismanlar	-	-	237.359	47.472
Adjustment on righ of use assets	-	-	729.988	145.998
Total		**260.442**		**374.850**
Deferred tax assets, Net		**296.576**		**104.971**

The Company's deferred tax assets/liabilities' movement is as follows;

(Amounts expressed in Turkish Lira (TL) unless otherwise indicated).

NOTE 23 – TAXATION ON INCOME (Continued)

Deferred tax assets/liabilities

	01.04.2019-31.03.2020	01.04.2019-8.08.2019
Opening balance	373.726	373.726
Deferred tax (expense) / income	(85.407)	(268.755)
Deferred tax in OCI	8.257	
Closing balance	**296.576**	**104.971**

NOTE 24 – EARNINGS PER SHARE

Earnings per share are calculated by dividing the net income of the shareholders by the weighted average number of ordinary shares. The earnings per share of the Company as at 31 March 2020 and 08 August 2019 are as follows:

	01.04.2019-31.03.2020	01.04.2019-8.08.2019
Net Period Profit (TRY)	98.728	560.787
Weighted average number of issued shares (1 TRY worth of shares)	18.700.000	18.700.000
Earning per share (TRY)	**0,01**	**0,03**

NOT 25 - NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS

Capital management policies

The Company's capital risk management aims are establishing the optimum share capital structure to reduce capital and profit cost and providing the continuity of the Company's operations.

The Company aims at increasing its profits by ensuring the sustainability of its operating activities on the one hand, while using its equity capital balance at the most efficient manner, on the other. The capital structure of the Company is composed of equity capital items containing payables also including credits, cash and cash equivalents and issued capital respectively, profit reserves as well as retained earnings.

The most important determinant of the Company's financing needs that net working capital requirement is provided by company's capital and bank loans. The distribution of trade receivables and payment control of credit quality is important for risk management that is why the company monitors customer risks frequantly.

The general strategy of the Company overall does not display any difference from the previous period. The table of the major risks that the Company is exposed to is provided as follows;

NOT 25 - NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

Financial risk factors

The Company's activities expose it to a variety of financial risks including market risk (consisting of currency risk, fair value interest rate risk and price risk), credit risk and liquidity risk. The Company's risk management program generally seeks to minimize the effects of uncertainty in financial market on financial performance of the Company. The Company uses derivative financial instruments for hedging risk factors. Risk management is implemented by subsidiaries according to the policies approved by the central Board of Directors

Credit risk management

Credit risk refers to the risk that counterparty will default on its contractual obligations. These risks are managed by credit evaluation and distribution of the total risk of a single counterparty. Credit risk is distributed via the number of institutes that form the customer database and their different fields of business activities.

	Trade Receivables		Other Receivables		
31 March 2020	Related Parties	Third Parties	Related Parties	Related Parties	Banks
Maximum credit risk as of balance sheet date (A+B+C+D+E)	-	**47.563.643**	-	-	**818.769**
The part of maximum risk under guarantee with collateral, etc.	-	-	-	-	-
A. Carrying value of financial assets that are neither past due nor impaired	-	47.563.643	-	-	818.769
B. Carrying value of financial assets that are renegotiated,if not that will be accepted as past due nor impaired	-	-	-	-	-
C. Carrying value of financial assets that arepast due but not impaired	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-
Past due (gross carrying amount)	-	431.592	-	-	-
Impairment (-)	-	(431.592)	-	-	-
The part of net value under guarantee with collateral, etc.	-	-	-	-	-
Not past due (gross carrying amount)	-	-	-	-	-
Impairment (-)	-	-	-	-	-
The part of net value under guarantee with collateral, etc..	-	-	-	-	-
E. Off-balance-sheet items with credit risk	-	-	-	-	-

(Amounts expressed in Turkish Lira (TL) unless otherwise indicated).

NOT 25 - NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

	Ticari Alacaklar		Diğer Alacaklar		
08 August 2019	İlişkili Taraf	Diğer Taraf	İlişkili Taraf	Diğer Taraf	Bankalar
Maximum credit risk as of balance sheet date (A+B+C+D+E)	**26.500.024**	**26.500.024**	**-**	**-**	**1.357.218**
The part of maximum risk under guarantee with collateral, etc.	-	-	-	-	-
A. Carrying value of financial assets that are neither past due nor impaired	26.500.024	26.874.384	-	-	1.357.218
B. Carrying value of financial assets that are renegotiated,if not that will be accepted as past due nor impaired	-	-	-	-	-
C. Carrying value of financial assets that arepast due but not impaired	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-
Past due (gross carrying amount)	-	374.360	-	-	-
Impairment (-)	-	(374.360)	-	-	-
The part of net value under guarantee with collateral, etc.	-	-	-	-	-
Not past due (gross carrying amount)	-	-	-	-	-
Impairment (-)	-	-	-	-	-
The part of net value under guarantee with collateral, etc..	-	-	-	-	-
E. Off-balance-sheet items with credit risk	-	-	-	-	-

Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Liquidity risk table

Having a conservative liquidity risk management requires obtaining adequate level of cash in addition to having the ability to utilize adequate level of borrowings and fund resources as well as closing market positions.

The table below identifies the maturities of the Company's financial liability. The tables have been prepared based on the undiscounted cash flows of non-derivative financial liabilities based on the earliest date on which the Company can be required to pay. The table includes interest and principal cash flows.
The analysis of the Company's financial liabilities with respect to their maturities is as follows:

(Amounts expressed in Turkish Lira (TL) unless otherwise indicated).

NOT 25 - NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

31March 2020

Contractual maturities	Carring Value	Contractual cash flows ((=I+II+III+ IV))	Less than 3 months (I)	3-12 Months (II)	1-5 years (III)
Non-derivative					
Financial liabilities	**51.445.803**	**51.645.130**	**13.170.322**	**31.759.481**	**6.715.327**
Financial liabilities	**14.227.870**	**14.427.197**	**3.178.379**	**4.533.491**	**6.715.327**
Trade payables	**28.647.738**	**28.647.738**	**1.421.748**	**27.225.990**	**-**
Related parties	*27.225.990*	27.225.990	-	27.225.990	-
Third parties	*1.421.748*	*1.421.748*	*1.421.748*	-	-
Other payables	**8.570.195**	**8.570.195**	**8.570.195**	**-**	**-**
Related parties	*8.191.260*	*8.191.260*	*8.191.260*	-	-
Third parties	*378.935*	*378.935*	*378.935*	-	-

08 August2019

Contractual maturities	Carring Value	Contractual cash flows ((=I+II+III+ IV))	Less than 3 months (I)	3-12 Months (II)	1-5 years (III)
Non-derivative					
Financial liabilities	**17.851.524**	**17.851.524**	**13.998.866**	**3.262.856**	**589.802**
Financial liabilities	**3.852.658**	**3.852.658**	**-**	**3.262.856**	**589.802**
Trade payables	**8.170.792**	**8.170.792**	**8.170.792**	**-**	**-**
Related parties	*5.774.727*	*5.774.727*	*5.774.727*	-	-
Third parties	*2.396.065*	*2.396.065*	*2.396.065*	-	-
Other payables	**5.828.075**	**5.828.075**	**5.828.075**	**-**	**-**
Related parties	*5.774.727*	*5.774.727*	*5.774.727*	-	-
Third parties	*53.348*	*53.348*	*53.348*	-	-

(Amounts expressed in Turkish Lira (TL) unless otherwise indicated).

NOT 25 - NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

Currency Risk

The financial instruments of the Company in foreign exchange are exposed to currency risk due to the changes in foreign exchange rates. The foreign currency position of the Company as at 31 March 2020 and 08 August 2019 are as follows:

31 March 2020

	TRY Equ ivalent	USD	EUR	GBP
Trade Receiveables	21.078.045	3.234.814	0	
Monetary financial assets	525.988	80.723	0	
Current assets)	**21.604.034**	**3.315.536**	**0**	**0**
Total assets	**21.604.034**	**3.315.536**	**0**	**0**
Trade Payables	28.458.897	4.367.541	0	
Current liabilities	**28.458.897**	**4.367.541**	**0**	**0**
Borrowings	6.715.396	1.030.601		
Non-current liabilities	**6.715.396**	**1.030.601**		
Total liabilities	**35.174.293**	**5.398.142**	**0**	**0**
Net foreign currency position	**(13.570.260)**	**(2.082.606)**	**0**	**0**

8 August 2019

	TRY Equ ivalent	USD	EUR	GBP
Trade Receiveables	0	1.765.007	0	
Current assets)	**0**	**1.765.007**	**0**	**0**
Total assets	**0**	**1.765.007**	**0**	**0**
Netforeign currency position	**0**	**1.765.007**	**0**	**0**

<u>Sensitivity analysis;</u>

Döviz Kuru Duyarlılık Analizi Tablosu
31 March 2020

	Profit/Loss before tax		**Capital**	
	If foreing currency appreciates	If foreign currency depreciates	If foreing currency appreciates	If foreign currency depreciates
	If US Dolar TL changes 10%			
US Dollar net asset/liability	**(1.357.026)**	**1.357.026**	**(1.357.026)**	**1.357.026**
US Dollar net effect	**(1.357.026)**	**1.357.026**	**(1.357.026)**	**1.357.026**
	If EUR , TL changes 10%			
EUR net asset/liability	--	**0**	--	**0**
EUR net effect	--	**0**	--	**0**
TOTAL	**(1.357.026)**	**1.357.026**	**(1.357.026)**	**1.357.026**

(Amounts expressed in Turkish Lira (TL) unless otherwise indicated).

NOT 25 - NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

08 August 2019

	Profit/Loss before tax		**Capital**	
	If foreing currency appreciates	If foreign currency depreciates	If foreing currency appreciates	If foreign currency depreciates
	If US Dolar TL changes 10%			
US Dollar net asset/liability	**962.953**	**(962.953)**	**962.953**	**(962.953)**
US Dollar net effect	**962.953**	**(962.953)**	**962.953**	**(962.953)**
	If EUR , TL changes 10%			
EUR net asset/liability	--	**0**	--	**0**
EUR net effect	--	**0**	--	**0**
TOTAL	**962.953**	**(962.953)**	**962.953**	**(962.953)**

NOTE 26 - FINANCIAL INSTRUMENTS: DISCLOSURES (FAIR VALUE DISCLOSURES HEDGE ACCOUNTING DISCLOSURES)

The current value is the amount that a financial instrument can be handed over in a current transaction, other than a compulsory sale or liquidation, between voluntary parties, and is best determined with the realized market price, if any.

Estimations are used in the estimation of current value and interpretation of the market data. Accordingly, the estimations presented hereby may not be able to display the amounts that the Company can acquire from an actual market transaction.

The methods and assumptions provided below are used to estimate the current value of each one of the financial instruments in the events where it is possible to determine the current value.

Financial assets

The carried values of the cash and cash equivalent financial assets are thought to be close to their current values. The carried values of trade receivables after the deduction of doubtful receivables are thought to be close to their current values. The monetary items in foreign currency are converted using the exchange rates as at the end of the period. Off board financial assets are displayed over their costs.

Financial liabilities

The monetary items in foreign currency are converted using the exchange rates as at the end of the period. The trade payables and other monetary liabilities, as they are short term liabilities, are accepted to have current values close to their carried values. On the other hand, the carried values of the short term credits, due to their short term, are assumed to reflect the current value.

The reconciliation of opening and closing balance of financial assets and liabilities is as follows:

	31.03.2020	**08.08.2019**
Total Liabilities	51.890.941	24.092.495
Less :Other liquid assets	(861.024)	(1.375.901)
Net liabiity	51.029.917	22.716.594
Equity & reserves	19.180.408	18.569.981
Total Equity	70.210.325	41.286.575
Net Liability/ Total Equity	**72,68%**	**55,02%**

NOT 27 - SUBSEQUENT EVENTS

None (08 August 2019: None).

NOT 28 - OTHER ISSUES

None (08 August 2019: None).