

HİTİT BİLGİSAYAR HİZMETLERİ A. Ş.
AND ITS SUBSIDIARY

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

(CONVENIENCE TRANSLATION OF THE REPORT AND CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN
TURKISH)

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**CONVENIENCE TRANSLATION INTO ENGLISH OF CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH**

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 31 MARCH 2025

(All amounts are expressed in Turkish Lira (TL), unless otherwise is stated.)

		Not Audited	Audited
		Current	Prior
		Period	Period
ASSETS		31 March	31 December
	Notes	2025	2024
CURRENT ASSETS			
Cash and cash equivalents	3	446,262,197	301,723,476
Financial investments	11	121,749,458	130,464,116
Trade receivables	5,6	372,206,311	338,127,101
- <i>Related party trade receivables</i>	5	53,999,483	41,536,363
- <i>Other trade receivables</i>	6	318,206,828	296,590,738
Prepaid expenses	7	154,623,696	107,491,347
Current income tax assets		2,355,252	-
Other current assets	12	20,903,825	27,157,750
Total Current Assets		1,118,100,739	904,963,790
NON CURRENT ASSETS			
Financial investments	11	19,114,983	17,629,883
Property, plant and equipment	8	174,227,441	142,986,152
Intangible assets	9	1,663,339,815	1,429,556,944
Prepaid expenses	7	105,032,894	95,224,105
Deferred tax assets		35,340,860	23,536,441
Other non current assets	12	2,333,649	2,098,649
Total Non-Current Assets		1,999,389,642	1,711,032,174
TOTAL ASSETS		3,117,490,381	2,615,995,964

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

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FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH**

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 31 MARCH 2025

(All amounts are expressed in Turkish Lira (TL), unless otherwise is stated.)

		Not Audited	Audited
		Current	Prior
		Period	Period
		31 March	31 December
		2025	2024
LIABILITIES AND EQUITY			
CURRENT LIABILITIES	Notes		
Trade payables	6	68,245,649	92,386,616
Bank loans	11	340,000,000	160,258,928
Lease liabilities	11	14,254,173	6,946,444
Current tax liabilities		22,492,323	9,441,326
Deferred income	7	54,102,432	42,304,961
Employee benefit obligations		40,206,806	21,274,515
Short term provisions		62,180,116	46,028,620
- <i>Short term provision for employee benefits</i>		62,180,116	46,028,620
Other current liabilities	12	1,748,884	3,426,599
Total Current Liabilities		603,230,383	382,068,009
NON CURRENT LIABILITIES			
Lease liabilities	11	49,981,147	23,737,468
Deferred Income	7	136,752,183	101,465,331
Long-term provisions		15,992,259	13,958,757
- <i>Long term provision for employee benefits</i>		15,992,259	13,958,757
Total Non-Current Liabilities		202,725,589	139,161,556
EQUITY			
Share capital	13	300,000,000	300,000,000
Share premiums on capital stock	13	90,539,827	90,539,827
Adjustment to share capital	13	117,442	117,442
Legal reserves	13	38,484,682	25,580,347
Other Accumulated Comprehensive Loss that will not be subsequently reclassified to profit or loss		1,358,533,454	1,207,496,849
- <i>Actuarial loss on defined retirement benefit plans, net of taxes</i>		(997,003)	(997,003)
- <i>Currency translation difference</i>		1,359,530,457	1,208,493,852
Net Profit		65,731,405	276,880,664
Retained earnings		458,127,599	194,151,270
Total Equity		2,311,534,409	2,094,766,399
TOTAL LIABILITIES AND EQUITY		3,117,490,381	2,615,995,964

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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME FOR THE PERIOD 1 JANUARY-31 MARCH 2025**

(All amounts are expressed in Turkish Lira (TL), unless otherwise is stated.)

		Not Audited Current Period 1 January 31 March 2025	Not Audited Prior Period 1 January 31 March 2024
	Note		
Revenue	14	345,092,211	215,827,952
Cost of sales (-)	14	(185,893,030)	(130,792,360)
Gross profit		159,199,181	85,035,592
Marketing and sales expenses (-)	15	(29,557,027)	(23,095,802)
General administrative expenses (-)	15	(68,150,239)	(36,162,892)
Other operating income	16	11,287,229	15,738,400
Other operating expenses (-)	16	(25,081,635)	(11,430,277)
Operating profit		47,697,509	30,085,021
Income from investment activities	17	21,758,568	18,399,183
Profit before finance expense		69,456,077	48,484,204
Finance expenses (-)	18	(19,593,577)	(10,768,254)
Finance income	18	19,216,956	-
Profit before tax		69,079,456	37,715,950
Income tax income		(3,348,051)	7,168,370
Current tax expense (-)		(13,066,256)	-
Deferred tax expense (-)		9,718,205	7,168,370
NET PROFIT FOR THE YEAR		65,731,405	44,884,320
Distribution of Net Profit			
Owners of the Company/parent	22	65,731,405	44,884,320
Basic earnings per share		0.2191	0.1496
OTHER COMPREHENSIVE INCOME / (EXPENSE)			
Items that will not be reclassified to profit or loss		151,036,605	146,859,678
Currency translation difference	19	151,036,605	146,859,678
OTHER COMPREHENSIVE INCOME / (EXPENSE)		151,036,605	146,859,678
TOTAL COMPREHENSIVE INCOME		216,768,010	191,743,998

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

CONVENIENCE TRANSLATION INTO ENGLISH OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2025

(All amounts are expressed in Turkish Lira (TL), unless otherwise is stated.)

	Note	Share Capital	Share premiums on capital stock	Adjustment to share capital	Legal Reserves	Other accumulated comprehensive loss that will not be subsequently reclassified to profit or loss	Currency translation difference	Retained earnings	Net Profit for the period	Total Equity
						Actuarial Gain / (Loss)				
Balances as of 1 January 2024	13	127,500,000	263,039,827	117,442	12,506,162	(1,900,376)	888,702,129	75,057,093	132,168,362	1,497,190,639
Transfers		-	-	-	-	-	-	132,168,362	(132,168,362)	-
Profit for the year		-	-	-	-	-	-	-	44,884,320	44,884,320
Total comprehensive income		-	-	-	-	-	146,859,678	-	-	146,859,678
Balances as of 31 March 2024	13	127,500,000	263,039,827	117,442	12,506,162	(1,900,376)	1,035,561,807	207,225,455	44,884,320	1,688,934,637
Balances as of 1 January 2025	13	300,000,000	90,539,827	117,442	25,580,347	(997,003)	1,208,493,852	194,151,270	276,880,664	2,094,766,399
Transfers		-	-	-	12,904,335	-	-	263,976,329	(276,880,664)	-
Profit for the year		-	-	-	-	-	-	-	65,731,405	65,731,405
Total comprehensive income		-	-	-	-	-	151,036,605	-	-	151,036,605
Balances as of 31 March 2025	13	300,000,000	90,539,827	117,442	38,484,682	(997,003)	1,359,530,457	458,127,599	65,731,405	2,311,534,409

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

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HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31
MARCH 2025**

(All amounts are expressed in Turkish Lira (TL), unless otherwise is stated.)

		Not Audited	Not Audited
		Current	Prior
		Period	Period
		1 January-	1 January-
		31 March	31 March
		2025	2024
Cash Flows from Operating Activities	Notes		
Profit for the Period		65,731,405	44,884,320
Adjustments related to tax expenses		3,348,051	(7,168,370)
Adjustments related to provision for employment termination benefits		2,280,161	482,409
Adjustments related to provision for doubtful receivable		26,044	22,228
Adjustments related to provision for unused vacation		12,497,885	14,592,946
Adjustments related to interest income and expense	17, 18	(3,723,459)	(4,096,324)
Adjustments related to unrealized foreign exchange differences		(41,925,917)	36,189,763
Adjustments related with fair value expense (income) of financial assets	17	(2,049,960)	(14,302,859)
Adjustments related to depreciation and amortization expenses	8, 9	72,126,751	40,563,477
Other non-cash adjustments		1,350,611	1,361,630
		109,661,572	112,529,220
Changes in working capital			
Adjustments related to increase in trade receivables	5, 6	(35,589,658)	(48,384,004)
Adjustments related to increase in prepaid expenses	7	9,925,932	(8,451,440)
Adjustments related to increase in other current / non-current assets	12	6,018,925	(4,855,726)
Adjustments related to decrease in trade payables	6	(24,140,967)	(4,449,456)
Adjustments related to increase / (decrease) in deferred income	7	32,328,816	(254,045)
Adjustments related to increase / (decrease) in other liabilities		17,254,576	892,324
Cash generated from operations		115,459,196	47,026,873
Unused vacation paid		(133,655)	(738,622)
Employment termination benefits paid		(288,977)	(513,497)
Net cash flows from operating activities		115,036,564	45,774,754
Cash flows from investing activities			
Payments for purchases of property, plant and equipment	8	(1,738,167)	(43,329,658)
Payments for purchases of intangible assets	9	(185,513,587)	(114,884,687)
Interest received		40,296,515	11,191,450
Cash inflows from the sale of shares or debt instruments of other businesses or funds		18,003,845	-
Other cash inflow		-	87,419,800
Other cash outflow		-	(50,802,410)
Net cash flows from investing activities		(128,951,394)	(110,405,505)
Cash flows from financing activities			
Proceeds from borrowings	11	180,000,000	-
Lease borrowings paid	11	(2,598,404)	-
Interest paid		(40,689,000)	-
Net cash flows from financing activities		136,712,596	-
INCREASE IN CASH AND CASH EQUIVALENTS		122,797,766	(64,630,751)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	3	301,723,476	218,438,892
Currency translation differences effect on cash and cash equivalents		21,740,955	11,536,144
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	3	446,262,197	165,344,285

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

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2025

(All amounts are expressed in Turkish Lira (TL), unless otherwise is stated.)

1. ORGANISATION AND OPERATIONS OF THE GROUP

Hitit Bilgisayar Hizmetleri A.Ş. ("the Company" or "Hitit Bilgisayar") was established in 1994. The Company's Subsidiary Hitit Saas Turizm Servisleri A.Ş. (collectively the "Group") was established in 2021, HITIT TECH LAB-ISB (SMC-Private) in 2023, Hitit PK Seyahat Acente Dağıtım Sistemleri A.Ş. established in 2024, together referred to as the "Group". The Group's main field of activity is to develop software solutions for airlines, travel companies and airports, carry operations to provide these as a service, to host and to sell.

The registered office of the Company is Reşitpaşa Mah. Katar Cad. No:4/1 Arı Teknokent 2 İç Kapı No:601 34468 Maslak / Sarıyer / İstanbul.

As of 31 March 2025, personnel number of the Group is 409 (31 December 2024: 406).

The Group's business segments in continuing operations and reporting details in accordance with geographic segments are presented on Note 4.

Subsidiary of Group:

Hitit Saas Turizm Servisleri A.Ş.

The company was established under 100% ownership of Hitit Bilgisayar Hizmetleri A.Ş., in order to sell and widespread the tickets, hotels, car rentals, airport transfers, insurances and other non-ticket travel products, additional services through Hitit Bilgisayar Hizmetleri A.Ş.'s agency network in the global market, registered and announced on 9 November 2021.

HITIT TECH LAB-ISB (SMC-Private) Limited

The software development company HITIT TECH LAB-ISB (SMC-Private) Limited was established at Securities and Exchange Commission of Pakistan - SECP, company's shares representing the capital are fully owned by Hitit Bilgisayar Hizmetleri A.Ş., in order to create value in technology field in Pakistan.

Hitit PK Seyahat Acente Dağıtım Sistemleri A.Ş.

The company "Hitit PK Seyahat Acente Dağıtım Sistemleri A.Ş." was established under the 100% ownership of Hitit Bilgisayar Hizmetleri A.Ş., headquartered in Türkiye/İstanbul in order to support agency distribution services in the Pakistan market, promote and marketing Pakistan-based travel content worldwide through Hitit ADS, within this framework, to facilitate the daily activities of Hitit ADS users such as travel agencies, corporate travel and similar. The company was registered and announced at the Istanbul Trade Registry Office as of 5 January 2024.

Approval of consolidated financial statements:

Board of Directors has approved the consolidated financial statements and delegated authority for publishing it on 8 May 2025. General Assembly has the authority to modify the consolidated financial statements.

CONVENIENCE TRANSLATION INTO ENGLISH OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2025

(All amounts are expressed in Turkish Lira (TL), unless otherwise is stated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of Presentation

Financial reporting standards applied

The consolidated financial statements are prepared in accordance with Communiqué Serial II, No:14.1, “Principles of Financial Reporting in Capital Markets” (the “Communiqué”) published in the Official Gazette numbered 28676 on 13 September 2013. According to Article 5 of the Communiqué, the consolidated financial statements are prepared in accordance with the Turkish Financial Reporting Standards (“TFRS”) issued by Public Oversight Accounting and Auditing Standards Authority (“POA”).

The Group has prepared the condensed financial statements and its notes for the interim period ended 31 March 2025 in accordance with TAS 34 “Interim Financial Reporting”. These condensed consolidated interim financial statements do not include all notes of the type normally included in annual financial statements and therefore, these interim financial statements are to be read in conjunction with the annual financial statements for the year ended 31 December 2024.

In addition, the financial statements are presented in accordance with the formats determined in the “Announcement on TFRS Taxonomy” published by the POA on 3 July 2024 and the Financial Statement Examples and User Guide published by the CMB.

Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The consolidated financial statements have been prepared on a going concern basis, with the assumption that the Group will benefit from its assets and fulfill its liabilities in the subsequent year and in the natural process of its business operations.

Functional and Presentation Currency

The functional currency of the Group has been determined as USD Dollar in accordance with Turkish Accounting Standard No. 21 (“TAS 21”) “The Effects of Changes in Foreign Exchange Rates”, since purchases and sales are mostly based on USD Dollar. The presentation currency of the financial statement is TL.

The Group’s client portfolio is mainly consists of foreign clients. Parallel to this, a significant portion of the revenues are in US Dollars. The Group's increasing export volume, its growth strategies on the global platforms and its competitive environment have made the USD (US Dollar) the effective currency in reflecting the basic economic environment in which the Group is positioned. Within this frame, the Group management has determined the functional currency to be USD as of 1 January 2020, as a result of these effects on the economic environment and activities, since USD has also been used in decision-making, budget follow-up and management reporting by the group management.

CONVENIENCE TRANSLATION INTO ENGLISH OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2025

(All amounts are expressed in Turkish Lira (TL), unless otherwise is stated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

2.1 Basis of Presentation (cont'd)

Presentation Currency Translation

According to TAS 21 ("The Effects of Changes in Foreign Exchange Rates") financial statements, that are prepared in USD for the Group have been translated in TL as the following method:

- In the consolidated financial statement position dated 31 March 2025, assets and liabilities have been converted into TL with the foreign exchange buying rates announced by The Central Bank of Turkish Republic as of 31 March 2025 which is 37.7656 TL=1 USD.
- Consolidated statement of profit or loss for the period ended 31 March 2025, have been converted into TL with the exchange rates of the three-months average of January - March 2025 which is 36.1718 TL=1 USD.
- All exchange differences resulting from translation to TL presentation currency are shown in statement of other comprehensive income as of foreign currency translation differences.

Basis of Consolidation

The detail of the Company's subsidiary at 31 March 2025 and 31 December 2024 are as follows:

Subsidiaries	Country of incorporation	Currency	Share in equity of the Group (%)	
			31 March 2025	31 December 2024
Hitit Saas Turizm Servisleri A.Ş.	Türkiye	US Dollar	100	100
HİTİT TECH LAB-ISB (SMC-Private) Limited	Pakistan	US Dollar	100	100
Hitit PK Seyahat Acente Dağıtım Sistemleri A.Ş.	Türkiye	US Dollar	100	100

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

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(All amounts are expressed in Turkish Lira (TL), unless otherwise is stated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

2.1 Basis of Presentation (cont'd)

Basis of Consolidation (cont'd)

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company or other shareholders;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary.

Offsetting

A financial asset or liability can be offset and the net amount shown on the balance sheet only if the Group has a legal right to offset the recognized amounts and intends to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.2 Changes in Accounting Policies

Significant changes in accounting policies are implemented retroactively and financial statements for previous period are restated. There are no significant changes to accounting policies of the Group in the current period.

2.3 Changes and Errors in Accounting Estimates

Changes in accounting estimates are applied only in the period changes were made if they are only related to the current period. Nevertheless, they are applied both in the current period and in the future periods if they are related to multiple periods. Significant accounting errors are corrected retroactively and financial statements for previous periods are restated. There are no significant changes in estimates in the current period.

2.4 New and Revised Turkish Financial Reporting Standards

a) Standards, amendments, and interpretations applicable as of 31 March 2025:

- **Amendments to IAS 21 - Lack of Exchangeability** ; effective from annual periods beginning on or after 1 January 2025. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

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(All amounts are expressed in Turkish Lira (TL), unless otherwise is stated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

2.4 New and Revised Turkish Financial Reporting Standards (cont'd)

b) Standards, amendments, and interpretations that are issued but not effective as of 31 March 2025:

- **Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments;** effective from annual reporting periods beginning on or after 1 January 2026 (early adoption is available) These amendments:
 - clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
 - clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
 - add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
 - make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).
- **Annual improvements to IFRS – Volume 11;** Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards:
 - IFRS 1 First-time Adoption of International Financial Reporting Standards;
 - IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
 - IFRS 9 Financial Instruments;
 - IFRS 10 Consolidated Financial Statements; and
 - IAS 7 Statement of Cashflow;
- **Amendment to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity;** effective from annual periods beginning on or after 1 January 2026 but can be early adopted subject to local endorsement where required. These amendments change the 'own use' and hedge accounting requirements of IFRS 9 and include targeted disclosure requirements to IFRS 7. These amendments apply only to contracts that expose an entity to variability in the underlying amount of electricity because the source of its generation depends on uncontrollable natural conditions (such as the weather). These are described as 'contracts referencing nature-dependent electricity'.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

2.4 New and Revised Turkish Financial Reporting Standards (cont'd)

b) Standards, amendments, and interpretations that are issued but not effective as of 31 March 2025:
(cont'd)

- **IFRS 18 Presentation and Disclosure in Financial Statements;** effective from annual periods beginning on or after 1 January 2027. This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:
 - the structure of the statement of profit or loss;
 - required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an Group's financial statements (that is, management defined performance measures); and
 - enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.
- **IFRS 19 Subsidiaries without Public Accountability: Disclosures;** effective from annual periods beginning on or after 1 January 2027. Earlier application is permitted. This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if:
 - it does not have public accountability; and
 - it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

The Group evaluates the effects of these amendments on the consolidated financial statements.

3. CASH AND CASH EQUIVALENTS

	31 March 2025	31 December 2024
Cash on hand	737,109	688,213
Cash at banks	445,525,088	301,035,263
<i>Demand deposits</i>	<i>60,446,013</i>	<i>46,950,823</i>
<i>Time deposits</i>	<i>385,079,075</i>	<i>254,084,440</i>
	<u>446,262,197</u>	<u>301,723,476</u>

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3. CASH AND CASH EQUIVALENTS (cont'd)

Time Deposits	Effective Interest Rate	Maturity Date	31 March 2025
TL	41.50%	13.08.2025	60,000,000
US Dollar (TL denominated)	0.01%	2.04.2025	57,781,368
TL	42.00%	5.09.2025	55,000,000
TL	45.50%	29.04.2025	50,000,000
TL	40.00%	3.10.2025	40,000,000
TL	39.50%	17.09.2025	35,000,000
TL	39.50%	13.08.2025	20,000,000
TL	39.50%	15.08.2025	20,000,000
TL	40.00%	3.04.2025	19,500,000
TL	40.50%	2.04.2025	11,000,000
EUR (TL denominated)	0.01%	2.04.2025	9,361,437
US Dollar (TL denominated)	3.00%	2.04.2025	7,214,128
TL	15.00%	2.04.2025	140,000
TL	41.99%	2.04.2025	82,142
			<u>385,079,075</u>

Time Deposits	Effective Interest Rate	Maturity Date	31 December 2024
US Dollar (TL denominated)	0.01%	2.01.2025	58,565,298
TL	49.00%	21.03.2025	50,500,000
TL	49.00%	25.03.2025	43,500,000
TL	40.00%	15.01.2025	33,250,000
TL	49.00%	14.03.2025	18,500,000
TL	50.00%	7.03.2025	17,500,000
TL	39.00%	10.01.2025	10,000,000
US Dollar (TL denominated)	1.75%	2.01.2025	6,714,849
TL	50.00%	28.02.2025	5,000,000
EUR (TL denominated)	0.01%	2.01.2025	4,224,663
TL	37.45%	2.01.2025	4,100,000
TL	31.50%	2.01.2025	2,150,000
TL	44.73%	2.01.2025	79,630
			<u>254,084,440</u>

Explanations about the nature and level of risks related to cash and cash equivalents are provided in Note 20. As of 31 March 2025, the Group do not have any worth of restricted cash (31 December 2024: None).

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4. SEGMENT REPORTING

The Group is managed as a single reporting unit that develop software solutions for the travel industry, especially for airlines, tour operators and airports, providing them as a service, additional development, maintenance and operating activities. The Group's Chief Operating Decision Maker is the Board of Directors. The resource utilization decisions are made from single center by considering all service categories as a whole. The objective in making resource utilization decisions is to maximize consolidated financial results, rather than highlight specific regions or categories. All other assets and liabilities have been associated with the Group's only integrated reporting section.

5. RELATED PARTY DISCLOSURES

The receivables from related parties arise from: development and maintenance services and hosting and database management services, their maturity is 30 days (31 December 2024: 30 days) on average and bear no interest. The payables to related parties arise mainly from consultancy services, their maturity is 30 days (31 December 2024: 30 days) on average and bear no interest.

The details of the transactions between the Group and other related parties are as follows.

	Trade Receivables	
	Current	Current
Balances with Related Parties	31 March 2025	31 December 2024
Shareholders		
Pegasus Hava Taşımacılığı A.Ş.	53,272,269	39,628,676
Others		
Amadeus Bilgi Teknolojisi Hizmetleri A.Ş.	727,214	1,907,687
	<u>53,999,483</u>	<u>41,536,363</u>

The transactions with related parties for the three-months period ended 31 March 2025 and 31 March 2024 are as follows:

	1 January - 31 March 2025	1 January - 31 March 2024
Transactions with Related Parties	Sales	Sales
Pegasus Hava Taşımacılığı A.Ş.	92,086,329	65,286,950
Amadeus Bilgi Teknolojisi Hizmetleri A.Ş.	2,110,185	8,665,506
	<u>94,196,514</u>	<u>73,952,456</u>

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5. RELATED PARTY DISCLOSURES (cont'd)

Benefits provided to key personnel:

The Executives of the Group consist of members of its board of directors, assistant general managers and directors. The benefits provided to the Executives include salary, bonus, private health insurance, and transportation. The benefits provided to Executives in the period are as follows:

	1 January- 31 March 2025	1 January- 31 March 2024
Salaries and other short term benefits	12,627,761	8,404,070
	<u>12,627,761</u>	<u>8,404,070</u>

6. TRADE RECEIVABLES AND PAYABLES

a) Trade Receivables

The details of the Group's trade receivables as of reporting date are as follows:

	31 March 2025	31 December 2024
Current trade receivables		
Trade receivables	318,285,796	282,352,173
Trade receivables from related parties (Note: 5)	53,999,483	41,536,363
Income accruals	18,346,302	31,153,387
Expected credit loss (-)	(18,425,270)	(16,914,822)
	<u>372,206,311</u>	<u>338,127,101</u>

Trade receivables are amounts due from customers for services performed in the ordinary course of business. The average maturity of trade receivables is 93 days (31 December 2024: 84 days) and classified as a current trade receivables.

b) Trade Payables

Details of the Group's trade payables as of the reporting date are as follows:

	31 March 2025	31 December 2024
Short term trade payables		
Trade payables to service providers	58,025,784	82,004,386
Expense Accruals	10,219,865	10,382,230
	<u>68,245,649</u>	<u>92,386,616</u>

As of 31 March 2025, average maturity of the Group's trade payables is 39 days (31 December 2024: 51 days).

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7. PREPAID EXPENSES AND DEFERRED INCOME

	31 March 2025	31 December 2024
Short-term prepaid expenses		
Prepaid interest expenses	57,123,856	29,211,227
Deferred implementation expenses	40,269,270	36,677,470
Prepaid software support expenses	39,876,296	30,038,728
Prepaid marketing and sales expenses	9,261,503	2,565,525
Prepaid insurance expenses	5,595,215	6,631,787
Business advances given	230,786	134,100
Order advances given	199,138	523,595
Other prepaid expenses	2,067,632	1,708,915
	<u>154,623,696</u>	<u>107,491,347</u>
	31 March 2025	31 December 2024
Long-term prepaid expenses		
Deferred implementation expenses	103,157,114	93,344,018
Prepaid software support expenses	1,875,780	1,821,948
Other prepaid expenses	-	58,139
	<u>105,032,894</u>	<u>95,224,105</u>
	31 March 2025	31 December 2024
Short-term deferred income		
Deferred implementation income	42,900,702	38,950,686
Other deferred income	11,201,730	3,354,275
	<u>54,102,432</u>	<u>42,304,961</u>
	31 March 2025	31 December 2024
Long-term deferred income		
Deferred implementation income	112,270,822	101,465,331
Other deferred income	24,481,361	-
	<u>136,752,183</u>	<u>101,465,331</u>

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8. PROPERTY, PLANT AND EQUIPMENT

	Furnitures & Fixtures	Leasehold improvements	Construction in progress	Total
<u>Cost Value</u>				
Opening balance as of 1 January 2025	239,133,719	11,511,997	-	250,645,716
Additions with leasing	32,653,185	-	-	32,653,185
Additions	1,719,466	18,701	-	1,738,167
Foreign currency translation difference	18,360,160	811,780	-	19,171,940
Closing balance as of 31 March 2025	291,866,530	12,342,478	-	304,209,008
<u>Accumulated Depreciation</u>				
Opening balance as of 1 January 2025	(101,134,543)	(6,525,021)	-	(107,659,564)
Charge of the year	(13,672,253)	(443,756)	-	(14,116,009)
Foreign currency translation difference	(7,726,790)	(479,204)	-	(8,205,994)
Closing balance as of 31 March 2025	(122,533,586)	(7,447,981)	-	(129,981,567)
Carrying value as of 31 March 2025	169,332,944	4,894,497	-	174,227,441
	Furnitures & Fixtures	Leasehold improvements	Construction in progress	Total
<u>Cost Value</u>				
Opening balance as of 1 January 2024	109,892,742	6,990,689	88,577,483	205,460,914
Additions	31,340,254	187,857	11,801,547	43,329,658
Foreign currency translation difference	12,063,217	684,725	9,107,251	21,855,193
Closing balance as of 31 March 2024	153,296,213	7,863,271	109,486,281	270,645,765
<u>Accumulated Depreciation</u>				
Opening balance as of 1 January 2024	(49,276,603)	(4,344,195)	-	(53,620,798)
Charge of the year	(7,031,577)	(259,388)	-	(7,290,965)
Foreign currency translation difference	(5,087,836)	(432,035)	-	(5,519,871)
Closing balance as of 31 March 2024	(61,396,016)	(5,035,618)	-	(66,431,634)
Carrying value as of 31 March 2024	91,900,197	2,827,653	109,486,281	204,214,131

There are no mortgage on property, plant and equipment (31 December 2024 : None).

Useful lives of property and equipment are as follows:

	Useful Life
Furnitures & Fixtures	4 Years
Leasehold improvements	5 Years
Construction in progress	15 Years

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9. INTANGIBLE ASSETS

	Rights	Developed software	Purchased software	Total
Cost Value				
Opening balance as of 1 January 2025	164,678,985	1,768,603,415	135,186,030	2,068,468,430
Additions	22,301,036	163,212,551	-	185,513,587
Foreign currency translation difference	12,583,342	131,779,691	9,480,803	153,843,836
Closing balance as of 31 March 2025	<u>199,563,363</u>	<u>2,063,595,657</u>	<u>144,666,833</u>	<u>2,407,825,853</u>
Accumulated Depreciation				
Opening balance as of 1 January 2025	(97,206,893)	(522,419,957)	(19,284,635)	(638,911,485)
Charge of the year	(9,157,108)	(46,637,315)	(2,216,319)	(58,010,742)
Foreign currency translation difference	(7,251,163)	(38,856,498)	(1,456,150)	(47,563,811)
Closing balance as of 31 March 2025	<u>(113,615,164)</u>	<u>(607,913,770)</u>	<u>(22,957,104)</u>	<u>(744,486,038)</u>
Carrying value as of 31 March 2025	<u>85,948,199</u>	<u>1,455,681,887</u>	<u>121,709,729</u>	<u>1,663,339,815</u>
	Rights	Developed software	Purchased software	Total
Cost Value				
Opening balance as of 1 January 2024	107,161,318	1,022,069,311	14,389,480	1,143,620,109
Additions	11,850,788	103,000,372	33,527	114,884,687
Foreign currency translation difference	10,906,894	103,567,292	1,393,288	115,867,474
Closing balance as of 31 March 2024	<u>129,919,000</u>	<u>1,228,636,975</u>	<u>15,816,295</u>	<u>1,374,372,270</u>
Accumulated Depreciation				
Opening balance as of 1 January 2024	(57,799,992)	(313,062,010)	(13,049,925)	(383,911,927)
Charge of the year	(5,098,450)	(27,915,322)	(258,740)	(33,272,512)
Foreign currency translation difference	(5,812,992)	(31,556,538)	(1,284,530)	(38,654,060)
Closing balance as of 31 March 2024	<u>(68,711,434)</u>	<u>(372,533,870)</u>	<u>(14,593,195)</u>	<u>(455,838,499)</u>
Carrying value as of 31 March 2024	<u>61,207,566</u>	<u>856,103,105</u>	<u>1,223,100</u>	<u>918,533,771</u>

TL 46,637,315 of depreciation and amortization expense for the current period (31 March 2024: TL 27,915,322) has been charged in "Cost of sales," TL 25,489,436 of depreciation and amortization expense for the current period has been charged in "general administrative expenses" (31 March 2024: TL 12,648,155).

Useful lives of intangible assets are as follows:

	Useful Life
Developed software	10 Years
Rights	3 - 15 Years
Purchased software	3 Years

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10. COMMITMENTS

Collaterals-Pledges-Mortgages(“CPM”)

The details of the CPMs given by the Group as of 31 March 2025 and 31 December 2024 is as follows:

CPMs given by the Group:	31 March 2025			31 December 2024		
	TL equivalent	USD	TL	TL equivalent	USD	TL
A. Total amounts of CPM given on behalf of its own legal entity	544,148,633	2,426,140	452,524,000	318,380,528	2,788,540	220,000,000
-Collateral	544,148,633	2,426,140	452,524,000	318,380,528	2,788,540	220,000,000
B. Total amounts of CPM given on behalf of subsidiaries that are included in full consolidation	-	-	-	-	-	-
-Collateral	-	-	-	-	-	-
C. Total amounts of CPM given in order to guarantee third parties debts for routine trade operations	-	-	-	-	-	-
-Collateral	-	-	-	-	-	-
D. Total amounts of other CPM given	-	-	-	-	-	-
i. Total amount of CPM given on behalf of the Parent	-	-	-	-	-	-
-Collateral	-	-	-	-	-	-
ii. Total amount of CPM given on behalf of other group companies not covered in B and C	-	-	-	-	-	-
-Collateral	-	-	-	-	-	-
iii. Total amount of CPM given on behalf of third parties not covered in C	-	-	-	-	-	-
-Collateral	-	-	-	-	-	-
TOTAL	544,148,633	2,426,140	452,524,000	318,380,528	2,788,540	220,000,000

The ratio of other CPMs given by the Group to banks and customers to the Group's equity is 0% as of 31 March 2025 (31 December 2024: 0%).

11. FINANCIAL INSTRUMENTS

Financial Investments

The details of the Group's short term and long term financial investments as of 31 March 2025 and 31 December 2024 is as follows:

Short-Term	31 March 2025	31 December 2024
Financial investments measured at amortized cost	107,260,686	116,951,055
Venture capital investment fund	14,488,772	13,513,061
	121,749,458	130,464,116

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11. FINANCIAL INSTRUMENTS (cont'd)

Financial Investments (cont'd)

Long-Term	31 March 2025	31 December 2024
Financial investments measured at amortized cost	19,114,983	17,629,883
	<u>19,114,983</u>	<u>17,629,883</u>

Financial investments measured at amortized cost

Security Issuer	31 March 2025	31 December 2024
TC Hazine Müsteşarlığı	126,375,669	134,580,938
	<u>126,375,669</u>	<u>134,580,938</u>

Financial investments measured at amortized cost have has an active market and market prices (according to dirty prices) are as follows:

Security Issuer	31 March 2025	31 December 2024
TC Hazine Müsteşarlığı	125,724,582	132,880,935
	<u>125,724,582</u>	<u>132,880,935</u>

The coupon interest rates and call dates of the financial investments in US Dollars that are measured by their amortized costs and continues as of the reporting date are as follows:

Security Issuer	ISIN Code	Coupon Interest Rate (%)	FX Rate	Asset Value	Call Date
TC Hazine Müsteşarlığı	XS2351109116	5.13%	US Dollar	19,114,982	22.06.2026
TC Hazine Müsteşarlığı	XS2523929474	9.76%	US Dollar	107,260,687	13.11.2025
				<u>126,375,669</u>	

Security Issuer	ISIN Code	Coupon Interest Rate (%)	FX Rate	Asset Value	Call Date
TC Hazine Müsteşarlığı	XS2351109116	5.13%	US Dollar	17,629,878	22.06.2026
TC Hazine Müsteşarlığı	XS2523929474	9.76%	US Dollar	99,271,709	13.11.2025
TC Hazine Müsteşarlığı	US91282CDZ14	1.50%	US Dollar	17,679,351	15.02.2025
				<u>134,580,938</u>	

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11. FINANCIAL INSTRUMENTS (cont'd)

Financial Liabilities

	31 March 2025	31 December 2024
Financial Liabilities		
a) Bank Borrowings	340,000,000	160,258,928
b) Lease Liabilities	64,235,320	30,683,912
	<u>404,235,320</u>	<u>190,942,840</u>
	31 March 2025	31 December 2024
To be paid within 1 year	340,000,000	160,258,928
	<u>340,000,000</u>	<u>160,258,928</u>

a) Bank Loans

Currency Type	Weighted Average Effective Interest Rate	31 March 2025	
		Current	Non-current
TL	26.93%	160,000,000	-
TL	23.09%	90,000,000	-
TL	22.12%	90,000,000	
		<u>340,000,000</u>	<u>-</u>
Currency Type	Weighted Average Effective Interest Rate	31 December 2024	
		Current	Non-current
TL	26.93%	160,258,928	-
		<u>160,258,928</u>	<u>-</u>

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11. FINANCIAL INSTRUMENTS (cont'd)

Financial Liabilities (cont'd)

b) Lease Liabilities

As of March 31, 2025, the total lease liabilities in US Dollars amount to TL 64,235,320 (December 31, 2024: TL 30,683,912) with a weighted average interest rate of 5.47% (December 31, 2024: 5.47%)

	Minimum lease payments		Present value of minimum lease payments	
	31 March 2025	31 December 2024	31 March 2025	31 December 2024
Amounts payable under	67,425,569	32,281,016	64,235,320	30,683,912
Within one year	14,966,092	7,309,267	14,254,173	6,946,444
In the second to fifth years inclusive	52,459,477	24,971,749	49,981,147	23,737,468
Less : Future finance charges	(3,190,249)	(1,597,104)	-	-
Present value of finance lease obligations	<u>64,235,320</u>	<u>30,683,912</u>	<u>64,235,320</u>	<u>30,683,912</u>
Less: Amounts due to settlement within twelve months (shown under current liabilities)			(14,254,173)	(6,946,444)
			<u>49,981,147</u>	<u>23,737,468</u>

12. OTHER ASSETS AND LIABILITIES

	31 March 2025	31 December 2024
Other current assets		
VAT carried forward	18,528,861	24,295,990
Deposits and guarantees given	412,891	385,790
Other current assets	1,962,073	2,475,970
	<u>20,903,825</u>	<u>27,157,750</u>
Other non current assets		
Deposits and guarantees given	2,320,016	2,087,430
Other non current liabilities	13,633	11,219
	<u>2,333,649</u>	<u>2,098,649</u>

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12. OTHER ASSETS AND LIABILITIES (cont'd)

	31 March 2025	31 December 2024
Other current liabilities		
Advances received	858,639	1,779,750
Other current liabilities	890,245	1,646,849
	<u>1,748,884</u>	<u>3,426,599</u>

13. SHAREHOLDER'S EQUITY

Capital

The capital structure as of 31 March 2025 is as follows:

Shareholders	%	31 March 2025	%	31 December 2024
Pegasus Hava Taşımacılığı A.Ş. (*)	36.82%	110,446,803	36.82%	110,446,803
Fatma Nur Gökman (**)	23.19%	69,581,482	23.19%	69,581,482
Dilek Ovacık	4.71%	14,117,647	4.71%	14,117,647
Hakan Ünlü	4.34%	13,031,675	4.34%	13,031,675
Özkan Dülger	4.34%	13,031,675	4.34%	13,031,675
Publicly Held (***)	26.60%	79,790,718	26.60%	79,790,718
<i>Dilek Ovacık</i>	0.08%	240,437	0.08%	240,437
<i>Hakan Ünlü</i>	0.07%	221,944	0.07%	221,944
<i>Özkan Dülger</i>	0.07%	221,944	0.07%	221,944
<i>Other</i>	26.37%	79,106,393	26.37%	79,106,393
Nominal Capital	100%	300,000,000	100%	300,000,000
Inflation Adjustment		117,442		117,442
Adjusted Capital		<u>300,117,442</u>		<u>300,117,442</u>

(*) Including 1,849,522 public shares.

(**) Including 1,165,198 public shares.

(***) Representing shares in circulation.

As of 31 March 2025, the Group's capital consists of 300,000,000 ordinary shares (31 December 2024: 300,000,000 ordinary shares). Nominal value of each share is TL 1 (31 December 2024: TL 1).

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13. SHAREHOLDER’S EQUITY (cont’d)

Share premiums on capital stock

	31 March 2025	31 December 2024
Share premiums on capital stock	90,539,827	90,539,827
	<u>90,539,827</u>	<u>90,539,827</u>

Restricted profit reserves

	31 March 2025	31 December 2024
Legal reserves	38,484,682	25,580,347
	<u>38,484,682</u>	<u>25,580,347</u>

14. REVENUE AND COST OF SALES

Revenue From Customer Agreements

The Group derives its revenue from the transfer of services over time.

	1 January- 31 March 2025	1 January- 31 March 2024
Domestic Sales	135,660,147	87,779,313
Foreign Sales	219,135,783	146,514,364
Discounts and Other Adjustments	(9,703,719)	(18,465,725)
Revenue	345,092,211	215,827,952
Costs	(185,893,030)	(130,792,360)
Gross Profit	<u>159,199,181</u>	<u>85,035,592</u>

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14. REVENUE AND COST OF SALES (cont'd)

Revenue

	1 January- 31 March 2025	1 January- 31 March 2024
Application use fee revenue	177,652,515	97,797,685
Application use and development revenue	74,363,976	47,795,342
Infrastructure revenue	40,167,735	31,299,084
Maintenance revenue	26,606,240	18,403,218
Implementation and Integration revenue	17,793,704	13,531,208
License revenue	4,063,431	6,373,847
Other	4,444,610	627,568
	<u>345,092,211</u>	<u>215,827,952</u>

The Group disaggregates revenues into revenues from application use fee revenue, maintenance revenue, additional developments, infrastructure revenue, implementation and integration revenue, license revenue and other in accordance with TFRS 15 “Revenue from contracts with customers”. Besides, the Group recognized over the period, “Implementation and integration revenue” of its disaggregated revenues. Installation revenues are recorded by spreading over the contract periods in line with the agreements made with the customers, and the revenues of the following years are accounted as deferred income.

Cost of Sales

	1 January- 31 March 2025	1 January- 31 March 2024
Personnel expenses	(79,970,930)	(54,115,509)
Software support expenses	(47,482,179)	(40,760,164)
Amortization expenses (Note: 8,9)	(46,637,315)	(27,915,322)
Travel and accommodation expenses	(6,382,550)	(3,167,642)
Consultancy expenses	(3,077,280)	(3,295,607)
Conference, event and training expenses	(1,439,348)	(1,140,975)
Rent expenses (*)	(352,096)	-
Representation expenses	(32,699)	(13,615)
Other	(518,633)	(383,526)
	<u>(185,893,030)</u>	<u>(130,792,360)</u>

(*) All the durations of lease agreements are less than a year, thus they are not within the scope of IFRS 16.

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15. GENERAL ADMINISTRATIVE EXPENSES AND MARKETING/ SALES EXPENSES

Marketing and Sales Expenses

	1 January- 31 March 2025	1 January- 31 March 2024
Personnel expenses	(13,481,158)	(10,800,701)
Sales premium expenses	(7,902,417)	(5,652,237)
Consultancy expenses	(2,450,169)	(685,425)
Advertising, marketing and sales expenses	(2,207,276)	(2,997,876)
Conference, event and training expenses	(1,279,794)	(1,480,137)
Rent expenses (*)	(852,931)	(647,020)
Travel and accomodation expenses	(277,727)	(182,022)
Other	(1,105,555)	(650,384)
	<u>(29,557,027)</u>	<u>(23,095,802)</u>

General Administrative Expenses

	1 January- 31 March 2025	1 January- 31 March 2024
Depreciation and amortization expenses (Note: 8, 9)	(25,489,436)	(12,648,155)
Personnel expenses	(16,724,574)	(11,828,097)
Rent expenses (*)	(13,806,848)	(2,458,384)
Consultancy expenses	(4,519,051)	(1,490,139)
Office expenses	(1,607,005)	(981,057)
Software support expenses	(1,383,788)	(755,381)
Insurance expenses	(878,722)	(2,081,774)
Conference, event and training expenses	(863,493)	(932,804)
Taxes and fees expenses	(504,235)	(674,990)
Travel and accomodation expenses	(190,336)	(59,892)
Doubtful receivable allowance expense	(26,044)	(22,228)
Representation expenses	(10,671)	(60,787)
Other	(2,146,036)	(2,169,204)
	<u>(68,150,239)</u>	<u>(36,162,892)</u>

(*) All the durations of lease agreements are less than a year, thus they are not within the scope of IFRS 16.

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16. OTHER OPERATING INCOME AND EXPENSES

For the three-months period ending 31 March 2025 and 31 March 2024, detail of other operating income is as follows

Other income from operating activities

	1 January- 31 March 2025	1 January- 31 March 2024
Foreign exchange gain	8,621,329	6,369,336
Previous period incomes	47,482	2,406,545
Government incentives (*)	-	6,429,485
Other	2,618,418	533,034
	<u>11,287,229</u>	<u>15,738,400</u>

(*) These are the incentive incomes utilized within the scope of the E-Turquality (Stars of informatic).

Other expenses from operating activities

For the three-months period ending 31 March 2025 and 31 March 2024 detail of other operating expenses is as follows:

	1 January- 31 March 2025	1 January- 31 March 2024
Foreign exchange loss	(23,659,564)	(11,332,289)
Other	(1,422,071)	(97,988)
	<u>(25,081,635)</u>	<u>(11,430,277)</u>

17. INCOME FROM INVESTING ACTIVITIES

	1 January- 31 March 2025	1 January- 31 March 2024
Interest revenue	19,708,608	4,096,324
Fair value gain from financial investment	2,049,960	14,302,859
	<u>21,758,568</u>	<u>18,399,183</u>

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18. FINANCE INCOME AND EXPENSES

Finance Expenses

	1 January- 31 March 2025	1 January- 31 March 2024
Interest expense on bank loans	(15,985,149)	-
Commission expenses for letter of guarantee	(3,607,124)	(100,612)
Foreign exchange losses	-	(10,662,239)
Other	(1,304)	(5,403)
	<u>(19,593,577)</u>	<u>(10,768,254)</u>

Finance Income

	1 January- 31 March 2025	1 January- 31 March 2024
Foreign exchange gain	19,216,956	-
	<u>19,216,956</u>	<u>-</u>

19. OTHER COMPREHENSIVE INCOME ANALYSIS

	1 January- 31 March 2025	1 January- 31 March 2024
Foreign currency translation fund	151,036,605	146,859,678
	<u>151,036,605</u>	<u>146,859,678</u>

Currency Translation Fund

	1 January- 31 March 2025	1 January- 31 March 2024
Balance at the beginning of the period	1,208,493,852	888,702,129
Balance during the period	151,036,605	146,859,678
Balance at the end of the period	<u>1,359,530,457</u>	<u>1,035,561,807</u>

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20. NATURE AND LEVEL OF RISKS DERIVING FROM FINANCIAL INSTRUMENTS

a) Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The Group, in order to maintain or reorganize capital structure, can issue new shares and sell assets to decrease borrowing. The Group monitors capital on the basis of the net debt / equity ratio. This ratio is found by dividing net debt to total capital.

As of 31 March 2025 and 31 December 2024, the group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents and short-term financial investments is as follows:

	1 January- 31 March 2025	1 January- 31 December 2024
Financial Liabilities (Note: 11)	404,235,320	190,942,840
Less: Cash and Cash equivalents and Financial Investments	(572,637,866)	(436,304,414)
Net Debt	(168,402,546)	(245,361,574)
Total Equity	2,311,534,409	2,094,766,399
Total Shareholder's Equity (Note: 13)	300,000,000	300,000,000
Total Debt/ Total Shareholder's Equity	(0.56)	(0.82)

b) Financial Risk Factors

The main risks arising from the Group's financial instruments can be identified as credit risk. The Group management reviews and agrees policies for managing each of these risks. The Group also monitors the market price risk arising from all financial instruments.

b.1) Foreign currency risk management

The Group has transactions such as revenues generated and expenses incurred, cash holdings and borrowings, which are denominated in Turkish Lira. These transactions in currencies other than USD expose the Group to foreign exchange risk. The risks associated with transactions denominated in currencies other than US Dollars are managed by maintaining a balanced allocation between the related income/expense or payable/receivable items and by taking into account the change in the real value of the foreign currency against the US Dollar. If deemed necessary, the Group Management has the option to change the base currencies of contracts or investment baskets or to enter into derivative instruments.

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20. NATURE AND LEVEL OF RISKS DERIVING FROM FINANCIAL INSTRUMENTS (cont'd)

b) Financial Risk Factors (cont'd)

b.1) Foreign currency risk management (cont'd)

Transactions denominated in foreign currencies result in foreign currency risk. The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting period are as follows:

	TL	EURO	Total TL Equivalent
31 March 2025			
Bank deposits	329,534,156	523,260	350,831,832
Financial investments	14,488,772	-	14,488,772
Trade receivables	54,536,350	1,118,081	100,044,371
Bank borrowings	(340,000,000)	-	(340,000,000)
Trade and other payables	(27,777,340)	(341,855)	(41,691,488)
Other	13,698,500	527,476	35,167,775
Net foreign currency position	<u>44,480,438</u>	<u>1,826,962</u>	<u>118,841,262</u>
31 December 2024			
Bank deposits	219,125,273	248,554	228,256,202
Financial investments	13,513,061	-	13,513,061
Trade receivables	57,579,640	992,892	94,054,719
Bank borrowings	(160,000,000)	-	(160,000,000)
Trade and other payables	(37,109,831)	(69,515)	(39,663,548)
Other	15,200,828	476,838	32,718,044
Net foreign currency position	<u>108,308,971</u>	<u>1,648,769</u>	<u>168,878,478</u>

Foreign currency sensitivity analysis

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to TL and Euro.

The following table details the Group's sensitivity to a 10% appreciation and depreciation in TL and Euro against TL. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where the denomination of the loan is in a currency other than the currency of the lender or the borrower. A positive number below indicates an increase in profit/loss or equity.

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20. NATURE AND LEVEL OF RISKS DERIVING FROM FINANCIAL INSTRUMENTS (cont'd)

b) Financial Risk Factors (cont'd)

b.1) Foreign currency risk management (cont'd)

Foreign currency sensitivity analysis (cont'd)

31 March 2025				
	Income/Loss		Equity	
	Foreign exchange appreciation	Foreign exchange depreciation	Foreign exchange appreciation	Foreign exchange depreciation
10% change in TL exchange rate accross USD				
1 - TL Net asset/(liability) position	3,065,015	(2,507,740)	-	-
2- TL Hedge amount (-)	-	-	-	-
3- TL net effect (1 +2)	3,065,015	(2,507,740)	-	-
10% change in EUR exchange rate accross USD				
4 - EUR Net asset/(liability) position	7,396,444	(6,051,636)	-	-
5- EUR Hedge amount (-)	-	-	-	-
6- EUR net effect (4+5)	7,396,444	(6,051,636)	-	-
TOTAL (3 + 6)	10,461,459	(8,559,376)	-	-

31 December 2024				
	Income/Loss		Equity	
	Foreign exchange appreciation	Foreign exchange depreciation	Foreign exchange appreciation	Foreign exchange depreciation
10% change in TL exchange rate accross USD				
1 - TL Net asset/(liability) position	8,717,121	(7,132,190)	-	-
2- TL Hedge amount (-)	-	-	-	-
3- TL net effect (1 +2)	8,717,121	(7,132,190)	-	-
10% change in EUR exchange rate accross USD				
4 - EUR Net asset/(liability) position	5,007,883	(4,097,359)	-	-
5- EUR Hedge amount (-)	-	-	-	-
6- EUR net effect (4+5)	5,007,883	(4,097,359)	-	-
TOTAL (3 + 6)	13,725,004	(11,229,549)	-	-

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21. FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND EXPLANATION ON HEDGE ACCOUNTING)

Categories of financial instruments and fair values

31 March 2025	Financial assets at amortized cost	Financial liabilities at amortized cost	Carrying value	Note
Financial assets				
Cash and cash equivalents	446,262,197	-	446,262,197	3
Financial investments	140,864,441	-	140,864,441	11
Trade receivables (including related parties)	372,206,311	-	372,206,311	6
Financial liabilities				
Bank loans	-	340,000,000	340,000,000	11
Trade payables (including related parties)	-	68,245,649	68,245,649	6
Lease liabilities	-	64,235,320	64,235,320	11

31 December 2024	Financial assets at amortized cost	Financial liabilities at amortized cost	Carrying value	Note
Financial assets				
Cash and cash equivalents	301,723,476	-	301,723,476	3
Financial investments	148,093,999	-	148,093,999	11
Trade receivables (including related parties)	338,127,101	-	338,127,101	6
Financial liabilities				
Bank loan	-	160,258,928	160,258,928	11
Trade payables (including related parties)	-	92,386,616	92,386,616	6
Lease liabilities	-	30,683,912	30,683,912	11

22. EARNINGS PER SHARE

	1 January- 31 March 2025	1 January- 31 March 2024
Earnings per share		
Weighted average number of ordinary shares outstanding during the period (in full)	300,000,000	300,000,000
Net profit for the period attributable to the parent company's shareholders	65,731,405	44,884,320
Diluted earnings per share	0.2191	0.1496

23. EVENTS AFTER REPORTING PERIOD

None identified.