



30 YEARS'

SUCCESSFUL SYNCHRONICITY

2024 ANNUAL REPORT



INDEPENDENT AUDITOR'S REPORT ON THE ANNUAL ACTIVITY REPORT OF THE BOARD OF DIRECTORS	4 - 5
FOREWORD	7
OUR COMPANY	
About Us	9
Our Vision, Mission, and Strategy	11
Message of the Chairwoman of the Board	13
Message from the CEO	15
Capital and Shareholding Structure	17
2024 at a Glance	18-19
MANAGEMENT	
Our Board Members	20 - 23
Senior Management	24 - 27
THE COMPANY'S FIELDS OF ACTIVITY AND OUR SECTOR	
2024 in Review	30 - 37
Our Awards	38 - 39
Industrial Developments	40 - 45
Our Milestones	46 - 47
Our Services	48 - 51
Our Global Presence and Subsidiaries	52 - 53
	55
HITIT'S 2025 TARGETS	
FINANCIAL INDICATORS	
Hitit in Figures	56- 59
Important Developments Regarding The Company's Activities	60 - 63
OUR VALUE CREATION MODEL AND CAPITALS	
Our Value Creation Model	64 - 65
Our Intellectual Capital	64 - 71
Our Human Capital	73 - 77
Our Social Capital	79 - 83
Our Natural Capital	84 - 85
SUSTAINABILITY	
Our Approach to ESG In Sustainability Perspective	87
Corporate Sustainability Efforts	87
Our Social Responsibility Projects For A Sustainable World	88 - 93
CORPORATE GOVERNANCE	
Our Ethical Principles	94 - 95
Risk Management and Internal Control	96 - 97
Limits Of Authorisation Of The Members Of The Board Of Directors	97
Financial Benefits Provided To Members of The Governing Body and Senior Executives	97
Amendments to the Articles of Association	97
Committees of the Board of Directors	100 - 102
Investor Relations and Share Performance	103 - 106
Sustainability Compliance Statement	107
Sustainability Compliance Report	108 - 119
Corporate Governance Principles Compliance Statement	120 - 121
Corporate Governance Compliance Report and Information Form	122 - 141
Other Disclosures	143
Statutory Disclosures	144 - 147
Declarations of Independence	148 - 149
Responsibility Declaration for Financial Statements	151
United Nations Sustainable Development Goals to Which We Contribute	152-153
INDEPENDENT AUDITOR'S REPORT ON THE ANNUAL ACTIVITY REPORT OF THE BOARD OF DIRECTORS, INDEPENDENT AUDIT REPORT OF HITIT BILGISAYAR HIZMETLERI AŞ AND ITS AFFILIATE FOR THE ACCOUNTING PERIOD ENDED ON DECEMBER 31, 2024, CONSOLIDATED FINANCIAL STATEMENTS AND FOOTNOTES ON STATEMENTS	155

INDEPENDENT AUDITOR'S REPORT ON THE ANNUAL ACTIVITY REPORT OF THE BOARD



To the General Assembly of Hitit Bilgisayar Hizmetleri AŞ

1. Opinion

We have audited the annual report of Hitit Bilgisayar Hizmetleri AŞ (the "Company") and its subsidiaries (collectively referred to as the "Group") for the 1 January - 31 December 2024 period.

In our opinion, the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements regarding the Group's position in the Board of Directors' Annual Report are consistent and presented fairly, in all material respects, with the audited full set consolidated financial statements and with the information obtained in the course of independent audit.

2. Basis for Opinion

Our independent audit was conducted in accordance with the Independent Standards on Auditing that are part of the Turkish Standards on Auditing (the "TSA") adopted within the framework of the regulations of the Capital Markets Board and issued by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities in the Audit of the Board of Directors' Annual Report section of our report. We hereby declare that we are independent of the Group in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the "Ethical Rules") and the ethical requirements regarding independent audit in regulations issued by POA and the regulations of the Capital Markets Board and other relevant legislation that are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

3. Our Audit Opinion on the Full Set Consolidated Financial Statements

We expressed an unqualified opinion in the auditor's report dated 3 March 2025 on the full set consolidated financial statements for the 1 January - 31 December 2024 period.

INDEPENDENT AUDITOR'S REPORT ON THE ANNUAL ACTIVITY REPORT OF THE BOARD



4. Board of Director's Responsibility for the Annual Report

Group management's responsibilities related to the annual report according to Articles 514 and 516 of Turkish Commercial Code ("TCC") No. 6102 and Capital Markets Board's ("CMB") Communiqué Serial II, No:14.1, "Principles of Financial Reporting in Capital Markets" (the "Communiqué") are as follows:

a) to prepare the annual report within the first three months following the balance sheet date and present it to the general assembly;

b) to prepare the annual report to reflect the Group's operations in that year and the financial position in a true, complete, straightforward, fair and proper manner in all respects. In this report financial position is assessed in accordance with the financial statements. Also in the report, developments and possible risks which the Group may encounter are clearly indicated. The assessments of the Board of Directors in regards to these matters are also included in the report.

c) to include the matters below in the annual report:

- events of particular importance that occurred in the Company after the operating year,
- the Group's research and development activities,
- financial benefits such as salaries, bonuses, premiums and allowances, travel, accommodation and representation expenses, benefits in cash and in kind, insurance and similar guarantees paid to members of the Board of Directors and senior management.

When preparing the annual report, the Board of Directors considers secondary legislation arrangements enacted by the Ministry of Trade and other relevant institutions.

5. Independent Auditor's Responsibility in the Audit of the Annual Report

Our aim is to express an opinion and issue a report comprising our opinion within the framework of TCC and Communiqué provisions regarding whether or not the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements in the annual report are consistent and presented fairly with the audited consolidated financial statements of the Group and with the information we obtained in the course of independent audit.

Our audit was conducted in accordance with the TSAs. These standards require that ethical requirements are complied with and that the independent audit is planned and performed in a way to obtain reasonable assurance of whether or not the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements in the annual report are consistent and presented fairly with the audited consolidated financial statements and with the information obtained in the course of audit.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik AŞ

Orhan Öztürk, SMMM
Independent Auditor

Istanbul, 3 March 2025

ACHIEVING PERFECT SYNCHRONICITY



Founded 30 years ago by two visionary women entrepreneurs who believed that reservation and check-in processes could be enhanced with local software when reservation and ticketing were still evolving into technological solutions, our company has grown into one of the global leaders in aviation technology. We have succeeded through creative ideas, strategic initiatives, innovative solutions, and flawless synchronicity.

As we celebrate our 30th anniversary this year, we take pride in being a technology giant that connects a vast ecosystem - from reservation systems to loyalty programs, payment infrastructures to airport integrations - synchronizing the operations of 72 airlines across 50 countries and 6 continents while maintaining perfect harmony with our business partners.

Behind the trust of our business partners, happy passengers, satisfied employees, industry-leading innovations, and increasing success lies not only our technology but also our innovation-driven approach that touches people and our disruptive solutions designed to keep pace with the world's changing rhythms and adapt swiftly to every condition.

We would like to express our gratitude to the business partners who have been with us on this 30-year journey and to everyone who has contributed to enriching the travel experience through our services.

We are confident that the synchronicity we have achieved, fueled by our creative and innovative solutions, will continue in the years to come as we lead the global aviation industry.

Together, here's to many more years of trust, innovation, and success!

30 YEARS' ADVANCEMENT TOGETHER




The 2nd largest airline reservation system provider in Europe and Africa, and the 3rd largest globally



A flexible platform that supports all airline business models and the entire travel flow from A to Z with a one-stop service approach



Ranked #1 globally in the 2024 IATA ARM Assessment Report for next-generation technology standards



A modern, cloud-based technology infrastructure powered by AI

Hitit, one of the world's leading airline and travel technology companies, was founded in 1994 to develop next-generation software solutions for the industry. With a strong belief in the talent and creativity of Türkiye's young and visionary minds, Hitit continues to grow with a productive and expanding team. For 30 years, the company has been providing smart, reliable, and innovative solutions to airline and travel industry players focusing on growth and transformation. Founded by aviation professionals, Hitit's primary goal has always been to operate with entirely local capital, reducing external dependency and positioning Türkiye as a technology-exporting country. Staying true to this vision, Hitit now delivers its solutions and services to airline and travel sectors worldwide, regardless of their business model.

With its strong team, expanding ecosystem, and one-stop-shop service philosophy, Hitit has been providing solutions throughout its 30-year journey, offering a comprehensive range of services from reservations to fleet and crew management, from revenue and cost accounting to cargo and agency solutions. Through its advanced systems, Hitit exports its software-as-a-service (SaaS) solutions to the global market. Serving airlines of all sizes across the world, Hitit is not only a leading provider of technology solutions and services for the airline industry but also one of Türkiye's pioneering companies in productizing technology.

CAPTURING AVIATION'S RHYTHM



Our Vision

To become the leading technology firm in the global travel and transportation sector.



Our Mission

To offer the best technological solutions in the travel and transportation sector



Our Strategy

Hitit puts its credo of “Treating its customers as Partners and working together for joint success” at the heart of its corporate principles and shaped its different strategies to support this vision. These are:

Product: Developing the Crane Airline and Travel Solutions Family with flexible and smart solutions, offering sustainable and innovative products

Services: Offering complementary and value-added expertise and technology services in line with the ever-evolving needs of our Partners.

Customers: We aim to grow together by increasing the number of customers we see as our business partners and define as Partners while continuously enhancing our service quality.

Innovation: Improving the value proposition and competitive advantages of Hitit by adopting a proactive stance towards developments in airline, travel and overall IT industries

Sustainability: Strengthening our corporate capacity by integrating Environmental, Social, and Governance (ESG) strategies into our company assessments, with the core objective of driving the transition to a sustainable economy.

Artificial Intelligence: Enhancing operational efficiency across our organization and for our Partners by integrating AI technologies into processes, delivering sustainable solutions, and strengthening competitive advantage.

Security: Upholding our security and reliability responsibilities in full compliance with international standards, recognizing the sensitivity of both financial & personal data inherent in our core operations, and ensuring the highest level of protection for our Partners and, ultimately, their passengers.

Resources: Ensuring business continuity with a team that is competent and open to learning in equal parts.

Efficiency: Ensuring high efficiency by always keeping the cost / benefit perspective in sight.

Social Responsibility: Putting into action sensible and sustainable social responsibility projects for a better world.



A Message From Our Chairwoman of the Board

Dear Stakeholders,

As we celebrate our 30th anniversary, I would like to express my pride and gratitude to our colleagues, business partners, and stakeholders who have been an integral part of Hitit's journey.

Hitit was founded with a vision to create an innovative technology ecosystem that shapes the future of the airline and travel industry while fostering strong collaboration with its Partners.

Achieving this vision required dedication and perseverance, but our belief in this dream and determination to turn it into reality have always been strong.

How would we achieve this? First and foremost, there had to be a strong "Hitit Culture" a core identity that we define as "Hitit's DNA." This DNA would enable Hitit to continuously renew itself, staying young and dynamic. Then, we would naturally integrate our Partners into this deeply embedded culture. Following this principle, we never viewed our Partners merely as "customers" in a distant commercial relationship; instead, we embraced their businesses as our own. Our focus was always on creating solutions with a collective spirit.

Today, Hitit stands as the rightful outcome of this belief, proudly serving 72 Partners worldwide with a team of nearly 500 professionals, combining deep travel industry expertise with the most advanced technology. When choosing the name Hitit, we wanted it to reflect the rich Anatolian heritage just as the Hittite civilization introduced many firsts to human history, we aspired to bring fundamental innovations to our industry. Thirty years on, we are honored to have realized this ambition.

One of the most fundamental principles of our journey was developing leadership from within. Every executive at Hitit has gained hands-on experience across multiple business functions, ensuring a deep understanding of our operations and values. Even at the highest executive levels, our leaders progressed through various stages, always remaining at the heart of the business. This approach of ours has fostered a culture of collaborative decision-making, naturally spreading across all levels of Hitit.

As of September 1st, I have handed over the CEO position to Nevra Onursal Karaağaç, with whom I have worked closely for the past 18 years in shaping Hitit's corporate culture and strategic direction. She has made significant contributions to our company's growth, and I have full confidence that this smooth transition will take Hitit even further.

Hitit's DNA continues to evolve, staying young, dynamic, and ever-renewing.

As Chairwoman of the Board, I will continue to support Hitit on its path to sustainable growth.

Sincerely,

Nur Gökman
Chairwoman of the Board



A Message From Our CEO

Dear Stakeholders,

As a pioneering company providing technological services to the airline and travel industry and driving major digital transformations across six continents, we have successfully completed our 30th year. Over this significant period, we have not only created a strong impact in the industry we serve but also expanded our family by bringing our Partners into the growing Hitit community.

Having had the privilege of serving in various roles over 18 years of this journey and leading key transformations, I would like to take a moment to reflect on our company culture. Hitit thrives on the collaboration of seasoned experts with years of experience in various areas of aviation and carefully selected engineers who are graduates of Türkiye's top universities— institutions that admit only the top 1,000 out of two million applicants annually. One of our core values is empathy. Our executives, from team leaders to senior management, approach our Partners with a strong sense of understanding and commitment.

During our branding journey, as we evolved into a global brand and later during our public offering, we introduced our company with the phrase, "We have a story!" The essence of a long-term vision is that this story continuously renews itself, stays ahead of industry trends, and delivers the most innovative solutions to our Partners. As someone who has been part of the Hitit family for many years, I can confidently say that one of the key drivers behind our success has been our commitment to more than just commercial gains. Beyond combining a global engineering mindset with the dedication of our highly skilled employees and strategic business acumen, we have consistently focused on enhancing Hitit from an environmental, social, and governance (ESG) perspective.

Now, with the added responsibility of my new role, I remain determined to lead Hitit to even greater success on both national and international platforms, working alongside our ever-growing family. As someone who has played an integral role in shaping this journey and now as the CEO, I continue to work with the same enthusiasm and dedication to take Hitit even further.

Looking back at our company's activities, 2024 has been a dynamic and productive year. We hosted a major aviation conference, traveled thousands of kilometers to introduce Hitit technologies in over 30 countries, and expanded our software solutions through extensive R&D efforts, further strengthening our competitive edge. We have taken significant steps toward becoming the world's leading aviation retail technology company. With the most comprehensive capabilities in this field, I firmly believe that we will elevate our customer portfolio to new heights in the near future.

We are also expanding our services beyond airlines to travel agencies. Our ADS project, which has been firmly established in 2024, aims to provide a strong alternative in a market dominated by major competitors. Through innovative and flexible connectivity solutions, we expect to see the outcomes of our investments in this area very soon.

With 30 years of experience, the strength we derive from our valued investors, and our strong network of stakeholders, we remain committed to making our country a global leader in digital transformation with even greater determination.

Nevra Onursal Karaağaç
CEO

TAKING OFF CONFIDENTLY

CAPITAL AND SHAREHOLDER STRUCTURE

A- Capital of the Company:

Company shares have been offered to public in 2022 by means of shareholder sale and capital increase and have been traded on Borsa İstanbul A.Ş. Star Market as of 03.03.2022.

The Company's registered capital ceiling is 300,000,000 (Three Hundred Million) TL. Its issued capital is 300,000,000.00 TL (Three Hundred Million Turkish Lira), consisting of 108,597,285 Class A registered shares with a nominal value of 1.00 TL each, 108,597,285 Class B registered shares with a nominal value of 1.00 TL each, and 82,805,430 Class C registered shares with a nominal value of 1.00 TL each.

B- Shareholding Structure:

Shareholding structure of the Company as of December 31, 2024, is as follows:

Name of Shareholder	Share Group	Share Group	In Capital Share (%)	Suffrage Rate
Fatma Nur Gökman	A (*)	69,581,482	23.19%	29.37%
Dilek Ovacık	A	14,117,647	4.71%	6.04%
Hakan Ünlü	A	13,031,675	4.34%	5.57%
Özkan Dülger	A	13,031,675	4.34%	5.57%
Pegasus Hava Taşımacılığı AŞ	B (**)	110,446,803	36.82%	46.62%
Publicly Held	C	79,790,718	26.597%	6.83%
Dilek Ovacık	C (***)	240,437	0.080%	0.02%
Hakan Ünlü	C (***)	221,944	0.074%	0.02%
Özkan Dülger	C (***)	221,944	0.074%	0.02%
Other	C	79,106,393	26.369%	6.77%
Total		300,000,000	100.00%	100.00%

Shares in Actual Circulation: 79,787,881 TL - 26.59%

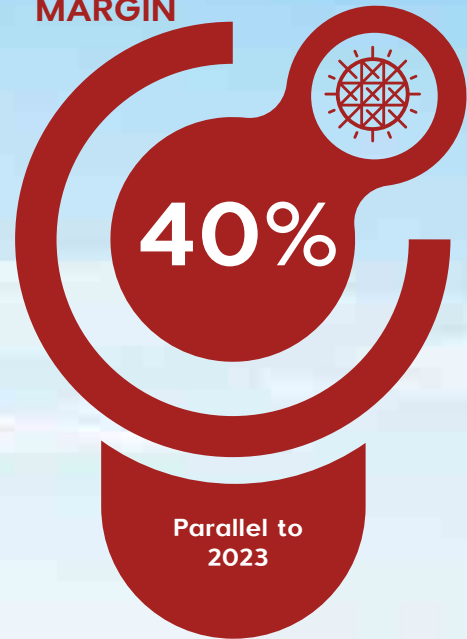
(*) Including, 1,165,195 Group C shares taken back due to the transactions providing price stability in the stage of public offering.

(**) Including 1,849,518 Group C shares taken back due to the transactions providing price stability in the stage of public offering.

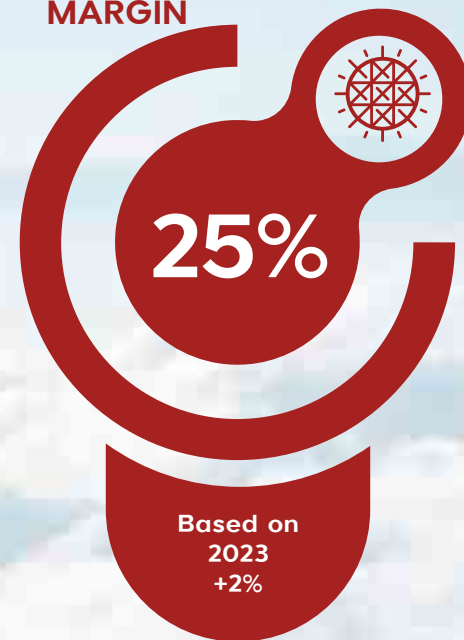
(***) Group C shares taken back due to the transactions providing price stability in the stage of public offering.

2024 AT A GLANCE

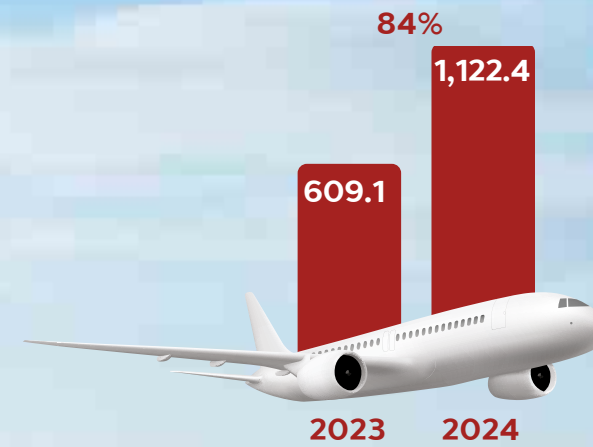
EBITDA MARGIN



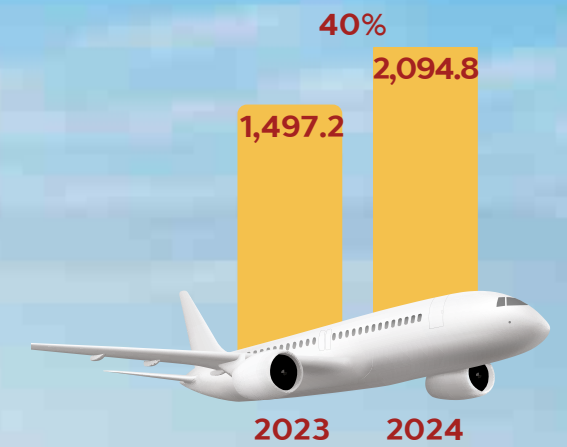
NET PROFIT MARGIN



Total Revenues (USD Million)



Total Equity (USD Million)



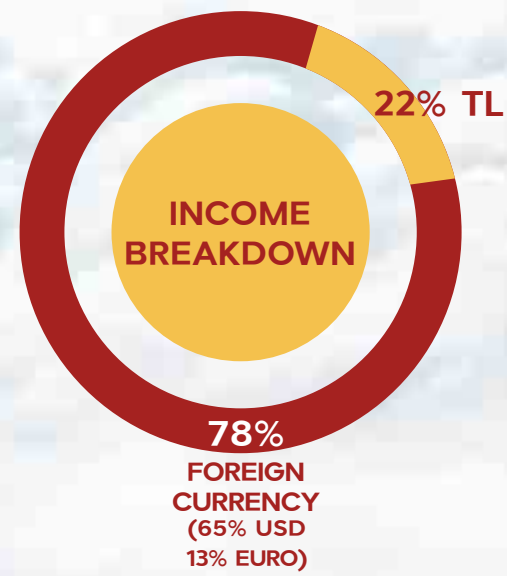
Total Number of Partners



Total Number of Annual Passengers Boarded



INCOME BREAKDOWN



PERFECT HARMONY WITH 30 YEARS' EXPERIENCE



OUR BOARD MEMBERS



F. Nur Gökman
Chairwoman of the Board of Directors

Elected as the Chairwoman of the Board of Directors of Hitit for a period of three years at the General Assembly held on April 25, 2024, Nur Gökman is also a founding partner of Hitit. A graduate of the Departments of Physics and Mathematics at İstanbul University in 1973, Nur Gökman started her career as a Computer Programmer at Akbank Information Processing Center from 1975 to 1977, after completing programming training in 1974. She later held various roles at Turkish Airlines (THY), including Computer Programmer (1977-1983), Project Leader (1983-1989), System Development Manager (1989-1990), IT Vice President (1990-1994), and Training President (1994-1996). As one of the founders of Hitit, the first company in Türkiye's aviation informatics sector, Gökman has been integral to its rise to become one of the airline & travel technology companies in the world. She stepped down as CEO on September 1, 2024, continuing her role as the Chairwoman of the Board.



Dilek Ovacık
Board Member - Founding Partner

Elected for a three-year term at the General Assembly held on April 25, 2024, Dilek Ovacık graduated from the Department of Production Management of the School of Business of İstanbul University in 1973, received Paris CEPIA (Centre d'etudes pratiques et automatiques) certificate in 1975. Before THY, she took part in business survey and remuneration of a Holding and studied on the subjects of organization/remuneration. She assumed the role of Analyst Programmer at the Turkish Airlines (THY) Information Processing Center in 1976; and took part in various airline projects as Senior Programmer and Project Manager in the following years. In 1994, she retired from THY and took part in establishment of Hitit in 1994. She carried out the financial and administrative affairs of the Company as of 2006. While she decided to quit this position in 2016, she continues her contributions to Hitit in the board of directors of the Company.

OUR BOARD MEMBERS



Ali Uzun
Board Member

Elected for a three-year term at the General Assembly held on April 25, 2024, Ali Uzun graduated from Galatasaray University Faculty of Law in 2007 with a bachelor's degree and has been a registered lawyer at the Istanbul Bar Association since 2008. He has completed various academic programs in international relations, capital markets, sports law, circular economy, and sustainability strategies. Since 2013, he has been working at Pegasus Airlines and currently serves as the company's Chief Legal Counsel and Director of Sustainability. He also serves as the Chair of the IATA Legal Advisory Council and as a member of the Board of Trustees of the Health and Education Foundation.



Turgut Gürsoy
Independent Board Member

Elected for a three-year term at the General Assembly held on April 25, 2024, Turgut Gürsoy, graduated from the Faculty of Engineering of Yıldız Technical University. Turgut Gürsoy started his professional career as design engineer in 1984. He served at Transteknik Holding as technical manager from 1986-1989. He established Probil in 1989 and pioneered the entities of Proservis and Pronetwork in 1986 and 1989, respectively. In 2000, he received the first "private equity" investment from EMEA Technology Investment. He merged the companies Probil, Proservis, Pronetwork, Teknobim and Bordata under Probil AŞ. In 2009, he carried out the sale of 100 percent shares of Bizitek, a subsidiary Probil, to Ericsson (NASDAQ: ERIC), one of the global telecom leaders, and sale of Probil to Netaş in 2011. Having served as the President of TUBİSAD through 2008-2012, Turgut Gürsoy has been serving as the Chairman of Board of Directors of Lidya Ventures, Enocta and Agito. He takes part as an investor in various companies besides serving as Board Member at Cyberwise, E-Güven and Blesh.

OUR BOARD MEMBERS



Mahmut Barbaros Kubatoğlu
Board Member

Elected for a three-year term at the General Assembly held on April 25, 2024, Mahmut Barbaros Kubatoğlu completed his Undergraduate Study at Shipbuilding and Marine Sciences Faculty of İstanbul Technical University in 1995, then, his Post-Graduate Study in the field of Business Engineering at the same university. He started his career at Çelebi Holding in 1997 as Operation Planning Specialist. He served as Budget and Finance Manager and Technical and Logistics Director at HAVAŞ Holding, which he joined in 2002. In 2007, he started to serve as Project Coordinator at Pegasus Airlines, carried out the position of Senior Vice President of the Financial Reporting and Control Department. He has been working as Chief Financial Officer since January 2018.



Aliye Sultan Alptekin
Independent Board Member

Elected for a three-year term at the General Assembly held on April 25, 2024, Aliye Sultan Alptekin brings 33 years of professional experience, with 10 years in marketing and 15 years in human resources. She has spent 8 years as a corporate executive and 8 years as a consultant, accumulating a total of 18 years of senior management experience as a leadership team member and board member in large organizations. She has deep expertise in various HR areas, including merger and acquisition cultural and organizational integration, strategy development, organizational restructuring, HR systems and process design, talent and competency development, succession planning, organizational culture management, expatriate management, executive compensation, and industrial relations.

During her 15 years of career at Turkish Airlines (THY), she held senior leadership positions such as Marketing Director, Deputy HR Director, and Business Support. She also served as a Board Member of SunExpress Airlines, a joint venture between THY and Lufthansa German Airlines. Alptekin has gained significant experience not only in general commercial airline operations but also in strategic partnerships, governance, and business models. She further expanded her expertise while serving as the HR Director and Excom member for Coca Cola Icecek A.S. for nine years, overseeing HR responsibilities across Türkiye, Central Asia, Middle East, and Pakistan, covering a total of 10 countries.

GUIDING THROUGH SHARED VALUES



SENIOR MANAGEMENT



Nevra Onursal Karaağaç
Chief Executive Officer

Nevra Onursal Karaağaç completed her undergraduate studies in Communication Design at Carnegie Mellon University in 2002, followed by a master's degree in Interaction Design at Domus Academy in 2005. She holds certifications in Business Strategy and Financial Performance from INSEAD Business School and in Executive Leadership from Oxford University. She started her career in 2002 as Graphic Designer Intern at Wunderman NYC, serves as Art Director at On3 Creative Group between 2003-2004 and at Leo Burnett Istanbul in 2006. Mrs. Karaağaç joined Hitit as a Creative Director in 2006. After holding positions as Brand Manager and Marketing Director, she was appointed as Chief Sales and Marketing Officer in 2018. Karaağaç has played a key role in driving Hitit's sales growth and expanding its presence in the global market. In addition to these achievements, she has also led the company's IPO process, enhanced brand awareness, and spearheaded Hitit's digital transformation efforts. As of September 2024, Nevra Onursal Karaağaç serves as the CEO of the company.



Sezer Tuğ Özmutlu
Chief Financial Officer

Sezer Tuğ Özmutlu graduated from the English Economics Department at Istanbul University in 1992 and later pursued a post-graduate degree in the Department of International Relations at the same institution. She began her career as Financial Affairs Assistant Manager at Pegasus Hava Taşımacılığı AŞ in 1992 and became Revenue Control Director in 2012. On June 1, 2015, she was appointed Chief Financial Officer (CFO) at Hitit, overseeing Financial Affairs and Procurement. Sezer Tuğ Özmutlu is a Certified Public Accountant and Financial Advisor, holding a Financial Internal Audit Certificate. She also holds an IATA Diploma in Passenger Revenues Accounting and Control, along with various other qualifications in auditing, accounting, and finance.



Semra Kandemir
Chief Product Strategy Officer

Semra Kandemir graduated as an Electrical-Electronics Engineer from Middle East Technical University in 1992. Upon graduation, she began her career at Turkish Airlines, where she held various positions, including System Engineer, Project Manager, and System Support Manager, from 1992 to 2009. In 2009, she joined the construction team of Istanbul Sabiha Gökçen Airport, where she contributed to the installation of operational IT systems and financial system integration. She continued at Sabiha Gökçen as Chief Information Officer (CIO) until 2012. In 2013, Semra joined Hitit as Information Processing Director in the System Infrastructure and Operations Department. She holds ITIL and INSEAD Business School certificates in Business Strategy and Financial Performance. Since 2018, she has been serving as Chief Product Strategy Officer at Hitit.

SENIOR MANAGEMENT

Özgür Çuhadar Chief Technology Officer

Özgür Çuhadar graduated with a degree in Computer Engineering from Bilkent University in 2003. He began his career as a Software Engineer at Nexus Bilişim, then moved to Escort Bilgisayar as a Computer Programmer in 2004. He joined Hitit in 2005, where he progressed through roles as Project Manager and Technology Director before being appointed Chief Technology Officer (CTO) in 2018. With nearly 20 years of service at Hitit, Özgür Çuhadar has played a key role in the development of the Crane PAX solution and Crane PSS System. He has also made significant contributions to the strategic development of airline support systems, including Revenue and Cost Accounting, Schedule Planning, Operations Control, and Crew Management. Çuhadar also currently leads the end-to-end technological development of the Agency Distribution System (ADS), one of the company's most strategic projects.

Semih Sakız Chief Application Engineering and Security Officer

Semih Sakız graduated from the Computer Engineering Department of Ege University in 1999. While still a student, he gained early experience working part-time as a Java Developer at Elit Software, a Java Application Programmer at Tarihbank, and as a Student Assistant at Ege University. After graduation, he joined Turkish Airlines (THY) in 1999, where he spent 15 years, holding roles as a System Programmer, Team Leader, and Solution Manager. During his time at THY, he completed Management Development Programs at Sabancı University (2012-2013), participated in the Harvard Mentorship Program, attended business administration courses, and finished the Leadership Academy MBA program.

In 2014, he transitioned to Garanti Teknoloji BBVA as a Senior Technology Specialist, and in 2018, he joined Yapı Kredi-UniCredit Group as a Director and Solution Architect Consultant. Sakız has also successfully completed the Leading Organizations for High Velocity Performance executive program at MIT in 2024. In 2019, Sakız joined Hitit as Director of the System Infrastructure and Operations Department, and in January 2021, he was promoted to Chief Officer of System Infrastructure and Operations. Following the Board of Directors' decision on October 11, 2024, he was appointed as Chief Application Engineering and Security Officer, a position he continues to hold.

SENIOR MANAGEMENT

Yener Kılıç Chief System Infrastructure and Operations Officer

Yener Kılıç graduated with honours from Computer Engineering Department of Ege University in 1999 and began his career at Koçbank. From 1999 to 2002, he worked as a System Engineer in the Information Systems Support Department. Between 2002 and 2009, he served as a Database Administrator in the Database Management Department. In 2006, he played a key role in the merger between Yapı Kredi and Koçbank, continuing his position afterward. At Yapı Kredi, Kılıç held several leadership roles, including Manager of Open Systems and Data Storage Management (2009-2010), Manager of System Design and Planning (2011-2014), and Director of Security Management (CISO) from 2014 to 2020. In January 2021, He joined Hitit as a Director in the System Infrastructure and Operations Department. Following the Board of Directors' decision on October 11, 2024, he was appointed as Chief System Infrastructure and Operation Officer, a role he continues to hold.

Atilla Lise Chief Transportation Solutions Officer

Atilla Lise graduated from the Department of Computer Engineering at Boğaziçi University in 1987 and began his career at Turkish Airlines (THY). From 2000 to 2010, he served as Project Manager in the Information Processing Cargo Automation Systems and E-Business Department. Between 2010 and 2018, he held the position of President (SVP) in the Social and Administrative Affairs Department. During 2014-2016, Lise participated in the Manager Mentor Program at Harvard Business School and attended the Business Administration & Management Certificate Program. He also holds a Private Pilot License (PPL) Certificate. In November 2018, he joined Hitit and was appointed as Chief Transportation Solutions Officer on November 5, 2021.

Figen Dönder Chief Human Resources Officer

Figen Dönder completed both her undergraduate and post-graduate studies at Marmara University. She graduated in 1992 with a degree in English Teaching from the Faculty of Education and earned a master's degree with thesis in English at the Department of Public Administration, specializing in Human Resources Management & Development in 2000. In 2014, she obtained the CTI Coaching Certificate. Before pursuing a career in Human Resources, Dönder gained diverse experience across various sectors, including roles at Citibank in 1994, Esem Spor Adidas in 1995, and Alman Südmö Group in 1996, where she experienced firsthand the impact of different organizational cultures and job diversity on employees. She began her HR career in 1997 at Marshall Boya – Akzo Nobel, where she served as HR Manager from 2000 to 2003. Through 2003 to 2008, she worked as an HR Consultant/Manager at Mecaplast Group Monaco (Automotive), Corus Group England (Steel), Delta Gıda Akfen Holding, and Profera Danışmanlık. In 2010, she became HR Manager at Finans Emeklilik and later served as HR Vice President, overseeing Fund Raising, Recruitment, Orientation, and Employee Relations during her tenure at Cigna Finans Emeklilik. Between 2014 and 2016, Dönder worked as an HR Consultant/Manager at Artı Danışmanlık. She served as HR Director in the period of January 2018 - September 2022 at Hitit, where she had started as HR Manager in 2017, and she was appointed to the position of Chief Human Resources Officer as of 09.09.2022.

**ADVANCING
IN STEP
WITH OUR
PARTNERS**



2024 IN REVIEW

The year 2024 has been a period of steady growth for Hitit, driven by the positive outcomes of previously established strategic initiatives. At the same time, the company has embraced exciting new ventures and developments.

2024 IN REVIEW

Expanding its footprint across new geographies through strategic partnerships, Hitit has extended its presence to key markets such as India - one of the fastest-growing aviation markets - and Italy, a cornerstone of the European sector. As a result, Hitit now serves 72 Partners across 50 countries.

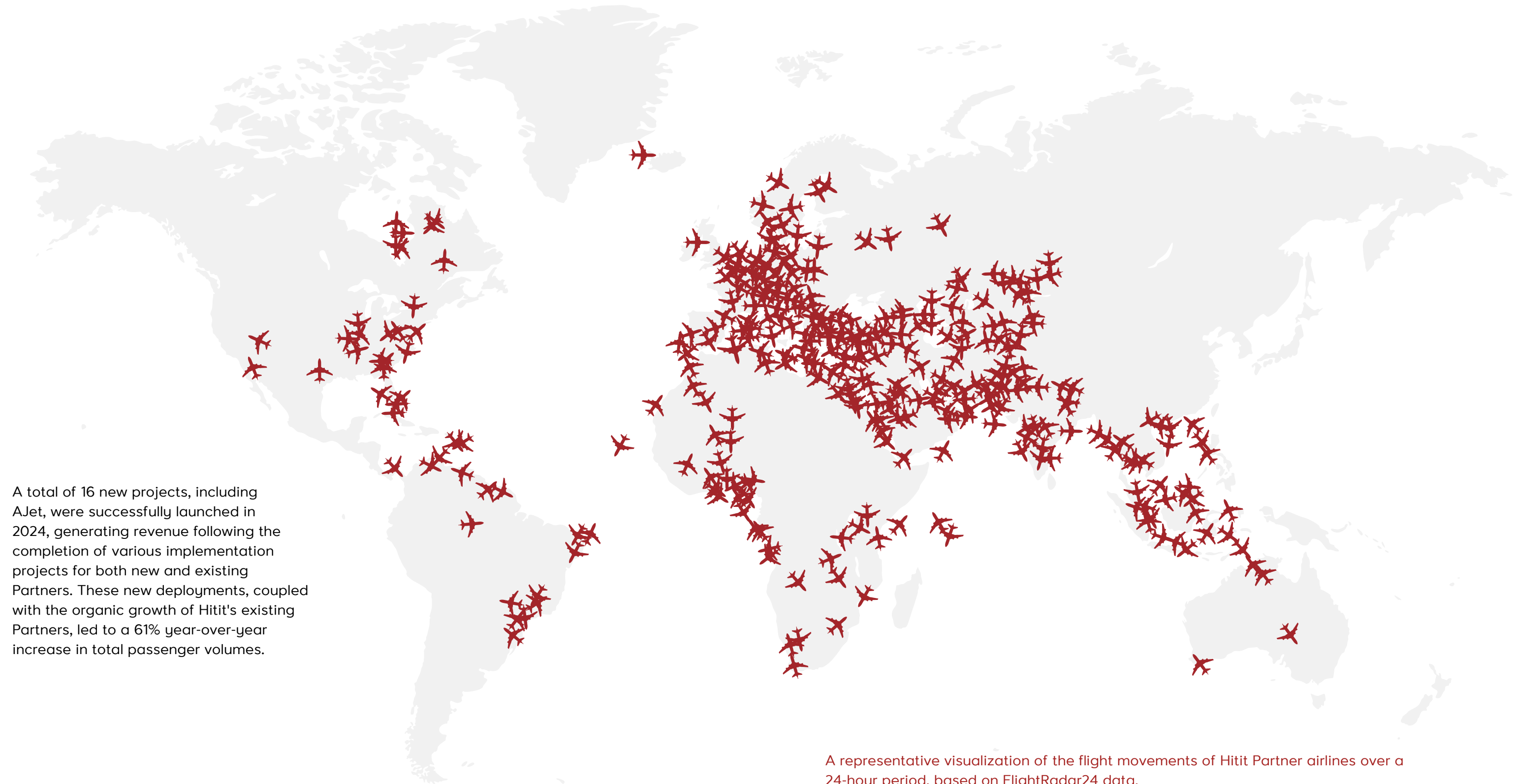


2024 IN REVIEW

In addition to this geographic expansion, new partnerships and organic growth in existing markets have further strengthened Hitit's position. By 2024, the company has become the second-largest airline Passenger Service System (PSS) provider in both Africa and Europe, while maintaining its global ranking as the third-largest PSS provider worldwide.

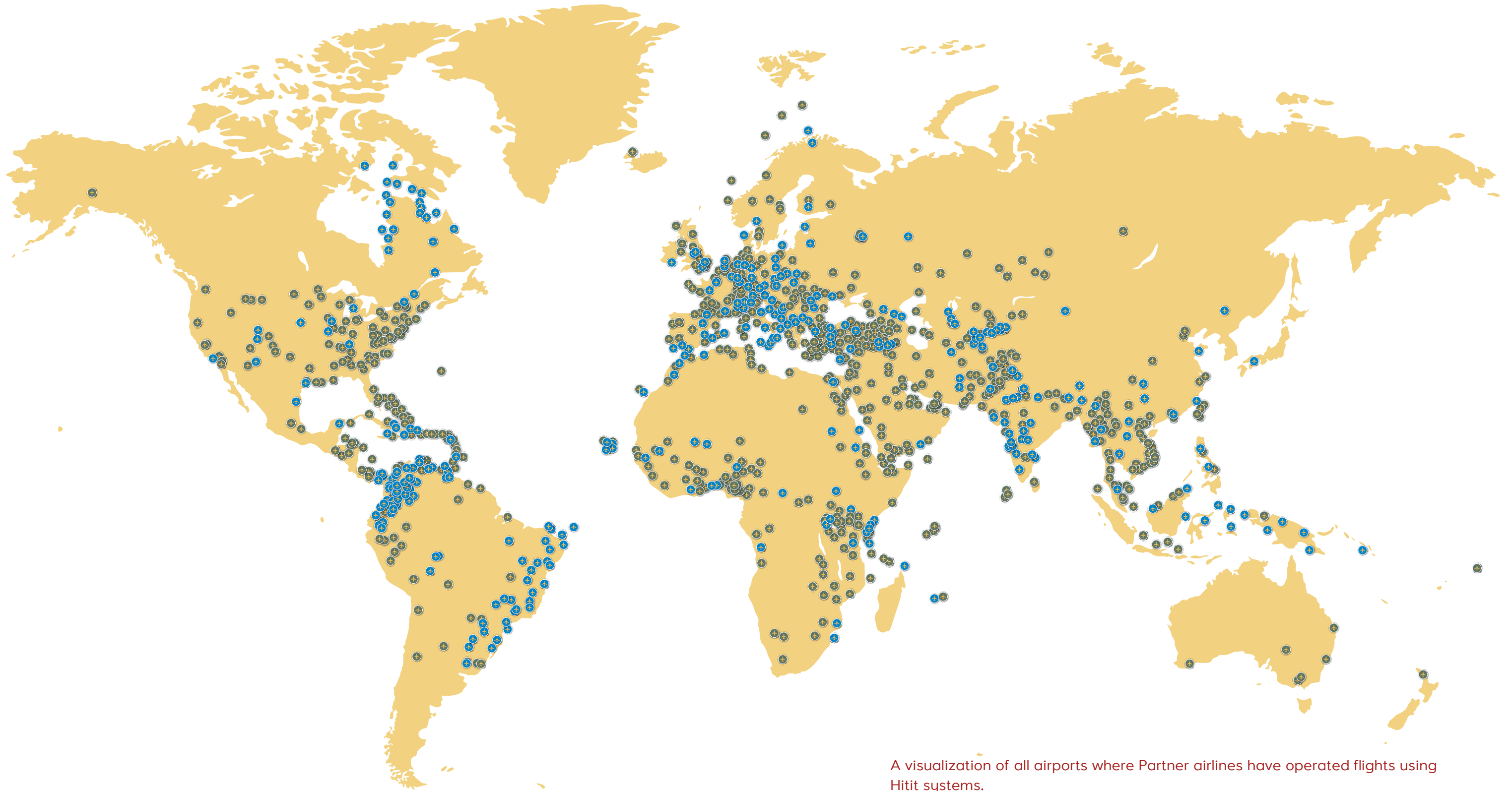
2024 IN REVIEW

In addition to the ongoing growth momentum in the company's core activities, key successes have also been achieved in critical strategic initiatives.



2024 IN REVIEW

As a result of these activities, the number of airports serviced through Hitit solutions - primarily via the Crane Departure Control System (DCS) - also increased, reaching 850 airports across 160 countries by the end of 2024.




A visualization of all airports where Partner airlines have operated flights using Hitit systems.

2024 IN REVIEW

Hitit's intensive R&D efforts in Modern Airline Retailing, specifically in Offer & Order Management Systems (OOMS), have led to a major industry milestone. The company secured the top ranking in the International Air Transport Association's (IATA) "Airline Retailing Maturity Index," surpassing all global competitors. This recognition underscores Hitit's technological leadership in a sector poised for a digital transformation wave in the coming years.

Leveraging its expertise in these transformative technologies, Hitit plans to accelerate both R&D initiatives and new Partner acquisitions in 2025.



The image shows a bar chart with five bars of varying heights. The first bar on the left is significantly taller than the others and is colored red, while the other four bars are light pink. The red bar has a white IATA logo at the top and the number '53' at the bottom. The text 'IATA Airline Retailing Maturity Index Leader' is overlaid on the chart in red. The background is a blurred image of an airport terminal.

IATA Airline Retailing Maturity Index Leader

53

2024 IN REVIEW

Additionally, in collaboration with the IATA Airline Retailing Consortium, Hitit has been recognized as one of the few "fully integrated providers" in the industry. The consortium's "IT Provider Readiness and Roadmap" report highlights Hitit's capabilities not only in Offer & Order Management but also in Delivery and Financial solutions within Modern Airline Retailing. In 2025, Hitit aims to further strengthen this strategic partnership with IATA and the consortium, becoming one of the first solution providers to implement Proof of Concept (PoC) projects in this field.

Hitit has also made significant progress in its Agency Distribution System (ADS) initiative, enhancing its technology while securing new agreements in both agency sales channels and travel content distribution. Notably, in addition to activating the Turkish Airlines content agreement signed in the previous period, Hitit has now signed a content distribution agreement with APG Network.

As an existing Hitit Partner, APG Network operates an airline network comprising 200 carriers across 170 countries. This collaboration is expected to significantly expand ADS content availability and accessibility.

Building on its 2023 pilot initiatives, Hitit has successfully deployed AI-driven solutions across multiple Partner airlines in 2024. Efforts to expand the scope of these AI solutions, which have begun operating in personalized product offerings and real-time dynamic pricing, and to make them available to more Partners will continue in 2025. Additionally, Hitit is developing AI-powered solutions aimed at enhancing flight operations efficiency.

In 2024, our R&D efforts initiated the development of customized mobile applications for airline employees within our existing Crane solution suite. These mobile solutions are expected to evolve further and enter the market in 2025.

Hitit remains committed to sustainability and carbon emission reduction through collaborations with various Partner airlines and industry stakeholders. Internally, the company has completed necessary audits and process enhancements, earning a place in the Borsa İstanbul Sustainability Index.

ELEVATING SUCCESS THROUGH SHARED ACHIEVEMENTS



OUR AWARDS

2024 Fast Company – Women Founders 100 List – Nur Gökman

Nur Gökman, Chairwoman of the Board of Directors at Hitit and a pioneer of female entrepreneurship in Türkiye, has once again been recognized on Fast Company's prestigious Women Founders 100 List.

2024 Happy Workplaces Inc. – Happiest Workplace in Türkiye's Software Industry

In the 2024 Happy Workplaces® study conducted by Happy Workplaces Inc., Hitit was honored as the “Happiest Workplace in Türkiye” in the software category.

2024 Happy Workplaces Inc. – Happiest Workplaces Around the Globe

Hitit has been named among the “Happiest Workplaces Around the Globe 2024”, according to a global study by Happy Workplaces Inc. The research, conducted across 23 countries and evaluating 16,829 companies, ranked Hitit in the top 5% of the happiest workplaces worldwide, considering sectoral differences.

2024 Uzakrota Travel Awards – World's Leading Travel Technology Provider

For the second consecutive year, Hitit has been recognized as the “World's Leading Travel Technology Provider” at the Uzakrota Travel Awards. This award reaffirms Hitit's commitment to innovation and leadership in the airline and travel technology sector.

2024 Bluesky Awards – Aviation Software Company of the Year

At the 2024 Bluesky Aviation Achievement Awards, which honor excellence and innovation in aviation, Hitit has been named “Aviation Software Company of the Year” for the fourth consecutive year.

2024 Bluesky Awards – Aviation Artificial Intelligence Utilization of the Year

In a newly introduced category recognizing innovative AI-driven solutions in aviation, Hitit was awarded “Aviation Artificial Intelligence Utilization of the Year” for its advancements in AI applications within the industry.

IATA Airline Retailing Maturity Index – Global Leader

Hitit has maintained its position as the global leader in airline retailing, a key area of focus for enhancing passenger experiences through personalized travel solutions. In the IATA Airline Retailing Maturity Index, which evaluates capabilities under the Offer & Order Management System, Hitit increased its competency count to 53, solidifying its status as the industry's global leader in this field.

GOING WITH THE FLOW



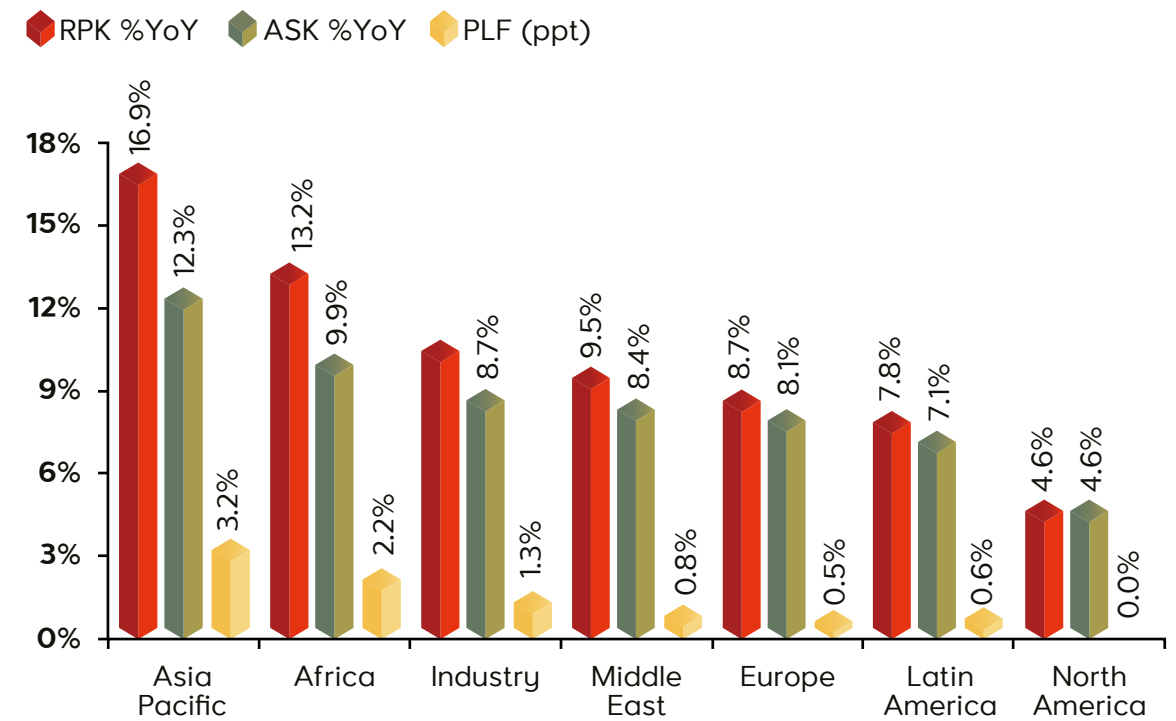
INDUSTRIAL DEVELOPMENTS

In 2024, the global airline industry experienced strong and stable growth, aligning with the projections outlined in the Company's previous annual report and interim updates throughout the year.

Drawing from the Company's latest market analyses and IATA's annual industry reports (Global Outlook for Air Transport and Air Passenger Market Analysis – December 2024), the key industry trends are summarized below.

All major key performance indicators (KPIs), including Revenue Passenger Kilometers (RPK), Available Seat Kilometers (ASK), and Passenger Load Factor (PLF), demonstrated consistent growth throughout the year. While airlines expanded passenger capacity, the numbers also show the demand for air travel surpassed this increase in supply. Consequently, both aircraft load factors and revenue generation showed a notable upward trend.

Annual Change Rates of RPK, ASK, and PLF by Region



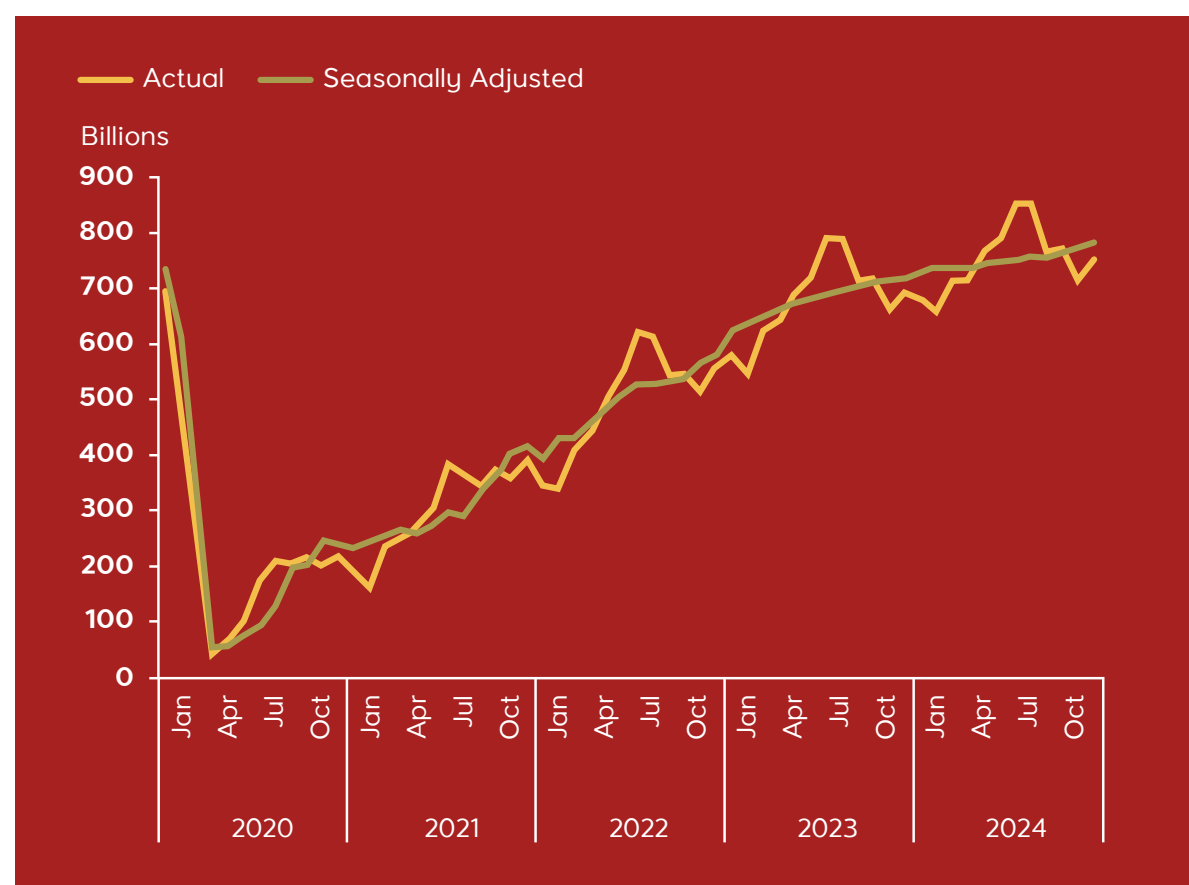
Source: IATA Air Passenger Market Analysis – December 2024

The global increase in RPK was primarily driven by the air travel volumes in the Asia-Pacific region, which experienced a relatively delayed recovery following the Covid-19 pandemic. Additionally, Africa's return to being one of the fastest-growing aviation markets, coupled with growth pressures on fleets caused by technical issues with Boeing aircraft and certain engine types in 2024, contributed to this trend. As a result, global PLF values have reached a record 84% load factor.

INDUSTRIAL DEVELOPMENTS

Several factors have negatively impacted air transportation at the macro level, including ongoing armed conflicts, airspace closures associated with these conflicts, and weakened economic ties and passenger volumes due to rising political tensions among various actors. Nevertheless, global RPK values continue to surpass 2019 levels and show sustained growth. Furthermore, despite these challenges, international RPK values have exceeded 2019 levels for the first time in five years by 0.5%.

Five-Year Trends in Revenue Passenger Kilometers (RPK)

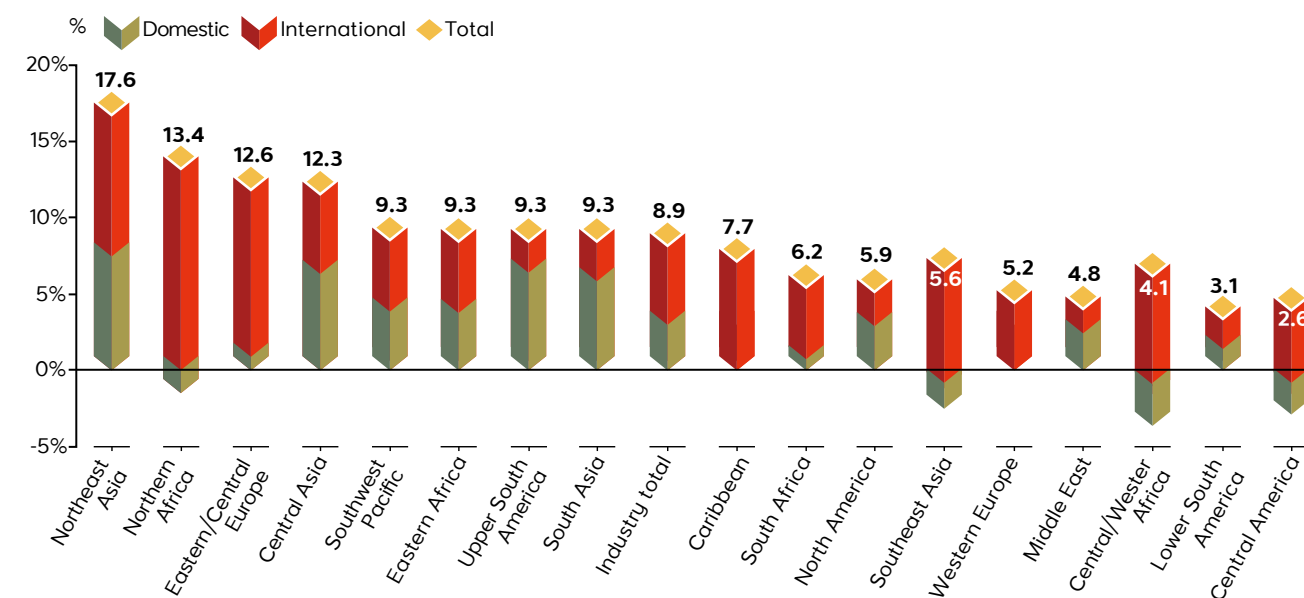


Source: IATA Air Passenger Market Analysis – December 2024

When analyzing RPK growth by region, it is clear that areas where Hitit has a strong presence, such as Africa, Central/Eastern Europe, Central Asia, and South America, have outpaced the industry average. This robust performance is regarded positively by the Company, both in terms of new Partner acquisitions and the organic growth rates of existing Partners.

INDUSTRIAL DEVELOPMENTS

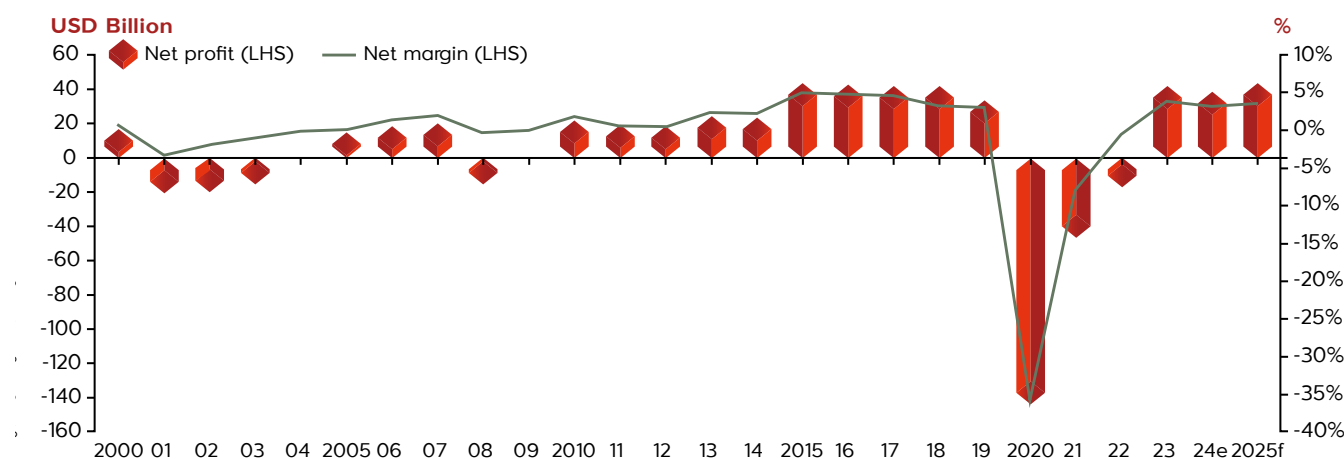
Annual Passenger Volume Growth by Region



Source: IATA Global Outlook for Air Transport – December 2024

On the financial front, while airline profitability is nearing record levels with an operating profit margin of 6.8%, net profit stands at 3.3%. The gap can be attributed to large-scale strikes, increased personnel and interest expenses, aircraft and engine shortages, and the rising equipment costs associated with these issues during 2024. Nevertheless, the increase in overall revenue has pushed the net profit per passenger to \$6.4 USD. While this remains below the \$8 USD average seen in the 2015-2017 period before 2019, it indicates a notable and consistent financial performance over the past five years.

Global Airline Profitability (in USD)



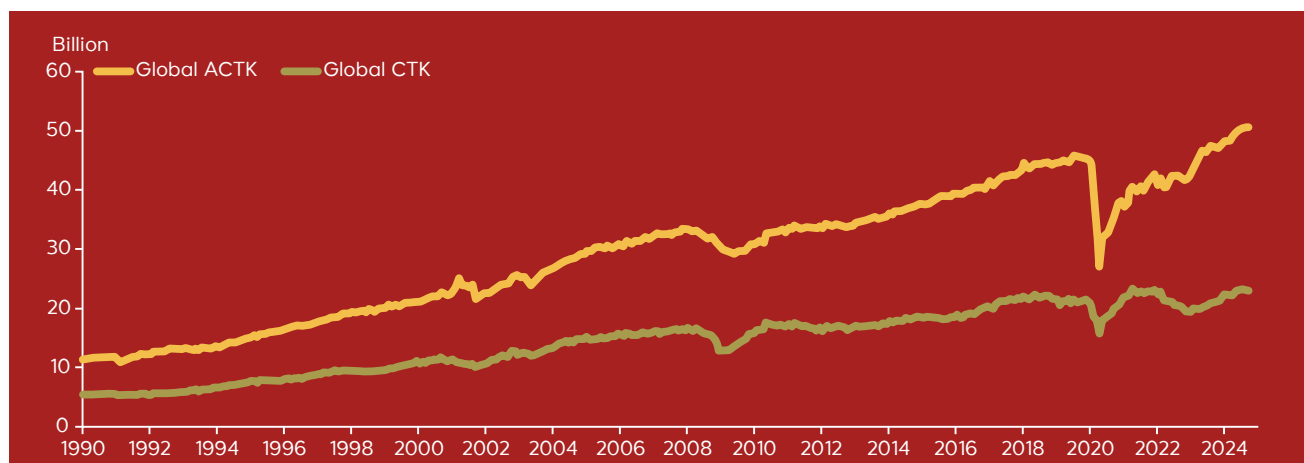
Source: IATA Global Outlook for Air Transport – December 2024

INDUSTRIAL DEVELOPMENTS

The rising passenger profits, combined with declining crude oil prices and strong passenger demand, are positively impacting airlines' overall profitability, thereby providing greater opportunities for investments and growth plans.

In terms of air cargo transportation, following the surge during the Covid period, both "Cargo Tonne Kilometers" (CTK) and "Available Cargo Tonne Kilometers" (ACTK) saw a relative decline in 2023. However, in 2024, these values have begun to trend upwards again. This increase is driven by the accelerating global e-commerce volumes, as well as disruptions and capacity constraints in maritime shipping due to geopolitical factors.

ACTK and CTK Trends by Year

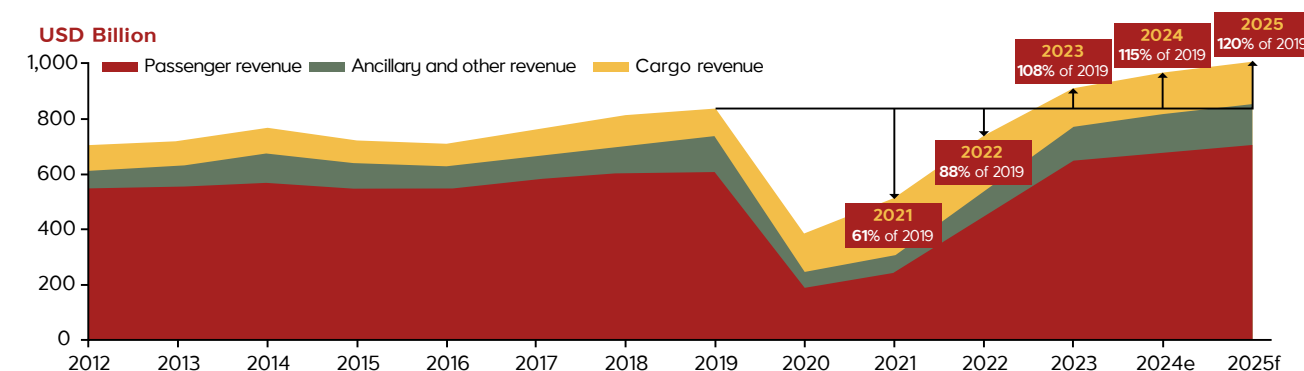


Source: IATA Global Outlook for Air Transport – December 2024

Aside from passenger and cargo transportation, another important factor influencing airline revenues and financial performance is the ancillary revenue generated from additional products and services provided by airlines. This growth is driven by macro trends such as increasing digitalization, personalization, and the use of artificial intelligence, supported by industry initiatives like Modern Airline Retailing. As a result, airline ancillary revenues have been rising year after year. Considering Hitit's capabilities in these areas and its competitive edge in the market, this increase is viewed as a positive development for the Company's operations.

INDUSTRIAL DEVELOPMENTS

Breakdown of Airline Revenue Types



Source: IATA Global Outlook for Air Transport – December 2024

Based on the above market analyses and macro indicators, the Company's strategic assessment suggests that as of EOY 2024, the sector continues to present favorable conditions. As such, these conditions are reasonably expected to positively influence Hitit's operations and growth plans.

30 YEARS' SYNCHRONIZED JOURNEY

1994

Established by two women entrepreneurs who stepped down from their executive roles at Turkish Airlines.

2005

Fueled by the international success of Crane FF, Hitit has developed the Crane PSS (Passenger Service System) as a new generation core airline solution.

2012

Crane FF has become the world's most used airline loyalty management system, ranking first in the industry.

2017

As a pioneer among airline Passenger Service Systems globally, a transition to a hybrid cloud infrastructure has been made.

2019

Hitit opened new offices and data centers in different parts of the world, securing 10 new Partners within a year.

2021

Hitit has been the preferred vendor of those airlines leaving behind their legacy systems to meet the increasing digital agility demands of the industry, and came through the pandemic stronger with 13 new Partners.

2023

Agreements were signed with 12 new airlines from around the world. AJet agreed to use Crane PSS solutions; an agreement was made with THY for the use of Crane APP technology platform and distribution infrastructure. Additionally, 2023 marked the year with the most awards won by Hitit.



1999

Crane FF, the first customer loyalty management solution specifically developed for the aviation industry, has officially launched.



2008

The "Software as a Service" (SaaS) model has been adopted. In this model, software solutions are offered as a package along with hosting and technical infrastructure services.



2015

Hitit's latest centre of focus, Crane PSS, has become the fifth largest airline reservation system in the world.



2018

A major airline has broken ranks with two long-standing industry leaders and chosen Crane PSS as its new reservations system provider.



2020

Hitit, a leading provider of airline and travel technology solutions, continues its global expansion with new offerings tailored to the industry's needs. Despite the pandemic, Hitit achieved record growth by onboarding 12 new Partners in a single year.



2022

Hitit achieved a new growth record by onboarding 16 new partners in a year. The company now exports its services to 6 continents around the world. Following its initial public offering (IPO) in March, Hitit has accelerated its R&D investments in artificial intelligence applications, cloud technologies, and new business lines.



2024

Hitit, celebrating its 30th anniversary, has undergone a significant transformation with Nevra Onursal Karaağaç appointed as the Chief Executive Officer (CEO). In the last quarter, the company accelerated its growth, setting a record in Partner acquisitions. Moreover, by securing new agreements with various countries, Hitit has achieved a milestone in expanding its market reach.

OUR SERVICES

Hitit develops and provides software solutions under the "Crane" brand for the national and international airline and travel industry, offering them to its Partners through a Software-as-a-Service (SaaS) model. The Company delivers an integrated service package that includes the technical infrastructure and hosting services for its solutions. In addition, Hitit provides consultancy and training, as well as post-sales support and maintenance services. Hitit's Partners include airlines, travel companies, and airports. The Crane-branded software solutions are categorized into six solution groups, as outlined below:

1

Passenger Services System:

The "Crane PSS" is the flagship group of software solutions offered under this umbrella. It includes the essential software tools that airlines need to manage their core operations. This solution group consists of the following components:

- **Reservation and Ticketing • Internet Booking Engine (IBE)**
- **Mobile Application • Charter Management System**
- **Communication Management Module • Departure Control System (DCS)**
- **Weight and Balance Module • Baggage Reconciliation System**
- **Loyalty Layer • Customer Service Layer**

2

Operational Solutions:

This solution group offers products designed to support the core operational functions of airlines. These software solutions are further segmented into subgroups that include optimization and mobile applications, enabling Partners to achieve digital transformation in their operational planning. The following solutions are included within this software group:

- **Schedule Planning**
- **Operations Control**
- **Cabin and Cockpit Crew Planning & Operations**

3

Travel Solutions:

The solutions under this category are specifically designed for travel agencies rather than airlines. This software group includes the following solutions:

- **Online Travel Agency**
- **Agency Portal Plus**

OUR SERVICES

4

Accounting Solutions:

Airlines face unique accounting and settlement requirements, in addition to those of a typical commercial enterprise, due to their compliance with various international aviation regulations, industry standards, and bilateral agreements. Our software solutions, designed to meet these needs, also incorporate carbon emission tracking and optimization features, allowing airlines to accurately forecast emissions generated by their operations. This software suite includes:

- **Revenue Accounting**
- **Cost Accounting**
- **Business Performance Index**

5

Air Cargo:

The air cargo business model and operational cycle differ significantly from the passenger model, involving a process characterized by intense information flow. In this data exchange, which takes place among various members of a complex supply chain, Hitit has developed advanced IT solutions that surpass traditional industry methods. Key to ensuring the efficiency of logistics chains and the quality of data, Hitit's Crane Air Cargo Solution suite includes:

- **Domestic Cargo Services**
- **Reservation & Cargo Services**
- **Cargo Revenue Accounting**

6

Travel Merchandising:

This category encompasses software solutions that enable airlines and travel agencies to offer their passengers "shopping baskets" consisting of various products beyond just flight tickets. This capability allows users to present a wide range of services and products, such as hotels, transfers, tours, insurance, and more, in the form of dynamic packages.

The company's software solutions currently serve 72 airlines and travel industry companies operating across 50 countries on 6 continents. These solutions support a wide array of transactions between airlines, passengers, and airports.

SHARED GOALS INCREASING THE PACE



OUR SERVICES

Global Service Network

In addition to the Crane software solutions, Hitit offers a comprehensive service network that enables millions of passengers to travel annually. As one of the leading global players in the industry, Hitit's extensive service network spans across the globe. Below are some key highlights and performance figures as of the end of 2024:



Passenger reservations made through Crane PSS are routed via Hitit's communication network infrastructure to **over 850 airports across 160 countries**, allowing passengers to access services at touchpoints such as check-in counters, baggage claim, and kiosks.



Hitit's border and customs integration infrastructure ensures secure data exchange with government entities in **102 countries**, fully compliant with each jurisdiction's regulations and requirements.



With the inclusion of numerous alternative payment methods beyond credit cards, Hitit's infrastructure is integrated with more than **85 payment systems** worldwide. In 2024, it facilitated a sales volume of approximately **\$8.5 billion**.



Through Hitit's agent network infrastructure, Partner airlines gain access to over **30,000 sales agents**. More than **250 billion sales queries** are processed annually through Crane PSS.



Over **120 airlines** are connected through Hitit systems, enabling them to sell cross-tickets.

COORDINATION BEYOND BORDERS

GLOBAL PRESENCE

As a leading provider of airline and travel technologies with Partners across six continents, Hitit continues to strengthen its global footprint through established local structures. To adapt to regional business dynamics and enhance its market strategies, Hitit collaborates with representatives worldwide. Beyond its headquarters in Türkiye, the company maintains a network of over 200 representatives across nearly every region, ensuring a strong local presence and seamless global operations.

PAKISTAN

Hitit established its first agency distribution network in Pakistan, marking a significant expansion into a new business domain. To manage marketing activities in the country and serve as a key coordination hub for the broader Asian market, Hitit operates a liaison office in Karachi. The office is led by a Turkish manager appointed by Hitit's Headquarters and employs three local staff members. Additionally, seven Pakistan-based employees work remotely in development and analysis roles. Hitit's Pakistan office is responsible for promoting the company within the national and regional aviation and travel sectors, coordinating relations with airlines, and marketing Hitit's Crane APP (Agent Portal Plus) software to travel agencies across Pakistan. As a result of these efforts, thousands of local and regional users leverage Hitit's system to sell Pakistan International Airlines (PIA) tickets.

New Investments In Pakistan

In 2023, Hitit established HITIT TECH LAB-ISB (SMC-PRIVATE) LIMITED, a fully owned software development company, at the National University of Sciences & Technology (NUST) - one of Southeast Asia's leading technology institutions and the only university in Pakistan with a dedicated technopark. The company began operations in 2024, with local professionals actively contributing to software development. Further expanding its presence in the country, Hitit also launched Hitit PK Seyahat Acente Dağıtım Sistemleri A.Ş. (Hitit PK Travel Agency Distribution Systems Inc.) in 2024, reinforcing its commitment to the Pakistani market.

THE NETHERLANDS

Hitit's Netherlands branch, operating under the trade name Hitit Computer Services Netherlands and registered with the Amsterdam Chamber of Commerce (KVK) under commercial registry number 90046390, is located within the Schiphol Airport office complex. In 2024, the branch expanded through new hires and has been strategically structured to closely collaborate with IATA's Geneva headquarters, particularly supporting Hitit's Airline Retailing initiatives. Furthermore, in partnership with VU Amsterdam University, the branch has launched joint field research projects. Within the scope of these projects, research teams are being sent to different geographies to conduct discussions and market research on the conditions necessary to expand the use of both Hitit's Crane solutions and ADS. Reports are being prepared based on these findings. Looking ahead to 2025, the Netherlands branch will continue to play a crucial role, not only supporting Hitit's growth in Europe but also contributing to the company's global strategic objectives.

SHAPING TOMORROW – TODAY

HITIT'S 2025 TARGETS



Investments from CAPEX and public offering funds have largely been completed in line with the Fund Utilization Plan. The year 2025 will be regarded as a stabilization year in terms of investments, with decisions being guided by our ongoing R&D efforts.



By the end of 2024, a high investment/revenue ratio of 58% has been achieved.



Our projection for 2025 is to achieve an investment/revenue ratio of 30%–35%. Investments targeting product and service networks for new markets will form a significant part of these investments.

Our investments in licenses, hardware, and fixed assets, which gained momentum in 2024, have been put into use, and our R&D investments will continue in 2025.

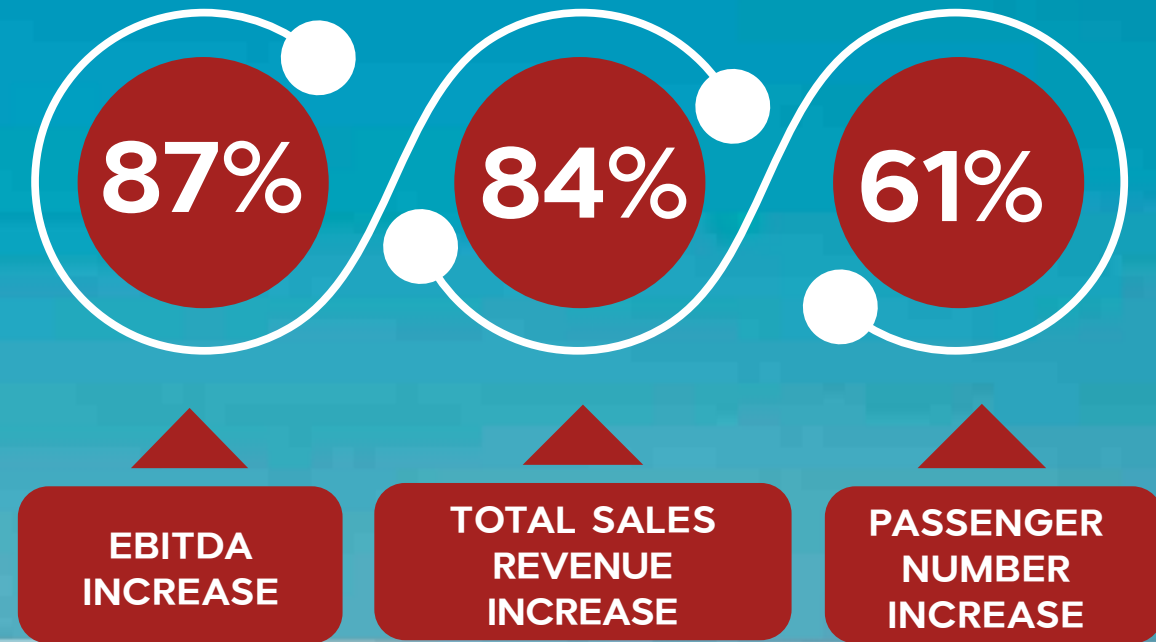
For strategic projects initiated in 2024 and earlier, the goal for 2025 is to set achievable, future-oriented targets ensuring continuity. Specifically, we will focus on:

- Expanding the use of ADS by leveraging its enhanced technical capabilities and travel content, with continuous improvements to follow.
- Strengthening Hitit's position in the airline retailing sector by capitalizing on its competitive advantages and global leadership in technical capabilities. This includes maturing productization efforts, defining digital transformation strategies and roadmaps with current and potential Partners, and executing specific Proof of Concept (PoC) projects.
- In the payment solutions domain, advancing technical developments and business plans to offer value-added services, utilizing Hitit's existing payment infrastructure and footprint. This will involve initial steps in collaboration with current and potential Partners to address their specific needs.
- Targeting growth in cargo and operations through the introduction of mobile applications, positioned as supplementary products to support existing offerings.

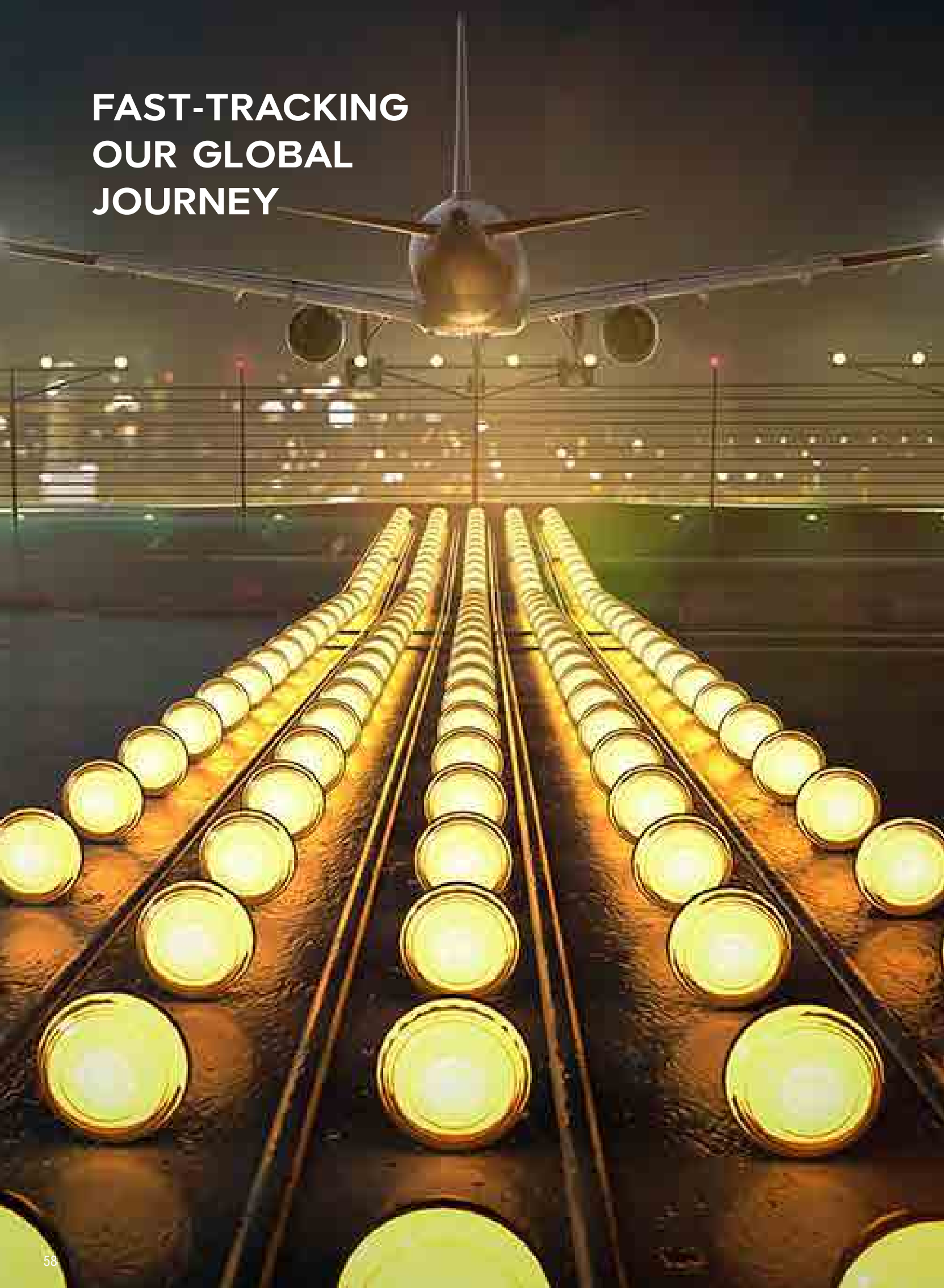


With exports spanning 6 continents, Hitit aims to enter new countries and regions, while simultaneously increasing its market share in existing markets, both in terms of volume and reach.

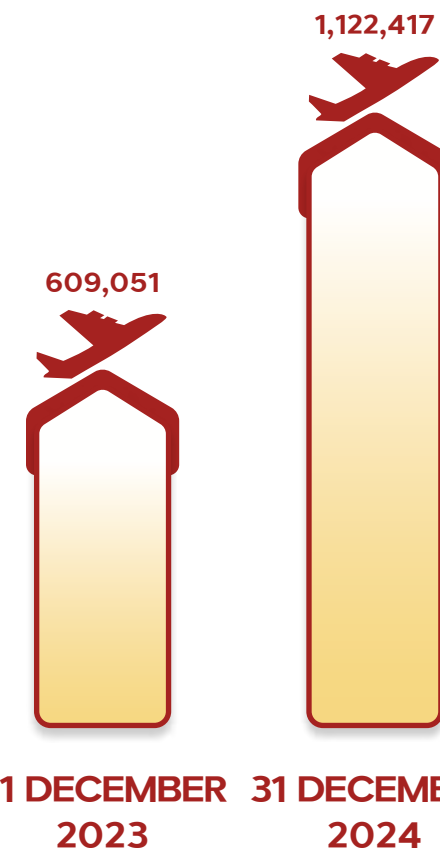
HITIT IN FIGURES



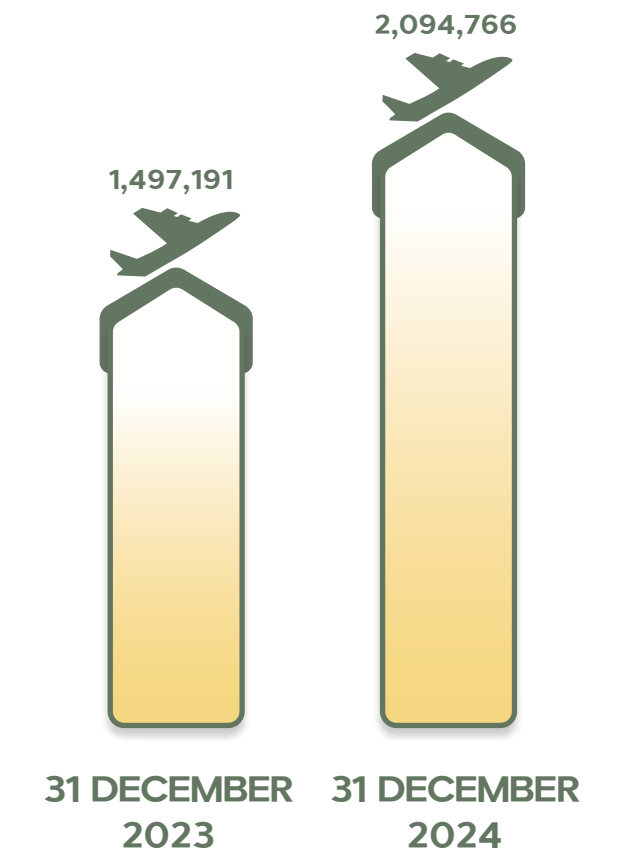
FAST-TRACKING OUR GLOBAL JOURNEY



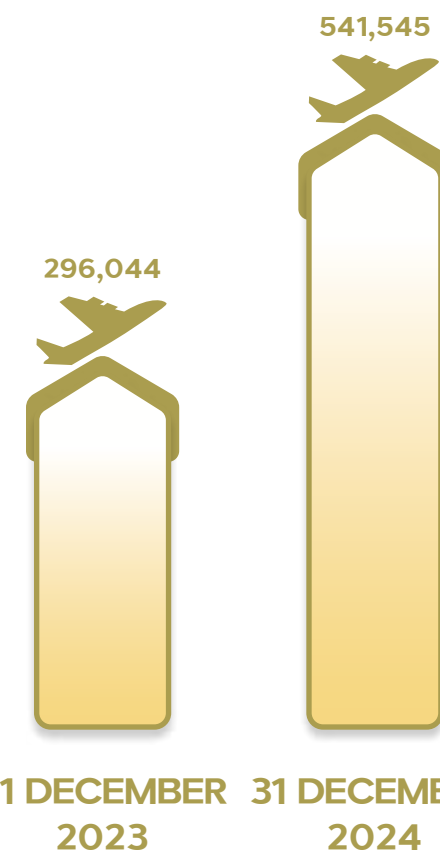
TOTAL INCOME (TRY THOUSAND)



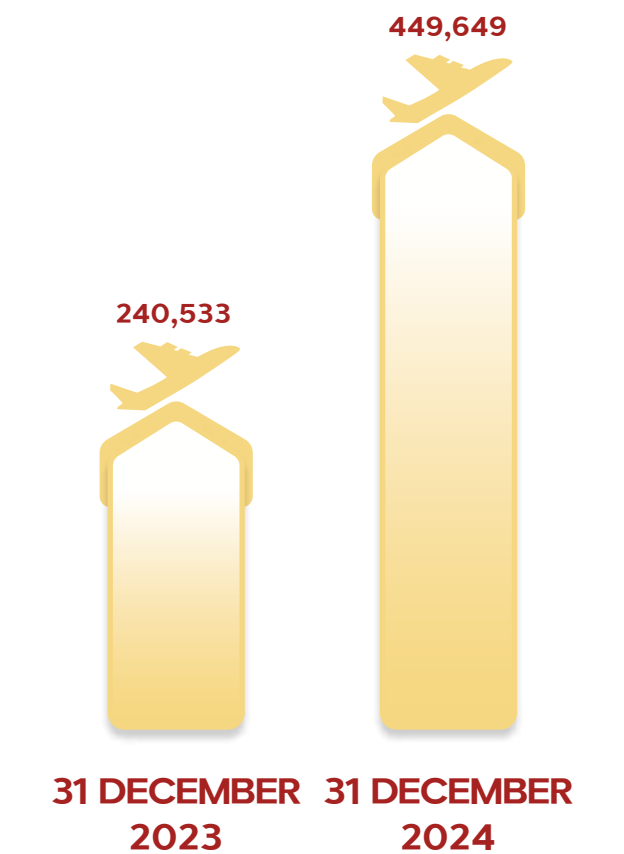
SHAREHOLDERS' EQUITY (TRY THOUSAND)



GROSS PROFIT (TRY THOUSAND)



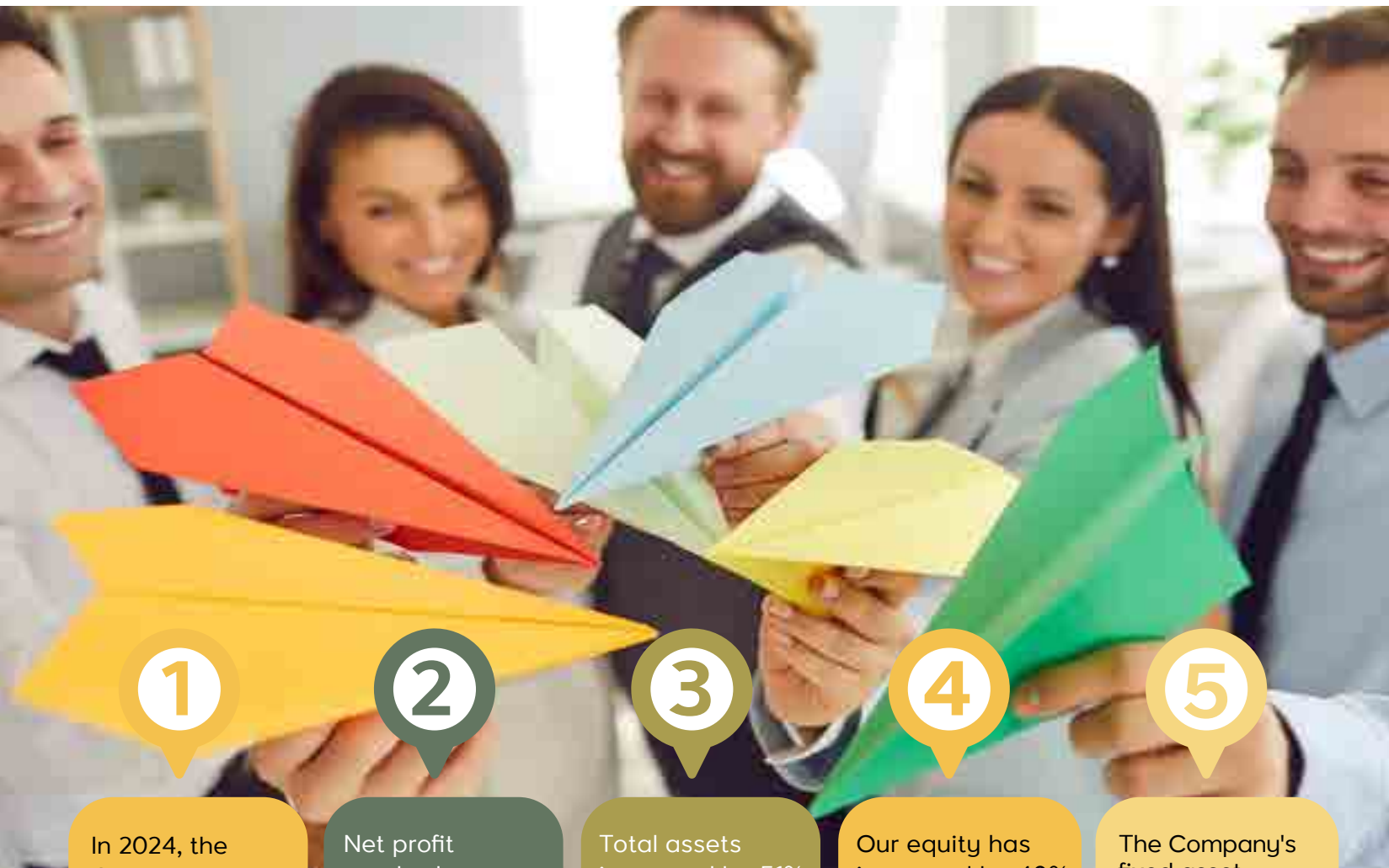
EBITDA (TRY THOUSAND)



CELEBRATING 30 YEARS' SUCCESS TOGETHER

IMPORTANT DEVELOPMENTS REGARDING THE COMPANY'S ACTIVITIES

The financial data for 2024 and 2023 in Turkish Lira (TL) presented in the table below is based on data prepared in accordance with International Financial Reporting Standards (IFRS).



1

In 2024, the Company closed the year with an EBITDA of 449,649,400 TL, reflecting an 87% increase compared to the previous year.

2

Net profit reached 276,880,664 TL, marking a 109% increase compared to the previous year.

3

Total assets increased by 51% compared to the beginning of the period, reaching 2,615,995,964 TL.

4

Our equity has increased by 40% compared to the beginning of the period, reaching 2,094,766,399 TL.

5

The Company's fixed asset value has also increased by 72% compared to the beginning of the period, reaching 2,319,114,146 TL. In contrast, a depreciation and amortization charge of 746,571,050 TL has been recorded.

IMPORTANT DEVELOPMENTS REGARDING THE COMPANY'S ACTIVITIES

Key Insights into the Company's Performance and Future Outlook:

Hitit's financial results for the period from January 1, 2024, to December 31, 2024, along with the year-on-year changes, are outlined in the tables below:

Condensed Consolidated Balance Sheet	31 December 2024	31 December 2023	Change %
Current Assets	904,963,790	741,667,188	22%
Non-Current Assets	1,711,032,174	988,148,408	73%
Total Assets	2,615,995,964	1,729,815,596	51%
Current Liabilities	382,068,009	152,015,305	151%
Non-Current Liabilities	139,161,556	80,609,652	73%
Equity	2,094,766,399	1,497,190,639	40%
Total Liabilities and Equity	2,615,995,964	1,729,815,596	51%

Condensed Consolidated Income Statement	31 December 2024	31 December 2023	Change %
Revenue	1,122,416,793	609,051,324	84%
Gross Profit	541,544,595	296,043,873	83%
Operating Profit	246,600,687	139,953,414	76%
Profit before finance expense	310,213,393	222,096,562	40%
Profit before tax	285,191,472	172,074,090	66%
Profit for the period	276,880,664	132,168,362	109%
Basic earnings per share	0.9229	0.4406	109%

Changes in Financial Position	31 December 2024	31 December 2023	Change %
Financial Liabilities	190,942,840	-	100%
Cash and Cash Equivalents	301,723,476	218,438,892	38%
Financial Investments	148,093,999	246,873,455	-40%
Net Debt Position (*)	-258,874,635	-465,312,347	-44%

(*) Net debt position = Financial liabilities - Cash and cash equivalents - Financial investments

EBITDA	449,649,400	240,533,026	87%
---------------	--------------------	--------------------	------------

Information on the Company's Direct and Indirect Subsidiaries and Ownership Shares:

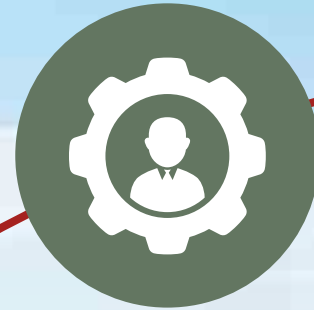
Hitit holds 100% direct ownership in Hitit Saas Turizm Servisleri A.Ş., Hitit PK Seyahat Acente Dağıtım Sistemleri A.Ş., and HITIT TECH LAB-ISB (SMC-PRIVATE) LIMITED.

HITIT'S VALUE CREATION MODEL AND CAPITALS



OUR CAPITALS

- Intellectual Capital
- Human Capital
- Social Capital
- Natural Capital



OUR OPERATIONS

- R&D in the areas of PSS
 - Hosting Services
 - Consulting
- Social projects within the scope of CSR and based on sustainability



OUR OUTPUTS

- Software operations in 72 airlines across 50 countries on 6 continents and over 850 airports
 - Over 250 billion sales inquiries
- Integrated with more than 85 payment systems, with a sales volume of approximately \$8.5 billion
 - Access to over 30,000 sales agents
 - 50% of the Board of Directors, 50% of the executive team, and 38% of all employees are women
 - 7.2% Turnover Rate
 - 86% Employee Happiness Rate
- Our employees work from 30 different cities within Türkiye and 24 different countries worldwide.
- Providing sustainable table tennis opportunities to over 160,000 students



CREATED VALUE

- The second largest PSS company in Africa and Europe, and the third largest in the world
 - Creating value for our country
- Becoming the world leader in air retail technology
- Creating happy and productive employees as one of the rare companies continuing flexible working models
- Holding the title of “Türkiye's Happiest Software Company”
 - Membership in the BIST Sustainability Index
 - Membership in the BIST Participation Index
- Managing Türkiye's first and only sustainable table tennis project



A STRONG FUTURE WITH KNOWLEDGE AND EXPERIENCE



INTELLECTUAL CAPITAL

The Company continues its activities in the technokent area within the scope of R&D projects approved by the authorized administrative board, in accordance with the Technology Development Zones Law No. 4691. As of December 31, 2024, the Company conducts research and development activities to enhance the capabilities of its existing product portfolio while also developing complementary or entirely new modules, products, and services.

Additionally, in line with strategic and industry developments, studies are being conducted in the fields of the Offer and Order Management System (OOMS)—an initiative led by IATA that is expected to replace PSS platforms in the medium term—and Airline Retailing Maturity (ARM), which enables airlines to offer personalized and enriched travel content to passengers. Furthermore, projects related to carbon emission monitoring for Partner airlines and the Company's environmental impact assessment are also underway to address sectoral needs.

INTELLECTUAL CAPITAL

New Function / Module Development Made Within the Existing Product and Service Portfolio

1- New Developments in the Passenger Services System

The Company's Passenger Services System (PSS), offered under the **Crane PSS** umbrella, is a comprehensive solution package comprising multiple sub-products. It delivers a wide range of planning, automation, reporting, and tracking functions that support the entire airline passenger service flow. This includes booking and ticket sales, sales channel management, ancillary service offerings, airport transactions such as baggage handling, and passenger boarding, all in compliance with ticketing procedures. To further enhance Crane PSS, new functional modules are in development, including revenue management, dynamic pricing, AI-driven capabilities, rule-based inventory management, loyalty management, and value and group management. Leveraging its expertise in optimization algorithms, which have been successfully utilized by its Partners, Hitit is now integrating this experience into the field of artificial intelligence (AI), further strengthening its technological capabilities.

As part of its ongoing efforts to expand and diversify its investments in AI, Hitit has developed an AI model trained on real data from a pilot Partner. This model has achieved 95% accuracy in forecasting demand and dynamically pricing both ticket fares and ancillary services. In addition to its proprietary dynamic pricing solution, Hitit has integrated with two different suppliers, successfully enabling two airline Partners to transition to dynamic pricing using distinct methodologies. Furthermore, the development of capabilities required for pricing with ATPCO fees, the industry's most widely used and complex pricing structure, has been completed and deployed within ADS and PSS systems. Strategic industry advancements such as IATA's One Order, New Distribution Capability (NDC), and Airline Retailing Maturity (ARM) remain a key focus. Hitit continuously ensures compatibility with the latest versions of NDC and ARM platforms, reinforcing its commitment to innovation and industry leadership.

The INAD (Inadmissible Passenger) Tracking System has been developed as part of passenger services. Designed to monitor the transactions and costs associated with passengers denied boarding for various reasons, such as visa issues, the system has been successfully implemented by one of our Partners. This solution helps prevent revenue losses by mitigating penalties imposed due to inadmissible passengers. Our agency's portal screens have been redesigned and successfully commissioned. Additionally, the dynamic pricing module for ancillary services has been integrated into our standard version.

Enhancements to the cache system, which optimizes performance by preventing delays in fare and capacity display during peak demand periods—such as promotional campaigns—have been completed.

The development of the new Customer Database (CDP), which will serve as the foundation for the loyalty program, has been finalized. The required service layer for integrating the CDP with modules such as the Internet Search Engine has also been prepared. As part of the renewal of our Crane Loyalty Layer product, the first version of the next-generation solution has been released, with value-based scoring capabilities successfully implemented. The new Loyalty module is scheduled for deployment in the first half of 2025.

As part of the Irregular Operations Management (IROPS) capabilities, the passenger leg, one of the three components (passenger, aircraft, and crew), has been fully implemented in two of our Partners. It has provided significant efficiency both in call center operations and in preventing operational disruptions.

INTELLECTUAL CAPITAL

The Communication Module (CM) of our IROPS system, designed for passenger communication, has been enhanced with features such as prioritization, queuing, and communication through social media channels to support call center operations. Both the IROPS (Passenger Recovery) and CM (Communication Manager) systems have demonstrated smooth and efficient operation, even under extreme conditions such as the simultaneous cancellation of over 100 flights or the initiation of a new tariff season.

An Audit System operating in BIDT (Billing Information Data Tapes) standards has been developed to monitor ticket issuance, and a service contract has been signed with a Partner.

The development of a Revenue Integrity System, designed to control transactions across all sales channels and manage the end-to-end sales, payment, and settlement processes, has commenced. This system is scheduled to be fully deployed with all its functionalities by the end of 2025.

The Company's allotment management system software solution, **Crane ALM**, facilitates the planning, distribution to relevant sales partners and channels, sales, and tracking of non-scheduled (allotment) flights. These flights, such as periodic flights to holiday destinations for tour operators, are planned and operated on demand, in addition to the airline's regular scheduled services. With recent developments in Crane ALM, the solution is now designed to be beneficial not only to airlines but also to travel agencies and tour operators. The introduction of rule-based dynamic pricing within the allotment management system has been successfully deployed with one of our Partners. This dynamic pricing takes competitor fares into consideration, leading to a positive impact on unit seat revenues and occupancy rates. Furthermore, AI-supported dynamic pricing, initially launched on our PSS and ADS platforms, has now been expanded to Crane ALM. Improvements have also been made to enhance the effective utilization of allotment operation inventory, including the integration of connecting flights.

2. New Developments in Operational Solutions

Hitit's Operational Solutions product group consists of products that support the basic operational activities of airlines. In 2024, the use of the products has expanded in South America, and efforts are ongoing to broaden their usage in North America as well. Hitit has successfully achieved its goal of becoming an integrated solution provider by unifying the passenger, flight, maintenance, and flight crew components of the IROPS product, which has been a long-term focus, with the work completed in 2024.

The Company's Crew Planning System, **Crane CREW**, is a software solution that enables airlines to plan the assignment of cockpit and cabin crews to specific flights based on tariff plans and equipment assignments. This planning is done in compliance with the airline's business rules as well as the regulations and restrictions set by rule-making institutions such as the Directorate General of Civil Aviation (DGCA) and IATA. The system allows for the notification, execution, and monitoring of these plans. Within Crane CREW, the development of functional modules such as Irregular Operation Management, Training Module, and Workforce Planning is ongoing. The Leave Management System, which forms the first step of the Workforce Planning module, has been developed and is currently in use with a Partner. Additionally, the development work for the IROPS-Crew Recovery Developments has been completed, and it is planned to be fully deployed in April 2025 in line with the summer tariff.

INTELLECTUAL CAPITAL

Crane SP (Schedule Planning) and **SLOT** (Slot Management) is a product used for long and short term schedule planning and flight authorisation management of an airline. Its inputs and outputs form the basis of planning and budgeting studies. It contains features to ensure that the created tariffs are executed with the shortest ground stay time and the minimum costs of the flights.

In our **Crane SLOT** application, the optimisation module that will enable the airline to manage the slots owned by the airline in the most effective way has been developed and commissioned in one of our Partners. New versions of the queue assignment optimisation modules have been commissioned. In the slot module, additional message format improvements have been made for the analysis of competitor flight information and turn around processes.

Historical slot management development works have been completed.

Crane OCC (Operation Control Center) is a product designed to be activated within a short time frame (e.g., 24 hours) before an airline's flight operation. It enables tracking and reporting of up-to-date information about the flight, as well as the execution and automation of business processes that may occur within this brief period, such as delays or changes. With recent developments, the solution has been enhanced and made more compatible with mobile applications. The mobile version is currently being rolled out with a Partner. Delay prediction, supported by artificial intelligence, will utilize data collected through mobile devices. In addition, performance and solution quality improvements have been made to the IROPS module, and it has been observed to function effectively with fleets of over 400 aircraft. The integrated IROPS product, which addresses flight, crew, and passenger irregularities together, is scheduled to be deployed with a Partner in April 2025.

3. New Developments in Accounting Solutions

Hitit has established the Accounting Solution Group to address the diverse accounting and settlement needs of airlines, which are subject to various international aviation rules, industry standards, and mutual agreements in addition to those of a normal commercial firm. In 2024, the solutions under this group were enhanced to help airlines comply with international standards and regulations in the most up-to-date manner.

Crane CA (Cost Accounting) is a product within Hitit's Accounting Solution Group that allows airlines to automatically track, report, and offset their expenses. With the recent improvements, the product is designed to work in full coordination with the Crane SP solution, enabling the creation of more detailed expense forecasts. Development of the revenue module within the Crane CA product, aimed at airport operators and ground handling companies—including services provided at the airport—has been completed. This module has already been implemented in the production environment of one of our Partners.

Meanwhile, efforts have been made to enable the use and monitoring of Sustainable Aviation Fuel (SAF). Additionally, ACARS (Aircraft Communications Addressing and Reporting System) integration and IATA SIS (Simplified Invoicing and Settlement) data exchange standard support studies have been successfully completed.

INTELLECTUAL CAPITAL

Crane RA (Revenue Accounting) is a powerful passenger revenue accounting solution that enables airlines to conduct revenue reporting and analysis by collecting all sales and flight transaction data—including GDS sales and interline/codeshare operations—from industry-standard sources and processing them in compliance with IATA rules and regulations. As part of the 2024 developments, new data sources were integrated for interline calculation (RATD) and audit functions. These enhancements aim to generate accurate and automated interline invoices for airlines while minimizing revenue losses by identifying discrepancies in tickets sold through the GDS channel.

In 2024, Crane RA was successfully implemented for five new Partners, bringing the total number of active users to 50.

Improvements have been made to the **Crane BPI** (Business Performance Index) and Reporting solutions to enhance user-friendliness and cater to the needs of users at different levels. Reports have been diversified to support solution products used by airlines of all models. Additionally, as part of the ongoing development of our cargo solution, integration efforts are underway to enable comprehensive and holistic reporting.

4. New Developments in Travel and Distribution Solutions

The Company has updated the title of this category from "Travel Solutions" to "Travel and Distribution Solutions" to reflect the acceleration of its **Agency Distribution System (ADS)** initiatives.

This revised title encompasses Crane OTA and Crane APP solutions, which cater to the needs of airlines' travel subsidiaries, independent travel agencies, and tour operators, as well as ADS—the next-generation distribution network that provides access to rich content and personalized travel products.

With intensified software development efforts for **Crane OTA and APP** solutions, the platform now supports the sale and management of additional travel products such as hotels, transfers, car rentals, insurance, and events, alongside multi-airline flight options and supplementary services tailored to travel agencies' needs. The scope of these capabilities continues to expand. Additionally, advanced functionalities developed within PSS—such as AI-powered dynamic pricing—have been incorporated into the Travel and Distribution Solutions product group, aligning with the Company's omnichannel approach of "offering equal opportunities across all sales channels."

On the distribution front, the Company has prioritized the expansion of its ADS business line, which has been in pilot operation for some time, accelerating its initiatives in this area. To strengthen physical agency sales, certification applications for BSP, IATA's financial settlement system, were submitted in 30 countries worldwide. ATPCO capabilities, essential for handling complex pricing structures and rich product content, have been integrated into the system.

Collaboration with Partner airlines to enhance ADS's airline flight and ancillary service content is progressing in phases, with content agreements secured with three additional Partners. Furthermore, discussions with non-Hitit Partner airlines have been initiated, leading to THY's inclusion in the program. Two new Partners have also signed content access and distribution agreements.

Beyond airline content, negotiations and integrations with various suppliers have been conducted to broaden the scope of travel offerings, including hotels, transfers, and car rentals. As part of these efforts, hotel integration has been successfully completed.

INTELLECTUAL CAPITAL

The Corporate Travel System is a comprehensive travel management solution developed within the distribution solutions portfolio, designed to automate and streamline corporate travel processes. It integrates advanced policy management features with a user-friendly booking interface, enabling organizations to maintain full control over their travel operations while ensuring a seamless experience for employees.

At its core, the system offers customizable travel policies, user management, and automated approval workflows. It is specifically designed for organizations that require structured travel management while allowing flexibility for different business units and user groups. The system is fully operational in a production environment, supporting businesses in optimizing their corporate travel management with efficiency and control.

The Accommodation Booking Policy, developed as a sub-module of the Corporate Travel System, is a comprehensive rule-based system designed to help organizations manage hotel bookings efficiently. This product has already been implemented in a corporate agency, with additional functionalities planned for launch in the first quarter of 2025.

Similarly, another key module, Accommodation Inventory Management, enables hotels to manage their room inventory, rates, and availability. Through this platform, hotels can track reservation statuses, update pricing, and adjust room availability in real time. These features allow hotels to optimize their relationships with distribution channels and quickly adapt to market conditions. The Accommodation Inventory Management module is expected to go live in the second quarter of 2025.

5. New Developments in Travel Merchandising

Hitit has brought together the software that enables airlines, travel agencies, and companies selling travel products to offer 'shopping baskets'—comprising various products beyond airline tickets—to their passengers under the Travel Merchandising solution group. The 'Offer and Order Management System' (OOMS), positioned as a key development shaping the evolution of the sector, aligns with initiatives under this category, as well as advancements aimed at enabling airlines to provide rich and personalized travel content to their passengers. In addition, it is planned to restructure the existing Virtual Retailing solution group under the Airline Retailing/OOMS framework in the future.

Crane TM (Travel Merchandising) is an integrated solution within Crane PSS, Hitit's Passenger Services System solution group, enabling airlines to offer various ancillary services—such as hotel reservations, car transfers, and guided sightseeing tours—to their passengers through multiple sales channels. Ongoing developments aim to enhance Crane TM's capabilities in selling additional products and services, as well as its packaging features. With the goal of providing airlines using Crane TM with a continuously expanding portfolio of ancillary products, new integrations have been established with additional service providers, including insurance and hotel aggregators, in 2024, thereby broadening the product's service network. Another key R&D initiative that has further expanded Crane TM's service network and capacity is the integration of airline and hotel connections previously developed for the ADS system.

Additionally, the "Crane Holiday" solution, which will be positioned under the "Travel and Distribution Solutions" category, will leverage the infrastructure of Crane TM. R&D and productization efforts for Crane Holiday are targeted for completion in 2025.

INTELLECTUAL CAPITAL

6. New Developments in Cargo Solutions

In the Air Cargo Solutions product family, which was launched by the Company in previous years and continues to develop actively, significant progress was made in 2024. These developments are outlined according to different product types:

Crane CGO (Reservation and Cargo Management Services) is a solution designed for all type of Airlines (PAX Airlines, All-Cargo Airlines or Hybrid Airlines) involved in cargo and freight transport, in addition to passenger transport. It also enables Airport Cargo Handling companies and various logistics companies to carry out air cargo transport operations. With the improvements made in 2024, test studies for the ICS2 (Import Control System-2) application, which is the new regulation of European Air Cargo Customs, have been conducted. Additionally, message sending, receiving, and processing processes for the US Customs System ACAS (Air Cargo Advance Screening) and the United Arab Emirates Customs System (National Advance Information Centre) are ongoing.

Functionally, improvements have been made for group booking, group cargo charges, and capacity optimization functions, referred to as 'allotment,' with testing processes now underway. Cargo customs authorities worldwide are digitalizing air cargo customs processes by defining new regulations and rules, mandating digital transformation for airlines. As Hitit, we continue to develop our 'Cargo Customs' module, which will enable communication with customs systems through various connection types.

Meanwhile, within our Crane CRA (Cargo Revenue Accounting) solution, which provides revenue accounting tracking and automation, improvements have been made for joint operations with other carriers (including invoice acceptance for interline) and controls. Additionally, work on the connection flows of general accounting account codes is ongoing.

7. Important Infrastructure Developments

As part of ongoing infrastructure development and enhancement efforts, the renewal and expansion of the existing virtualization environment and infrastructure capacity have been successfully completed. Additionally, efforts are underway to strengthen partnerships with leading global cloud infrastructure providers. To accommodate the growing volume demands of existing customers, the capacity requirements of new customers, and the infrastructure needs of the new ADS business line, investments have been made in additional data center hosting, security, monitoring, hardware, licensing, installation, and maintenance services within a hybrid cloud environment.

A dedicated Application Engineering and Security Department has been established to manage and enhance security operations more effectively. Furthermore, the ISAE-3402 2024 certification—a key criterion for companies receiving support services and an essential component of technical competence reports—has been successfully completed. As a result, the SOC1 Type 2 report was issued by KPMG, an independent audit firm, without any findings.

SPEAKING IN ONE VOICE FOR 30 YEARS



OUR HUMAN CAPITAL

As Türkiye's first and one of the world's leading airline and software technology companies, Hitit's most valuable asset is its employees. With their expertise and innovative mindset, our team are the driving force behind our global success.

To provide the best service to our Partners, approximately 67% of our team consists of engineers, working meticulously to meet industry needs. This team-responsible for the technological backbone of aircraft soaring across the skies-stands at the heart of Hitit's success story.

One of the core values that inspired the founding of our company was "Belief in the brainpower of this land." This belief remains a cornerstone of Hitit's growth and development, shaping our vision for the future.

OUR HUMAN CAPITAL

Türkiye's Happiest Software Company

Hitit is proud to be an exemplary company in the software industry with the importance it places on employee experience and the innovative Human Resources practices it has implemented. Our management approach, focused on employee satisfaction and happiness, has enabled us to achieve significant success both nationally and internationally.

Hitit was awarded the 'Excellent Employee Experience Certificate' with an employee satisfaction rate of 85% and a Human Resources practices evaluation of 90 points. The Wellbeing Index score was also measured at 80, which is above the sector average.

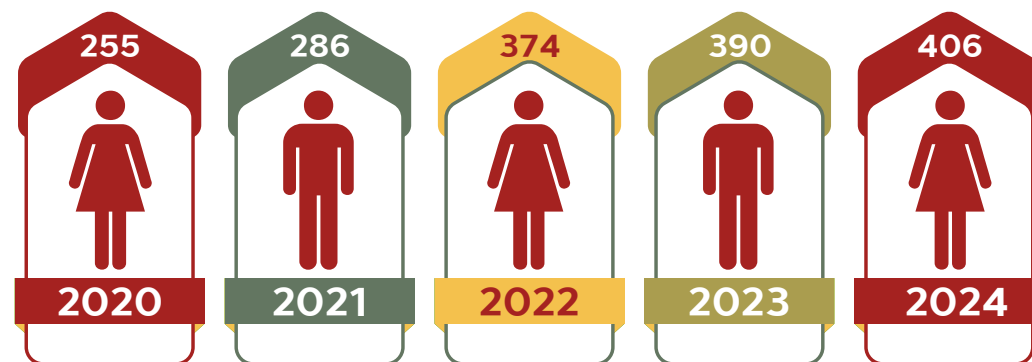
According to the results announced on May 1, 2024, Hitit ranked high in the employee happiness rankings both in Türkiye and globally. Hitit, selected as the happiest workplace in the software industry in the evaluation conducted by Capital magazine in Türkiye, ranked in the top 50 among 151 companies. On a global scale, Hitit achieved international success by ranking among the top 819 companies out of 16,829 companies from 23 countries. In the Custom Software category, Hitit was listed as the happiest company in Türkiye.

Hitit, standing alongside global industry giants, demonstrates an outstanding performance with an 86% employee satisfaction rate, surpassing the technology sector average. High employee ratings in areas such as purpose, engagement, positive emotions, resilience, achievement, and relationships clearly highlight the positive impact of our workplace culture.

These achievements not only reflect Hitit's strong intellectual capital but also its commitment to human resources, its employee-centric management approach, and its dedication to building a sustainable business model.

Number of Employees

As of 31 December 2024, the total number of personnel employed in the Group is 406. In addition, when the consultant staff of 46 people is added, the Group provides service with a total of 452 personnel. The rights and benefits provided to the personnel by the Company include salaries, severance and notice payments, SSI premiums, private health insurance, meals, transport, and social activities.



OUR HUMAN CAPITAL

Diversity and Equal Opportunity

Diversity and equal opportunities have an important place in Hitit's human resources approach. Hitit, which builds a strong workforce by nurturing diversity and differences, supports equality at work and in all areas of life, especially gender equality. Discrimination against Hitit employees for reasons such as gender, race, language, religion, sexual orientation is never allowed. It is among Hitit's priorities to provide decent working conditions in accordance with the "Universal Declaration of Human Rights" and the "International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work". Hitit follows a human resources policy that is based on diversity and equal opportunity in recruitment, training and development, performance and career management, remuneration and promotion stages, and acts in accordance with technical and personal competence criteria. In this context, 50% of Hitit's Board of Directors, 50% of its senior management and 38% of all employees are women. Hitit also supports the participation of disabled individuals in business life by ensuring the legal disabled employee ratio and 3% of its employees are disabled.

Hitit, where people from different ages and generations work together, also provides equal opportunities and employment opportunities to citizens of different countries. In this context, our foreign national employee rate is 7.7%. The average length of service for our foreign employees at Hitit is 4.78 years.

Employees are welcome to come to the office in comfortable clothes that reflect their personal and cultural characteristics.

Hitit also takes into account the following elements in its human resources policies within the scope of the 'Ethical Principles' it has adopted:

- We respect human rights and the dignity of employees, adopting a trusting communication approach within the framework of the principles of equality and honesty. We exhibit ethical behavior full of goodwill and respect, and avoid actions that humiliate honor and pride.
- We provide our employees with a respectful, fair working environment that guarantees human dignity, includes working hours that observe the balance between work and private life, and prioritizes occupational health and safety. Employees must comply with Hitit's occupational health and safety procedures as well as legal regulations in this regard.
- We follow global developments in the field of human resources management, developing and improving the working environment in a way that increases the loyalty of our employees with dynamism suited to the different needs of the sector and functions. We do not discriminate on the basis of religion, language, race, ethnic origin, gender, or sexual orientation in any of our human resources processes, from recruitment to wage management.
- We emphasize the full and effective participation of women in the decision-making processes of economic and social life.
- We carry out our activities in accordance with the minimum age provisions specified in the laws, and we do not employ child labor in our company, subsidiaries, or foreign offices.
- We ask employees to take responsibility and ensure their participation in the decision-making process when necessary.

OUR HUMAN CAPITAL

Employee Experience

At Hitit, employees can work from anywhere, and flexible working hours are available. Our employees work from 30 different provinces in Türkiye and 24 different countries around the world.

Hitit employees can work from the office or remotely in accordance with our flexible working system. Employees receive a monthly meal allowance, and private health insurance is provided. If employees come to the office, they are paid a daily office arrival bonus. A shuttle service is provided for our employees who wish to use it. Our employees can use their legal leave rights as specified in the law. In addition to the leave rights specified in the law, paid leave such as administrative leave and relocation leave are also provided.

In addition to the opportunities provided, employees can take part in many social and sporting activities. There are sailing, basketball, and volleyball teams that compete in corporate leagues, and employees are also supported to participate in running competitions organized across Türkiye, in which donations are collected for special purposes. Our employees can also take part and support sustainability and social responsibility projects initiated or included by the company on a voluntary basis.

Career Management

Employees are given opportunities for career progression within the Company. The Company's Career Management Procedure includes information on horizontal and vertical career movements.

In this context, succession plans are made for all critical positions, and appropriate training is included in the training plans to ensure employees included in the succession plan acquire the skills and competencies they need. Almost all of the critical positions were filled through internal promotions. External recruitment for critical positions is only done for very specific needs.

The majority of middle and senior management staff have been appointed through internal promotion. Every year, individuals who are planned to be promoted are identified in detail together with senior management, and all employees are informed through announcements made to the entire company at regular intervals.

Our employees participate in university career days, which are an important part of HR planning, and they are encouraged to engage in environments where they can share their own work experiences.

OUR HUMAN CAPITAL

Training and Improvement

In addition to the annual training plan, Hitit offers training opportunities through online platforms or other institutions for employees who wish to enhance their specific skills and abilities.

Each employee can request the training they want, and the requested training is provided in line with the budget, ensuring that training opportunities are offered equally to all employees.

Since working hours are flexible, employees can attend online courses during working hours. Our postgraduate employees can also attend online or face-to-face courses during working hours. Employees who have not yet graduated from their undergraduate program or who are continuing their master's program are given flexibility to attend their courses.

Additionally, books published by IATA and other important international organizations in our sector are regularly purchased and made accessible to employees. Training and conferences organized by international sectoral organizations are also regularly attended.

Occupational Health and Safety

Hitit aims to create a healthy and safe working environment with the goal of spreading the occupational safety culture in accordance with the "Occupational Health and Safety (OHS)" law numbered 6331.

We are aware that 98% of occupational accidents can be prevented when we manage dangerous situations and behaviors. An emergency plan is prepared for the 2% that may not be prevented (extraordinary situations, natural disasters); emergency teams are assigned, and their training is completed.

To prepare an emergency plan and identify the risks of our working environment, a risk analysis study is first conducted and continuously monitored. The risk analysis is updated when deemed necessary or when the legal deadline arrives. An OHS Board has been established to monitor these studies and take the necessary actions in a timely manner. The OHS Board consists of the employer's representative, an official in charge of HR/administrative affairs, the chief representative from our employee representatives, an occupational safety specialist, and an occupational physician. The Board puts the OHS measures and rules to be followed in the workplace in writing as 'internal directives' and communicates them to the employees. The Board also prepares an annual work plan and meets quarterly in line with this plan to monitor and control the work.

We also attach importance to increasing the awareness of our employees on this issue by providing a safe working environment. Our employees are given "Basic OHS Training" on the following topics by our OHS expert and Company Doctor at their first recruitment. At the end of these trainings, an exam is conducted and a certificate is given.

Health checks are carried out at recruitment and at regular intervals, and all our employees benefit from comprehensive private health insurance.

GROWING WITH STRONG BONDS



OUR SOCIAL CAPITAL

At Hitit, we believe that social welfare and development are inseparable. Accordingly, we place a strong emphasis on cooperation and close collaboration with all our stakeholders at the heart of our business and social relations. This broad and layered structure, which we call the “Hitit Ecosystem”, has transcended being just a professional network and has become a mutually beneficial community that supports local and global social development. Our social capital is an invisible bond that enables us to work efficiently. By facilitating information sharing through social capital, trust relationships, norms, and networks, we support the individuals and organizations we engage with to achieve common goals.

All stakeholders in our ecosystem have adopted the shared goal of contributing to a sustainable future for our industry, society, and the world. This approach not only increases trust and participation in our company's activities but also further strengthens our sectoral leadership, sustainability-oriented projects, and business ethics standards.

OUR SOCIAL CAPITAL

Community Governance Model

At Hitit, we contribute to sectoral development by establishing a strong bond with our Partners through our Community Governance Model, one of the cornerstones of our social capital. This model is shaped by our approach of placing our Partners at the center of the process while developing our software solutions. In today's world, where technology is changing rapidly, we understand the importance of not only producing innovative solutions but also establishing the right collaborations in the process of developing these solutions. Our trust in the expertise of our Partners forms the foundation of our cooperation-oriented approach. For this reason, we see our Partners as strategic companions.

At every stage of the process, we act based on the principles of transparency, mutual learning, and achieving common goals. Thanks to this strong collaboration with our Partners, we design our software solutions to meet not only today's needs but also future demands, aiming to reach the highest standards in terms of flexibility and scalability.

Partner - Not Customer

This model plays an important role not only in our business processes but also in the sustainability of the Hitit Ecosystem. Together with our Partners, we develop customer-oriented, innovative, and sustainable solutions based on mutual information exchange, integrating their feedback and suggestions into the process. We believe in growing together. By managing processes that involve them, we build a structure that supports not only our success but also the success of our Partners.

At Hitit, we respond quickly to the needs of our Partners through our communication channels that provide 24/7 access. This approach increases the efficiency of our business processes and contributes to the achievement of our Partners' goals. Thus, we continue to contribute to sectoral development and the strengthening of our social capital.

OUR SOCIAL CAPITAL

Relations with Stakeholders

Hitit maintains a sustainable dialogue with all stakeholders that make up the Hitit Ecosystem in every aspect of its life cycle, alongside its intellectual contributions to the development of the sector in a professional sense. This dialogue plays a critical role in ensuring the sustainability of our activities and in involving our stakeholders in our strategies focused on sustainability.

Sustainability is one of the main strategic priorities of our company and is integrated into every stage of our business processes. In this context, we focus on creating shared value by interacting with a wide ecosystem, from our Partners to our employees and suppliers. This dialogue not only ensures the continuity of our operations but also plays an important role in involving our stakeholders in our strategies.



OUR SOCIAL CAPITAL

Our Partners

One of the most fundamental aspects of our sustainable dialogue with our stakeholders is our relationships with our Partners. We are currently enabling digital transformation in the aviation and travel industry with 72 Partners in 50 countries across 6 continents, and shaping our R&D activities with the insights we receive from them.

This continuous exchange of information with our Partners not only increases the efficiency of our products and services, but also allows us to produce innovative projects that will add long-term value to the industry.

Additionally, we do not limit our R&D processes to technical developments; we also focus on producing more inclusive and effective solutions by considering customer expectations, global trends, and sustainability principles. In this way, together with our Partners, we are building a stronger, more innovative, and competitive ecosystem.

Our Employees

With nearly 450 employees, our team represents the most valuable members of the Hitit Ecosystem and is the cornerstone of our sustainable success. Thanks to the knowledge, creativity, and passion of all our employees who form our human capital and make our business processes 360 degrees sustainable, Hitit has become a global brand and continues to move forward with confidence into the future.

Non-Governmental Organizations (NGOs)

Hitit is a member of several non-governmental organizations at both local and global levels, across various sectors, cultures, and communities. These partnerships play a vital role in expanding Hitit's sectoral network and increasing its area of influence. The company actively participates in these organizations, contributing to decision-making processes that shape the industry and strengthening opportunities for collaboration. With the responsibility to share the value we create with society and the ecosystem, we support projects that generate social benefits through NGOs and contribute to our surroundings. By prioritizing cooperation and solidarity for a sustainable future, we aim to add value to society.

Investors

Our investors are key stakeholders in Hitit's growth strategies. The trust our investors place in Hitit supports the sustainable success of our company, and their support plays a significant role in helping us achieve a stronger structure both nationally and internationally. We maintain transparent communication and build a relationship based on mutual trust with our investors, and with their contributions, we are taking more solid steps for the future. We have adopted the approach of "growing together" in our relationship with investors, and we engage in transparent communication within the framework permitted by the regulations.

OUR SOCIAL CAPITAL

Public Institutions and Regulatory Authorities

We work in coordination with important institutions such as the Ministry of Technology of the Republic of Türkiye, TÜBİTAK, the Ministry of National Education of the Republic of Türkiye, and the Ministry of Youth and Sports of the Republic of Türkiye. These collaborations include securing incentives in areas such as the company's international brand-building efforts, R&D activities, and executing processes related to our social responsibility projects. We also maintain close contacts with institutions connected to the sector we serve, such as IATA, ICAO, and the Directorate General of Civil Aviation (SHGM). Through these efforts, we not only develop our processes and make long-term plans but also aim to establish collaborations that will provide sustainable benefits to our Partners and stakeholders.

Academic Institutions

Hitit provides training at universities about the Crane PSS software group, which has become a global brand in aviation technologies and the first brand of Türkiye in the passenger service systems sector. Regular training is provided to students in the fields of passenger service systems at universities such as Özyeğin University's Faculty of Aviation and Space Sciences, Izmir University of Economics' Faculty of Aviation and Space Engineering, and Bülent Ecevit University's Faculty of Aviation and Space Engineering. Additionally, we work with universities and other academic institutions to support the development and career planning of our employees, which is the key to our sustainable success. In addition, our engagement with academic institutions extends beyond the national level. We have also established collaborations with Vrije Universiteit Amsterdam (VU Amsterdam) in the Netherlands and the National University of Sciences and Technology (NUST) in Pakistan, where we have offices.

Third Parties

Third-party companies and suppliers, which hold an important place among our stakeholders, play a critical role in the success of the Hitit Ecosystem. The collaboration we have established with our suppliers ensures the delivery of high-quality services and the sustainability of our operations. On the other hand, our collaborations with third-party companies enable us to provide faster and more effective solutions to our Partners' needs, helping us advance our business processes. As part of our sustainability goals, we continue to evaluate our work with third parties and collaborate to create value together.

SUSTAINABLE SYNCHRONICITY

OUR NATURAL CAPITAL

As a technology company, Hitit minimizes its environmental impact due to its non-industrial structure, while still producing high-value-added solutions. However, what truly differentiates Hitit is its adoption of an environmentally conscious and sustainability-focused philosophy, addressing one of the world's biggest problems: the environmental crisis.

Leveraging the opportunities offered by digitalization, we focus on reducing CO2 emissions and minimizing environmental impacts. Our operations are aligned with the Net Zero target, and these efforts are being carried out continuously. The carbon emissions and environmental footprint of our company are evaluated according to national and international standards. In addition to analyzing Scope 1 and Scope 2 data, we are collaborating with our Partners to accurately determine Scope 3 data. We regularly conduct greenhouse gas measurements and publish our inventory reports periodically. This approach reflects not only our commitment to production processes that do not harm the environment but also our determination to reduce carbon emissions.

Through our efforts to minimize emissions in our own operations and the environmentally sensitive features integrated into our solutions, we continue to contribute to the global goal of limiting global warming to 1.5°C. The fact that our headquarters is located in the green campus of Istanbul Technical University Technopark, known for its minimal carbon emissions and eco-friendly practices, is another important factor that strengthens our environmental consciousness. Examples of this conscious approach include gifting reusable bottles to our employees as they start work and support the zero-waste policy with widespread recycling bins in our offices.

At Hitit, we not only contribute to our direct natural capital but also support our Partners' natural capital through our intellectual capital. Through our R&D efforts, we facilitate our Partners' achievement of sustainability goals by supporting their direct capital production.

In this context, our Crane CA solution addresses one of the biggest challenges in achieving sustainability in the aviation sector: accurately calculating and monitoring carbon emissions. The Crane Cost Accounting solution includes carbon emission monitoring and optimization functions developed in accordance with the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) guidelines published by the International Civil Aviation Organization (ICAO).

Through this solution, our Partners can accurately predict emissions from their operations and determine ideal fleet/aircraft assignments, route planning, and schedules to minimize emissions. In turn, airlines can take proactive measures to reduce their environmental footprint, contribute to a better environment, and support the sustainability commitments of the aviation sector.

RESPECTING RESOURCES INVESTING IN THE FUTURE



SUSTAINABILITY

Our Approach To ESG In Sustainability Perspective

At Hitit, we operate with an approach that integrates sustainability into our production, business processes, and social projects. While growing steadily over the years, we allocate part of our revenues to give back to society. Facilitating the transition to a sustainable economy is one of our core objectives. To achieve this, we strengthen our corporate capacity by integrating environmental, social, and governance (ESG) strategies into our company assessments. We swiftly adapt to global and local changes and bring to life a sustainability understanding based on commitment to society, the environment, and ethical principles.

While working on projects that benefit today's society, we also embrace an approach that takes into account the needs of future generations. By preserving our cultural, historical, and social heritage, we aim to operate with equality and integrity in the global arena we serve, ensuring this heritage is passed down from generation to generation.

Corporate Sustainability Efforts

At Hitit, we actively participate in global sustainability initiatives and take significant steps in this direction. We support efforts to reduce environmental impacts through initiatives like IATA's NetZero policy and ICAO's CORSIA framework. By contributing to IATA's FlyAware platform, of which we are a strategic member, we promote the sharing of sustainability knowledge and play a role in shaping future aviation technologies.

Leveraging the opportunities provided by technology, we conduct R&D activities aimed at reducing the carbon emissions of the aviation sector, which is a high emitter of CO₂. Additionally, we actively participate in national sustainability efforts and contribute to the creation of the Sustainable Aviation Fuel (SAF) roadmap as a member of the Sustainable Aviation Platform, established under the leadership of Turkish Airlines, Boeing, and Istanbul Technical University. Hitit plans to sign global sustainability agreements in the future and aims to contribute to a greener future.

OUR SOCIAL RESPONSIBILITY PROJECTS FOR A SUSTAINABLE WORLD

At Hitit, we are committed to fulfilling our societal responsibility by extending the value we create in the business world through technology to the social sphere. We implement numerous initiatives aligned with the United Nations Sustainable Development Goals (SDGs) and continue to make strides across various domains, including sports, healthy living, environmental sustainability, welfare, education, and gender equality.

Climate

Climate change is a global issue that affects all living beings across the world. We are aware of the economic and commercial risks that this change may bring, and we continue to take concrete steps to mitigate these impacts.

Hitit develops digital solutions that enable airlines to monitor and optimize their carbon emissions. The Crane CA solution provides carbon emissions monitoring and optimization functions in line with the CORSIA guidelines developed by ICAO. This allows our Partners to accurately forecast their emissions and set optimal fleet/aircraft assignments, route planning, and schedules to minimize those emissions. We contribute to reducing the environmental footprint of airlines and help them take proactive steps to support the aviation industry's sustainability commitments. The Crane.CA product includes many features aimed at reducing the environmental impact of the aviation sector.

Biodiversity

We actively support initiatives aimed at conserving biodiversity and promoting environmental sustainability. We recognize the critical importance of protecting species, genetic diversity, and ecosystems in maintaining the functioning of ecosystems and providing essential services to human life. In this regard, we evaluate our activities based on their environmental and biodiversity impacts and develop appropriate action plans.

In addition to monitoring the impact of our own activities on biodiversity, we also participate in nature conservation and restoration projects, contributing to the preservation of green spaces and habitats. As part of this, we support the conservation of 27 bird species in Seyfe Lake, managed by the Kırşehir Governorate and supported by the International Council for the Protection of Birds (ICPB). Through the “Bozkır Yeşeriyor” project, we invest in biodiversity conservation, supporting the sustainability of both local and global ecosystems.

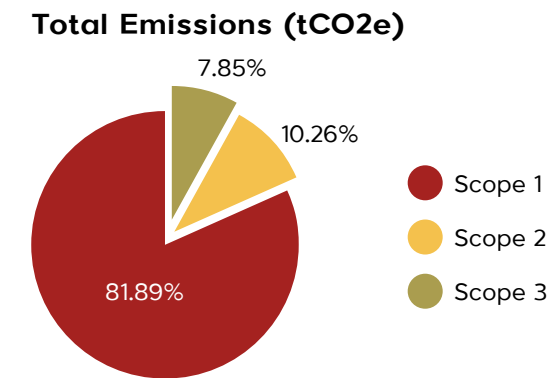
OUR SOCIAL RESPONSIBILITY PROJECTS FOR A SUSTAINABLE WORLD

Energy

We aim to increase energy efficiency in both our operations and the services we provide. At our headquarters in the Technopark of Istanbul Technical University, we collect recyclable waste such as plastic, paper, and batteries, sorting them in collaboration with the Technopark Management. We then work with the Sarıyer Municipality teams to integrate these materials into the recycling process. Additionally, we are working on the recycling of electronic waste, ensuring proper disposal through the Sarıyer Municipality. To reduce carbon emissions, we have converted our company vehicle from fossil fuel-powered to a hybrid motor option, which helps reduce fossil fuel consumption. In the future, we aim to make our company vehicle fully electric. We also reduce office commutes by implementing a remote working system, which helps lower carbon emissions.

Energy consumption data is regularly disclosed to the public under Scope 1 and Scope 2, and we aim to reduce our total energy consumption by 10% by 2030.

In 2024, the amount of purchased electricity was 921.04 GJ, while the total purchased energy and overall consumption reached 984.07 GJ. Energy consumption data is regularly disclosed to the public under Scope 1 and Scope 2 categories. Our goal is to reduce total energy consumption by 10% by 2030.



Educational

We aim to empower future generations in the fields of technology, sports, and sustainability, adding value through educational projects or supporting existing initiatives. We make regular contributions to schools that lack access to many opportunities due to income inequality, addressing their needs by providing support such as books, notebooks, and library materials. We also strive to bridge the digital divide by donating our old technological equipment.

In addition, we collaborate with universities to provide scholarships and academic partnerships, offering courses in aviation and technology. We help vocational high school students develop technical skills and prepare them for employment in the field of aviation software. We also organize training for our employees to support their development and apply equality in education within the organization.

Through the Women in Technology Association (wTech), we contribute to education and research-assessment-focused projects and offer technology training to young women across Türkiye.

OUR SOCIAL RESPONSIBILITY PROJECTS FOR A SUSTAINABLE WORLD

Gender Equality

At Hitit, we actively support gender equality both within the company and in the aviation sector. As a signatory of IATA's 25by2025 initiative, we are committed to achieving gender balance in the industry and reducing inequalities. We stand out as one of the companies with the highest female-to-male managerial ratios in Türkiye's software sector.

We approach gender equality not only in Türkiye but also globally, reflecting this commitment in our human resources policies. Additionally, we take active responsibilities in collaboration with non-governmental organizations, contributing to women's education in STEM (Science, Technology, Engineering, and Mathematics) fields through platforms such as Sales Network and the wTech, supporting their development.

We prioritize young women in internships and recruitment, offering mentorship and scholarship opportunities to accompany them on their career journey. In this context, we support the "100 Women Leaders in Technology in the 100th Year of the Republic" project initiated by wTech, aiming to provide qualified education and mentorship opportunities to young women studying in STEM fields.

With our "Rockets Up" project, we aim to ensure equal participation of both girls and boys in sports. Our most significant initiative in the sector is supporting IATA's 25by2025 initiative, taking important steps toward achieving gender equality and working to eliminate inequalities in the industry.



OUR SOCIAL RESPONSIBILITY PROJECTS FOR A SUSTAINABLE WORLD

Health

We contribute to health projects and participate in initiatives promoting access to healthcare, particularly focusing on projects for children. As part of this, we support the Special Health and Rehabilitation Center affiliated with Al-Shifa Trust in Pakistan, and we organize sports teams and "well-being" seminars to encourage our employees to lead a healthy lifestyle.

By participating in the Plastic Cap Campaign of the Türkiye Spinal Cord Paralytics Association, we have established collection centers for caps at ITU Technopark and are helping to provide wheelchairs to individuals with disabilities.

Sports

In the field of sports, we have implemented the "Rockets Up" project to ensure equal access for children, and we also support cycling as part of our environmental sustainability efforts. We encourage our employees to participate in various sports events. In this regard, we have established sailing, volleyball, and basketball teams, and support other organizations, such as cycling and running, which contribute to social welfare.



RACKETS UP



RACKETS UP

Hitit has launched Rackets Up, Türkiye's first and only sustainable social responsibility project in table tennis, positioning itself as a pioneer in this field.

Rackets Up is a unique project that is designed and implemented independently of Hitit's other social contributions to different segments of society, marking it as a first in Türkiye. The project aims to introduce children aged 6-15 to table tennis, encourage them to enjoy the sport, and help them develop regular exercise habits.

Developed in collaboration with the Turkish Table Tennis Federation, Rackets Up reaches out to students who do not have access to table tennis, with a special focus on encouraging girls to participate in sports. The project provides equipment support and professional coaching training, showcasing a successful collaboration between public, private, and non-governmental sectors. Coordinated with the Provincial Directorate of National Education and the Provincial Directorate of Youth and Sports, Rackets Up is Türkiye's first and only sustainable table tennis initiative.

Since 2018, Rackets Up has played a vital role not only in promoting sports participation and healthy living habits but also in nurturing the future Olympic champions and athletes who will represent our country globally.

Launched in Çorum, the project has expanded to Isparta, Trabzon, Şanlıurfa, Sakarya, and Kırşehir. Additionally, following the February 6 earthquake, it reached children in the container cities of Kahramanmaraş and Malatya, enabling them to benefit from the healing power of sports. To date, 411 schools have benefited from the project, with 160,000 students involved, and 430 teachers have received coaching training.

In order to assess the outcomes of the project and evaluate the skill levels of the students who received training as part of it, the "Rackets Up Provincial Tournaments" were organized in the second quarter of 2024, and provincial champions were determined. The first national champions of the project in various categories will be announced at the "Rackets Up Türkiye Championship," which is planned to be held in 2025.

RISING THROUGH OUR VALUES

OUR ETHICAL PRINCIPLES

We adhere to national and international legal regulations, as well as internal company policies, in all the countries where we operate. In each country where we conduct business, we act in compliance with the law, and in cases where the legislation is unclear, we take actions based on our Ethical Principles and, when necessary, consult with the relevant authorities. We participate in projects that contribute to the life and development of society, believing that education, culture, arts, and sports are the most important elements in the development of a community. We support various educational, cultural, artistic, and sporting activities for the development of the societies we are a part of. Our Ethical Principles were accepted and put into practice with the Board of Directors' decision numbered 2022/39 dated 28.12.2022, and have been publicly disclosed on the company's corporate website. To ensure the effective implementation of our Ethical Principles, an Ethics Committee has been established to evaluate complaints and notifications objectively, fairly, and in accordance with the purposes outlined in the rules.

RISK MANAGEMENT AND INTERNAL CONTROL

Risk Management

The Board of Directors establishes risk management and internal control systems that minimize the effects of risks that could affect the company's stakeholders, particularly its shareholders. In line with the decision made by the Board of Directors in its meeting on 05.04.2022, and in compliance with Article 378 of the Turkish Commercial Code No. 6102 and the Capital Markets Board's Corporate Governance Communiqué, a Risk Early Detection Committee was established to ensure the early detection of risks that could jeopardize the company's existence, development, and continuity. This committee aims to implement necessary measures for identified risks and manage these risks effectively. The committee's establishment and operating principles have been shared with the public on the company's corporate website.

The Risk Early Detection Committee provides recommendations to the Board of Directors regarding the early detection of risks that may affect the company, the assessment of these risks, calculation of their impacts and probabilities, and the management, reporting, and necessary measures to reduce the impact and probability of the risks identified. Furthermore, the company has established a risk assessment methodology procedure in accordance with the certifications it is subject to in its operations. This procedure is implemented by the Integrated Management System (IMS) team, which is also responsible for maintaining the procedure.

Each department within the company identifies its assets, potential threats to these assets, the probability and impact of these threats, and monitors them under the main headings of confidentiality, integrity, and accessibility. All departments update their risk assessments annually, and based on these evaluations, any new preventive measures are planned. As a result of the controls carried out, the company has protected itself against potential financial losses and business interruptions arising from residual risks through professional liability insurance.

Internal Control

An internal control mechanism has been established within Financial Affairs and Purchasing Department. Processes that affect the company's revenues and expenses are evaluated in terms of revenue maximization, cost minimization, and compliance with financial and legal regulations. In this context, financial planning, resource utilization control, receivables, payments, and profitability analyses are regularly reported to senior management, ensuring effective and timely communication in terms of both timing and content.

In addition to its functions in recording, controlling, financial resource planning, and reporting, the Financial Affairs and Purchasing Department also ensures the continuity of resources necessary for the company's operational activities. It handles new organizational structures, ensures regulatory compliance for all types of contracts, and provides other operational support processes. The department plays a role in the company's strategic decision-making and planning. The company undergoes full audit by Ünit Yeminli Mali Müşavirlik and independent audit by PwC Independent Audit and Certified Public Accountant.

RISK MANAGEMENT AND INTERNAL CONTROL

Furthermore, the company is regularly audited for its certifications related to the services it provides, including ISO27001 Information Security Management System, ISO 27701 Personal Data Management System, ISO 27017 Cloud Security Management System, and ISO9001 Quality Management System. It also undergoes audits for ISO20000 Service Management System and ISO 22301 Business Continuity Management System in the context of e-ticket/e-invoice integration. These certifications are regularly reviewed and renewed by TÜV Austria Türk, an accredited certification firm.

Compliance with the Personal Data Protection Law (KVKK) has been enhanced for both national and international (GDPR) regulations. In this context, Hitit demonstrates its commitment to implementing necessary security controls for the protection of personal data by adhering to the ISO 27701 certification and validating it through audits. PCI DSS (Payment Card Industry Data Security Standard) compliant structures have been established and operated. Additionally, in order to provide assurance that all management system expectations are met, Hitit conducted an ISAE 3402 study this year, which was audited by KPMG and successfully received the SOC1 Type 2 report.

As part of these certifications, Hitit has implemented all necessary security measures in the field of cybersecurity. The effectiveness of these measures is verified by periodically conducting penetration and vulnerability scanning tests. Any findings are tracked through the Service Management System, enhancing follow-up effectiveness. Business continuity plans and disaster recovery plans have been prepared and implemented to ensure continuous operations. These plans are periodically tested to ensure they are ready for deployment when needed.

LIMITS OF AUTHORISATION OF THE MEMBERS OF THE BOARD OF DIRECTORS

The Chairperson and members of the Board of Directors are authorised in accordance with the relevant provisions of the Turkish Commercial Code and Articles 7 and 8 of the Company's Articles of Association.

FINANCIAL BENEFITS PROVIDED TO MEMBERS OF THE GOVERNING BODY AND SENIOR EXECUTIVES

In the 2024 fiscal year, the total salary and benefits provided to the Company's Independent Board Members amount to 970,086 TL. The total salary and benefits provided to the Company's Executive Management* amount to 42,268,526 TL. (*This includes directors leading business units.)

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Pursuant to the resolution of the Board of Directors of our Company dated 01/08/2024 and numbered 2024/17, regarding the increase of the issued capital to TL 300,000,000 by adding TL 172,500,000 from the share premium account in our financial statements, the amount of TL 172,500,000, which was added to the existing issued capital of TL 127,500,000, was transferred from the relevant accounts to the Company's capital account on 23/08/2024. The issuance certificate for the shares representing the increased capital of TL 172,500,000 was approved by the Capital Markets Board with its decision dated 21/11/2024 and numbered 60/1646. In this context, in accordance with the seventh paragraph of Article 18 of the Capital Markets Law No. 6362, the Board of Directors adopted a resolution on 09/12/2024, numbered 2024/25, regarding the registration and announcement of the amended Article 6 of the Articles of Association, which reflects the Company's increased issued capital of TL 300,000,000. Following the completion of the capital increase procedures in accordance with the Capital Markets Law and the secondary regulations of the Capital Markets Board, the amendment to Article 6, titled Capital and Type of Shares, was duly registered on 16/12/2024 and announced in the Turkish Trade Registry Gazette dated 16/12/2024 and numbered 11229.

COMMITTEES OF THE BOARD OF DIRECTORS

COMMITTEE WORKING PRINCIPLES

The Board of Directors of the Company has resolved to establish an Audit Committee, a Corporate Governance Committee, and an Early Detection of Risk Committee in accordance with the Capital Markets legislation. The Board has also determined the duties and working principles of these committees within the same framework. Additionally, considering the structure of the Company's Board of Directors, the Corporate Governance Committee has been assigned the authority, duties, and responsibilities related to the Nomination Committee and the Remuneration Committee, as stipulated by the Capital Markets legislation. In line with Corporate Governance Principle No. 4.5.3, all members of the Audit Committee and the chairpersons of the other committees are appointed from among the independent members of the Board of Directors. The General Manager of the Company does not serve on the Audit Committee, the Corporate Governance Committee, or the Early Detection of Risk Committee, in accordance with the relevant principles. Furthermore, in addition to the mandatory committees established under the Capital Markets Legislation, a Sustainability Committee was formed on 5 April 2024 to support the Company's sustainability initiatives. The Board of Directors ensures that all necessary resources and support are provided for the committees to effectively perform their duties. The committees may invite any relevant people to their meetings and seek their opinions as needed. In addition, the Committees may seek independent expert opinions on matters they deem necessary in relation to their activities. The cost of consultancy services required by the Committees is covered by the Company. Our Company's Committee Working Principles can be accessed at the following link: <https://hitit.com/investor-relations/corporate-management#general-assembly>. All activities of the Committees are documented in writing, and their records are duly maintained. The Committees regularly inform the Board of Directors about their activities and meeting outcomes.

CORPORATE GOVERNANCE COMMITTEE

The Corporate Governance Committee is responsible for monitoring the Company's compliance with Corporate Governance Principles in accordance with Capital Markets legislation and the principles set forth by the Capital Markets Board. The Committee also conducts improvement activities in this regard and submits proposals to the Board of Directors. The Corporate Governance Committee convenes as necessary. Meetings may be held in person or through technological communication tools. The timing of the Committee meetings is aligned with the Board of Directors meetings as much as possible.

Considering the structure of the Company's Board of Directors, the authority, duties, and responsibilities related to the functions of the Nomination Committee and the Remuneration Committee, as stipulated in the relevant Communiqué, have also been assigned to the Corporate Governance Committee. In 2024, the Committee held five meetings with the participation of all members. By the resolution of the Board of Directors dated 01 November 2024, the composition and responsibilities of the Corporate Governance Committee have been determined as follows:

The Corporate Governance Committee

Role	Name Surname	Principal Duty
President	Aliye Sultan Alptekin	Independent Board Member
Member	Fatma Nur Gökman	Chairwoman of the Board of Directors
Member	Ali Uzun	Board Member
Member	Hülya Yıldırım	Investor Relations Manager

COMMITTEES OF THE BOARD OF DIRECTORS

AUDIT COMMITTEE

The Audit Committee is responsible for assisting the Board of Directors in its oversight of the quality and accuracy of the Company's financial statements and related disclosures, the implementation and effectiveness of the Company's accounting system, the qualifications and independence of the independent auditors, the selection of the independent audit firm, the approval and review of the agreement between the independent auditor and the Company, the functioning and effectiveness of the Company's independent audit system, and the effectiveness of internal audit. The Audit Committee is composed of two members selected from the Independent Board Members by the Board of Directors. The Chairman of the Audit Committee is determined by the Board of Directors. In selecting the Chairman of the Committee, care is taken to ensure that they have previously served in a similar position, possess the knowledge to analyze financial statements, are familiar with accounting standards, and are highly qualified. The Audit Committee convenes four times a year, at least quarterly. Committee meetings may be held by gathering the members together or by using technological communication facilities. Care is taken to ensure that the timing of the Committee meetings aligns as closely as possible with the timing of the Board of Directors meetings. Decisions taken at committee meetings are documented in writing. The resolutions signed by the members of the Committee are kept in an organized manner. The Committee submits to the Board of Directors the findings and recommendations it has reached in relation to its duties and responsibilities. The Committee convened four times in 2024 with the participation of all members.

With the decision of the Board of Directors dated 02 January 2024, the Audit Committee and its duties were determined as follows.

The Audit Committee

Role	Name Surname	Principal Duty
President	Aliye Sultan Alptekin	Independent Board Member
Member	Turgut Gürsoy	Independent Board Member

EARLY DETECTION OF RISK COMMITTEE

The main objectives of the Early Detection of Risk Committee, which reports to the Board of Directors, are:

- The early detection of strategic, operational, financial, legal, and other risks that may jeopardize the Company's existence, development, and business continuity.
- Determining the Company's corporate risk-taking limits and evaluating, managing, and mitigating identified risks accordingly.
- Assessing and prioritizing risks that exceed corporate risk-taking limits based on their impact and probability.
- Supporting the Board of Directors in identifying and implementing the necessary measures related to detected risks and conducting studies on risk management.

COMMITTEES OF THE BOARD OF DIRECTORS

Committee members must have sufficient commercial experience and sector expertise to anticipate, understand, and evaluate the risks that the Company and its subsidiaries may face in their respective areas of operation. The Early Detection of Risk Committee convenes at least four times a year and submits a report to the Board of Directors every two months. Committee meetings may be held in person or via technological communication facilities. The timing of the Committee meetings is aligned with the timing of Board of Directors meetings as much as possible.

Decisions made during committee meetings are documented in writing, signed by committee members, and kept in an organized manner. The Committee is responsible for submitting reports to the Board of Directors, detailing its findings and recommendations related to its duties and responsibilities.

At the end of each meeting—or at least six times a year—a report is prepared, signed, and filed. The Chairman of the Committee informs the Board of Directors about the Committee's activities, providing an assessment of the situation, outlining the results of the meeting, and identifying potential risks and remedies, if applicable. A summary of the meeting is also shared with the Board of Directors in writing. Additionally, the Committee submits the report to the Company's Independent Auditor.

No one other than Committee members may attend Committee meetings unless invited by the Committee Chairman. In 2024, the Committee convened four times with the participation of all members and submitted six reports to the Board of Directors.

With the decision of the Board of Directors dated 31 July 2024, the Early Detection of Risk Committee and its distribution of duties were determined as follows.

The Early Detection of Risk Committee

Role	Name Surname	Principal Duty
President	Turgut Gürsoy	Independent Board Member
Member	Dilek Ovacık	Vice Chairwoman of the Board of Directors
Member	Atilla Lise	Chief Transportation Solutions Officer

SUSTAINABILITY COMMITTEE

Hitit established the Sustainability Committee on April 5, 2024, to develop sustainability strategies and policies and integrate them into all company activities. This committee monitors and evaluates the Company's sustainability initiatives and supports their implementation across all business functions. The Committee also works to raise internal awareness and incorporate sustainability efforts into the Company's corporate image and investor relations.

COMMITTEES OF THE BOARD OF DIRECTORS

The duties of the Sustainability Committee are as follows:

- To formulate the Company's sustainability strategy by monitoring sustainability developments in Turkey and worldwide, in accordance with the Capital Markets Legislation and the Corporate Governance Principles of the Capital Markets Board.
- To conduct studies to determine the Company's policies and procedures related to sustainability.
- To address the Company's social, environmental, and economic responsibilities within an institutional and systematic framework.
- To review sustainability management, policies, and procedures, assess their effectiveness, and ensure that sustainability initiatives are implemented swiftly and efficiently within the Company.
- To present its evaluations, opinions, and recommendations to the Board of Directors.

The Sustainability Committee convened three times in 2024, with all members in attendance.

With the decision of our Board of Directors dated April 5, 2024, the Sustainability Committee and its distribution of duties were determined as follows.

Sustainability Committee

Role	Name Surname	Principal Duty
President	Ali Uzun	Board Member
Member	Nevra Onursal Karaağaç	CEO
Member	Figen Dönder	CHRO
Member	Gülbin Yılmaz	Legal Counsel

Assessment of the Board of Directors on the Committees

In 2024, all Board Committees fulfilled their duties and responsibilities in accordance with the Corporate Governance Principles and Committee Working Principles, operating effectively. The Committees submitted reports to the Board of Directors, providing information on their activities and the outcomes of their meetings throughout the year. Based on these meetings: Corporate Governance Committee Meetings in 2024:

- The Corporate Governance Committee evaluated candidates for independent membership on the Board of Directors, ensuring they met the independence criteria as required by relevant regulations and the Company's Articles of Association at the time of nomination. The Committee submitted its evaluations to the Board of Directors for approval.
- The Committee reviewed the 'Corporate Governance Principles Compliance Report' for public disclosure, verified the accuracy and consistency of the information contained therein, and identified areas for improvement.

COMMITTEES OF THE BOARD OF DIRECTORS

- The Committee reviewed its duties and working principles, made necessary amendments, and submitted them for the Board of Directors' approval.
- The Diversity, Equality, and Inclusion Policy was evaluated and submitted to the Board of Directors for approval.
- The Corporate Governance Rating service was evaluated, and a decision was made to obtain the service.
- In 2025, an assessment was conducted in the capacity of the Remuneration Committee regarding the remuneration to be paid to senior executives with administrative responsibilities.
- The activities of the Investor Relations Unit were supervised.

During the meetings held by the Audit Committee in 2024, the Audit Committee, established to oversee the Company's accounting system, public disclosure of financial information, independent auditing, and the effectiveness of the internal control and internal audit systems, conveyed all its opinions and recommendations on its areas of responsibility to the Board of Directors.

In the 2024 meetings conducted by the Early Detection of Risk Committee, the Early Detection of Risk Committee carried out its activities within the framework of the Risk Management Approach, ensuring compliance with laws, regulations, contracts, standards, and best practices. Its primary objective was the early detection of risks that could jeopardize the Company's existence, development, and continuity, as well as implementing the necessary measures and remedies. To enhance the systematic management of potential risks within the Company and the sector, risks were categorized and evaluated during periodic Committee meetings. The necessary adjustments were made and presented to the Board of Directors through the Risk Committee Evaluation Report.

The Sustainability Committee was established on 05.04.2024 to develop sustainability strategy and policies and to integrate these policies into all activities. This committee monitored and evaluated the company's sustainability initiatives and supported the implementation of these initiatives in all business functions.

In the meetings held by the Sustainability Committee in 2024; the summary report prepared by the Sustainability Committee was presented to the Board of Directors, Sustainability Committee Sub-Working Groups were established and Refinitiv processes were supervised.

INVESTOR RELATIONS AND SHARE PERFORMANCE

The Investor Relations Unit has been established under the Company's Financial Affairs and Purchasing Department to facilitate communication with investors.

Investor Relations Unit

In accordance with Article 11 of the Corporate Governance Communiqué No. II-17.1 of the Capital Markets Board and its resolutions, the department is responsible for:

- Ensuring that records of correspondence between investors and the Company, as well as other relevant information and documents, are maintained in a secure, accurate, and up-to-date manner.
- Responding to shareholders' written requests for information regarding the Company.
- Preparing the necessary documents for the General Assembly meeting and taking measures to ensure the meeting is conducted in compliance with relevant legislation, the Company's Articles of Association, and internal regulations.
- Overseeing and monitoring compliance with capital markets legislation, including all matters related to corporate governance and public disclosure.
- With the Board decision dated 25.08.2022 and numbered 2022/30, the Investor Relations Department was established under the Assistant General Manager of Financial Affairs and Purchasing. Ms. Hülya Yıldırım was appointed as the Investor Relations Department Manager and, in this capacity, designated as a member of the Corporate Governance Committee in accordance with applicable legislation.

Role	Name Surname	Type of Licence Certificate	Licence Certificate No
Investor Relations Manager	Hülya Yıldırım	Capital Market Activities Level 3 and Corporate Governance Rating Licence	923803-925217

INVESTOR RELATIONS AND SHARE PERFORMANCE

Investor Relations Department Contact Information:

Address: Reşitpaşa Mah. Katar Cad. No: 4/1 Arı Teknokent 2 İç Kapı No:601 34469/
Maslak - Sarıyer, İstanbul, Türkiye

Tel: (+90) 212 276 1500

E-mail address: investor@hititcs.com

In 2024, a total of 235 meetings were held with domestic and international investors and analysts through telephone calls, video conferences, and face-to-face meetings to provide detailed information about the Company's activities. In addition to these meetings, inquiries from domestic and foreign institutional investors, individual investors, and analysts were addressed both verbally and in writing.

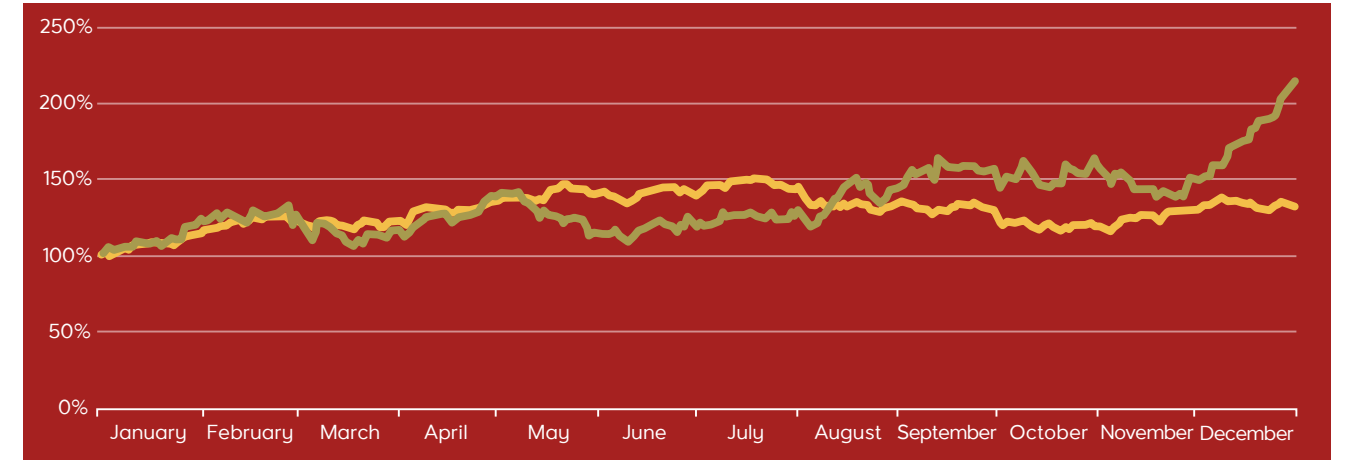
Throughout the year, the Investor Relations Unit provided two reports to the Corporate Governance Committee and 12 monthly reports to the Board of Directors, detailing critical targets, activities, and performance results.

Share Performance	2024
Public Offering Price (3.03.2022)*	12.25
Lowest Price (5.01.2024)	24.86
Highest Price (31.12.2024)	51.55
Year End Price (31.12.2024)	51.55
Issued Capital (TL Mn)	300.00
Market Cap. (Mn TL) Year End	15,465.00
Market Cap. (USD Mn) Year End	438.00

* The effect of capital increase in 2024 is not reflected.

INVESTOR RELATIONS AND SHARE PERFORMANCE

In 2024, Hitit's share price appreciated by 113%, outperforming the BIST 100 Index, which rose by 32%. By the end of the year, the total increase in Hitit's share value since its IPO reached 800%, compared to a 386% gain in the BIST 100 Index.



General Assembly Meetings

The Ordinary General Assembly of Hitit for the 2023 accounting period was held on April 25, 2024, at 10:00 a.m. at the company headquarters: Reşitpaşa Mah. Katar Cad. No: 4/1 Arı Teknokent 2, Inner Door No: 601, 34469 Maslak/Sarıyer, İstanbul.

The invitation to the meeting was duly published in the Turkish Trade Registry Gazette (TTSG) on April 3, 2024 (issue no. 11057), as well as on the Public Disclosure Platform (KAP) on March 29, 2024, and the Central Registry Agency (MKK) e-General Meeting System (e-GEM). Shareholders had the option to attend and vote either in person or electronically via e-GEM.

INVESTOR RELATIONS AND SHARE PERFORMANCE

To encourage maximum shareholder participation, General Assembly Meetings are conducted in a way that ensures fairness and accessibility, minimizing costs for attendees. In compliance with Article 437 of the Turkish Commercial Code No. 6102, the company made its financial statements, annual report, independent audit reports, Board of Directors' dividend distribution proposal, and all required disclosures available to shareholders at least three weeks in advance via the Public Disclosure Platform (KAP), e-GEM, and the company website.

The following members were present at the General Assembly Meeting: Fatma Nur Gökman, Chairwoman of the Board of Directors; Dilek Ovacık, Vice Chairwoman of the Board of Directors; Ali Uzun, Member of the Board of Directors; Aliye Alptekin, Independent Member of the Board of Directors; Sezer Özmutlu, CFO; Şükriye Nevra Onursal Karaağaç, CMO; Gülbin Yılmaz, Legal Counsel; and Hülya Yıldırım, Investor Relations Manager. Additionally, a representative from the independent audit firm overseeing the company's external audit attended the meeting. In addition, the representative of the independent audit firm that performs the external audit of the Company also attended the meeting.

A nominal amount of TL 102,018,048 of the Company's capital (80% of the capital) was represented at the Ordinary General Assembly meeting and thus the minimum meeting quorum was met. Shareholders did not submit a written request to the Investor Relations Unit for the inclusion of any agenda item in the meeting. The minutes of the General Assembly are made available to shareholders on the Company's website.

SUSTAINABILITY COMPLIANCE STATEMENT

Our company's shares began trading on BIST Star in the first half of 2022, and our 2024 Corporate Sustainability Compliance Report has been prepared in the template set by the Capital Markets Board in accordance with its decision dated 23.06.2022, No. 34/977.

Our company closely follows good practices in sustainability both in Türkiye and globally, including the Capital Markets Board's Sustainability Principles Compliance Framework, and aims to align its efforts with globally recognized best practices in this field. To this end, the Board of Directors established a Sustainability Committee on 05.04.2024, in accordance with a decision taken by the Board.

Under the goal of achieving a "Good and Sustainable World," our company progresses its operations by adhering to global and local sustainability principles. The company undertakes its responsibilities in achieving a good and sustainable world with corporate citizenship awareness and strives to implement projects accordingly. In this context, our company has adopted the 17 Sustainable Development Goals declared by the United Nations as its corporate framework, alongside the Capital Markets Board's (CMB) Sustainability Principles Compliance Framework. Our company continues to work across a broad spectrum, including sports, healthy living, environment, welfare, education, and gender equality.

Since 2022, our company has been measuring its Corporate Carbon Footprint through globally recognized institutions, and based on these results, it aims to calculate and gradually reduce greenhouse gas emissions resulting from its operations. The company also aims to guide both its commercial and social responsibility activities in this direction.

Our company, which will be included in the BIST Sustainability Index in 2025, aims to fully comply with the Capital Markets Board's (CMB) "Sustainability Principles Compliance Framework."

The company's Sustainability Principles Compliance Report, prepared in accordance with the formats set by the CMB's decision dated 23.06.2022, No. 34/977, and approved by the company's Board of Directors, is included in the activity report, and the relevant documents are also accessible on the Company's page on the Public Disclosure Platform (KAP).

SUSTAINABILITY COMPLIANCE REPORT

	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
A. GENERAL PRINCIPLES						
A1. Strategy, Policy and Goals						
A1.1. The prioritised environmental, social and corporate governance (ESG) issues, risks and opportunities have been determined by the Company's Board of Directors.	X				All our ESG efforts are carried out based on the the Sustainability Policy adopted by the Board of Directors. See relevant section in our 2024 Annual Report for details.	https://hitit.com/investor-relations/financial-information/#annual-reports Our ESG Approach from a Sustainability Perspective
A1.1. The ESG policies (Environmental Policy, Energy Policy, Human Rights and Employee Policy etc.) have been created and disclosed to the public by the Company's Board of Directors.	X				The policies implemented in order to ensure more effective management of the company's compliance risks and to better respond to the compliance expectations of our local and international stakeholders are set out on the company's website.	https://hitit.com/investor-relations/policies
A1.2. The short and long-term targets set within the scope of ESG policies have been disclosed to the public.	X				The Company disclosed its ESG Policies in the 2024 Annual Report.	https://hitit.com/investor-relations/financial-information/#annual-reports Our ESG Approach from a Sustainability Perspective
A2. Implementation/Monitoring						
A2.1. The responsible committees and/or business units for the implementation of ESG policies and the senior officials related to ESG issues in the Company and their duties have been identified and disclosed to the public.	X				Hitit has established a dedicated Sustainability Committee within its Board of Directors to oversee its environmental, social, and governance (ESG) efforts. The committee is composed of members from the Board of Directors, the CEO, and C-suite leaders	https://hitit.com/themes/hitit/documents/duties-and-working-principles-of-sustainability-committee.pdf

SUSTAINABILITY COMPLIANCE REPORT

	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
A2. Implementation/Monitoring (More)						
A2.1. The activities carried out within the scope of policies by the responsible committee and/or unit have been reported to the Board of Directors at least once a year.	X				Sustainability activities are reported to the Board of Directors once a year by the Sustainability Committee and disclosed to the public in the Annual Report.	https://hitit.com/investor-relations/financial-information/#annual-reports Corporate Governance
A2.2. In line with the ESG targets, the implementation and action plans have been formed and disclosed to the public.		X			The Company's ESG implementation principles are disclosed in the 2024 Annual Report. Our work on the subject continues.	https://hitit.com/investor-relations/financial-information/#annual-reports Our ESG Approach from a Sustainability Perspective
A2.3. The Key ESG Performance Indicators (KPI) and the level of reaching these indicators have been disclosed to the public on yearly basis.			X		There is no data to be reported under this heading as of the active period.	
A2.4. The activities for improving the sustainability performance of the business processes or products and services have been disclosed to the public.	X				These activities are included in the 2024 Annual Report and on the Company website under the Press Release and Blog posts tabs. Our work on the subject continues.	" https://hitit.com/investor-relations/financialinformation/#annual-reports Intellectual Capital https://hitit.com/sustainability#overview "
A3. Reporting						
A3.1. The information about the sustainability performance, targets and actions have been given in annual reports of the Company an understandable, accurate and sufficient manner.	X				The Company's sustainability-related actions and targets are included in the 2024 Annual Report and information is also available on the Company's website.	" https://hitit.com/investor-relations/financial-information/#annual-reports Our Projects for a Sustainable World https://hitit.com/sustainability#overview "

SUSTAINABILITY COMPLIANCE REPORT

	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
A3. Reporting (More)						
A3.2. The information about activities which are related to the United Nations (UN) 2030 Sustainable Development Goals have been disclosed to the public.	X				The Company prioritizes the UN SDGs in its sustainability-related activities. Information on the subject is disclosed to the public in the Company's annual reports and website.	"https://hitit.com/investor-relations/financial-information#annual-reports Our Projects for a Sustainable World https://hitit.com/sustainability#overview"
A3.3. The lawsuits filed and/or concluded against the Company about ESG issues which are material in terms of ESG policies and/or will significantly affect the Company's activities, have been disclosed to the public.				X	There is no lawsuit filed against the Company related to ESG issues.	
A4. Verification						
A4.1. The Company's Key ESG Performance metrics have been verified by an independent third party and publicly disclosed.		X			The Company's Carbon Footprint calculation has been measured by third party companies according to international standards.	https://hitit.com/investor-relations/sustainability#policies
B. ENVIRONMENTAL PRINCIPLES						
B1. The policies and practices, action plans, environmental management systems (known by the ISO 14001 standard) and programs have been disclosed.		X			The Company prioritizes the UN SDGs in its sustainability-related activities. Information on the subject is disclosed to the public in the Company's annual reports and website. Our work on the subject continues.	"https://hitit.com/investor-relations/financial-information#annual-reports SDG Performance Realization Table https://hitit.com/sustainability#overview https://hitit.com/tr/hakimizda #socialresponsibility"
B2. The environmental reports prepared to provide information on environmental management have been disclosed to the public which is including the scope, reporting period, reporting date and limitations about the reporting conditions.	X					https://hitit.com/tr/yatirimci-iliskileri/surdurulebilirlik #raporlar

SUSTAINABILITY COMPLIANCE REPORT

	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
B. ENVIRONMENTAL PRINCIPLES (More)						
B4. The environmental targets within the scope of performance incentive systems which included in the rewarding criteria have been disclosed to the public on the basis of stakeholders (such as members of the Board of Directors, managers and employees).			X		There is no data to be reported under this heading as of the active period.	
B5. How the prioritised environmental issues have been integrated into business objectives and strategies has been disclosed.	X				The Company has developed a product that will enable its customers to reduce their carbon emissions and shared it with the public through its annual reports and website.	"https://hitit.com/investor-relations/financial-information#annual-reports Intellectual Capital- https://hitit.com/tr/hakimizda #socialresponsibility"
B7. The way of how environmental issues has been managed and integrated into business objectives and strategies throughout the Company's value chain, including the operational process, suppliers and customers has been disclosed.	X				The Company has developed a product that will enable its customers to reduce their carbon emissions and shared it with the public through its annual reports and website.	"https://hitit.com/investor-relations/financial-information#annual-reports Intellectual Capital- https://hitit.com/tr/hakimizda #socialresponsibility"
B8. Whether the Company have been involved to environmental related organizations and non-governmental organizations' policy making processes and collaborations with these organizations has been disclosed.	X				The Company cooperates with NGOs operating in Türkiye in the fields of environment and sports, and this information is disclosed to the public.	"https://hitit.com/investor-relations/financial-information#annual-reports Our Projects for a Sustainable World https://hitit.com/about #socialresponsibility https://hitit.com/news"

SUSTAINABILITY COMPLIANCE REPORT

	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
B. ENVIRONMENTAL PRINCIPLES (More)						
B9. In the light of environmental indicators (Greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect), air quality, energy management, water and wastewater management, waste management, biodiversity impacts)), information on environmental impacts is periodically disclosed to the public in a comparable manner.	X					https://hitit.com/investor-relations/sustainability#reports
B10. Details of the standard, protocol, methodology, and baseline year used to collect and calculate data has been disclosed.	X					https://hitit.com/investor-relations/sustainability#reports
B11. The increase or decrease in Company's environmental indicators as of the reporting year has been comparatively disclosed with previous years.	X					https://hitit.com/sustainability#overview
B12. The short and long-term targets for reducing the environmental impacts have been determined and the progress compared to previous years' targets has been disclosed.	X					https://hitit.com/sustainability#overview
B13. A strategy to combat the climate crisis has been created and the planned actions have been publicly disclosed.	X					" https://hitit.com/investor-relations/financial-information/#annual-reports Our Projects for a Sustainable World https://hitit.com/sustainability#overview "
B14. The programs/procedures to prevent or minimize the potential negative impact of products and/or services on the environment have been established and disclosed.		X			The Company has developed a product that will enable its customers to reduce their carbon emissions and shared it with the public through its annual reports and website.	" https://hitit.com/investor-relations/financial-information/#annual-reports Intellectual Capital- https://hitit.com/tr/hakkimizda/#socialresponsibility "

SUSTAINABILITY COMPLIANCE REPORT

	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
B. ENVIRONMENTAL PRINCIPLES (More)						
B14. The actions to reduce greenhouse gas emissions of third parties (suppliers, subcontractors, dealers, etc.) have been carried out and disclosed.			X		There is no data to be reported under this heading as of the active period.	
B15. The environmental benefits/gains and cost savings of initiatives/projects that aims reducing environmental impacts have been disclosed.		X			The Company has developed a product that will enable its customers to reduce their carbon emissions and shared it with the public through its annual reports and website.	" https://hitit.com/investor-relations/financial-information/#annual-reports Intellectual Capital- https://hitit.com/tr/hakkimizda/#socialresponsibility "
B16. The data related to energy consumption (natural gas, diesel, gasoline, LPG, coal, electricity, heating, cooling, etc.) has been disclosed as Scope-1 and Scope-2.	X				In the light of environmental indicators, the Company's Scope-1, Scope-2 and Scope-3 data have been measured and disclosed to the public.	https://hitit.com/investor-relations/sustainability#reports
B17. The information related to production of electricity, heat, steam and cooling as of the reporting year has been disclosed.	X				In the light of environmental indicators, the Company's Scope-1, Scope-2 and Scope-3 data have been measured and disclosed to the public.	https://hitit.com/investor-relations/sustainability#reports
B18. The studies related to increase the use of renewable energy and transition to zero/low carbon electricity have been conducted and disclosed.	X				In the light of environmental indicators, the Company's Scope-1, Scope-2 and Scope-3 data have been measured and disclosed to the public.	https://hitit.com/investor-relations/sustainability#reports
B19. The renewable energy production and usage data has been publicly disclosed.	X				In the light of environmental indicators, the Company's Scope-1, Scope-2 and Scope-3 data have been measured and disclosed to the public.	https://hitit.com/investor-relations/sustainability#reports
B20. The Company conducted projects about energy efficiency and the amount of reduction on energy consumption and emission achieved through these projects have been disclosed.			X		There is no data to be reported under this heading as of the active period.	

SUSTAINABILITY COMPLIANCE REPORT

	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
B. ENVIRONMENTAL PRINCIPLES						
B21. The water consumption, the amount, procedures and sources of recycled and discharged water from underground or above ground (if any), have been disclosed.	X				The Company prioritizes the UN SDGs in its sustainabilityrelated activities. Among the UN SDGs, work on Climate Action and Clean Water and Sanitation is ongoing and this part has been shared with the public.	"https://hitit.com/investor-relations/financial-information/#annual-reports SDG Performance Realization Table https://hitit.com/sustainability#overview"
B22. The information related to whether Company's operations or activities are included in any carbon pricing system (Emissions Trading System, Cap & Trade or Carbon Tax).				X		
B23. The information related to accumulated or purchased carbon credits within the reporting period has been disclosed.				X		
B24. If carbon pricing is applied within the Company, the details have been disclosed.				X		
B25. The platforms where the Company discloses its environmental information have been disclosed.			X		There is no data to be reported under this heading as of the active period.	
C. SOCIAL PRINCIPLES						
C1. Human Rights and Employee Rights						
C1.1. The Institutional Human Rights and Employee Rights Policy has been established in the light of the Universal Declaration of Human Rights, ILO Conventions ratified by Turkey and other relevant legislation. The policy and the officials that are responsible for the implementation of it have been determined and disclosed officials.		X			Respect for human rights is included in the Company's Ethical Principles and he Ethical Principles is published on theCompany's website. In addition, the activitiescarried out in this regard are stated in the annual report under the heading "Diversity and Equal Opportunity".	"https://hitit.com/themes/hitit/documents/ethicalprinciples.pdf https://hitit.com/investor-relations/financial-information/#annual-reports"

SUSTAINABILITY COMPLIANCE REPORT

	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
C1. Human Rights and Employee Rights (More)						
C1.2. Considering the effects of supply and value chain, fair workforce, improvement of labor standards, women's employment and inclusion issues (gender, race, religion, language, marital status, ethnic identity, sexual orientation, gender identity, family responsibilities, union activities, political opinion, disability, social and cultural differences, etc., such as non-discrimination) are included in its policy on employee rights.	X				These sections are included in the Company's Ethical Principles and diversity, equity and inclusion policy and is published on the Company website. We also support women employees in the sector and contribute to their employment through the "100 Leading 100s of Technology" project with the Women in Technology Association. In addition, we always fulfill our legal obligation to employ 3% of our total number of employees with disabilities, and we provide job opportunities to newly graduated disabled people who have graduated from STEM departments. In addition, the activities carried out in this regard are mentioned under the heading "Diversity and Equal Opportunity" in the annual report.	"https://hitit.com/investor-relations/policies Diversity, Equity and Inclusion Policy https://hitit.com/themes/hitit/documents/ethical-principles.pdf https://hitit.com/investor-relations/financial-information/#annual-reports Human Capitals"
C1.3. The measures taken for the minority rights/equality of opportunity or the ones who are sensitive about certain economic, environmental, social factors (low income groups, women, etc.) along the supply chain have been disclosed.		X			In the Ethical Principles, which is also available on our company's website, we emphasize the importance of women's full and effective participation in decision-making processes in economic and social life.	https://hitit.com/themes/hitit/documents/ethicalprinciples.Pdf
C1.4. The developments regarding preventive and corrective practices against discrimination, inequality, human rights violations, forced and child labor have been disclosed.	X				The relevant sections are included in the Ethical Principles text, which is also published on the Company's website.	https://hitit.com/themes/hitit/documents/ethicalprinciples.Pdf

SUSTAINABILITY COMPLIANCE REPORT

	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
C1. Human Rights and Employee Rights (More)						
C1.5. Investments in employees (education, development policies), compensation, fringe benefits, right to unionize, work/life balance solutions and talent management are included in the employee rights policy.	X				A Remuneration Policy and Compensation Policy have been prepared by the Company and published on its website. Training plans are made annually and technical and personal development trainings are organized. In addition, our employees are provided with membership through many online training platforms. The activities carried out in this regard are included under the headings "Employee Experience" and "Training and Development" in the annual report.	"https://hitit.com/investor-relations/financial-information/#annual-reports Human Capitals https://hitit.com/themes/hitit/documents/en/compensation-policy.pdf https://hitit.com/themes/hitit/documents/en/remuneration-policy.pdf"
C1.5. The mechanism for employee complaints and resolution of disputes have been established and related solution processes have been determined.	X				Employees are required to report all misconduct that they witness or that is reported to them by their managers to the Ethical Principles hotline via e-mail (etik@hititcs.com). Reports and notifications can be made via the link https://hitit.com/ethics. The aforementioned notification link is a special link only for the purpose of reporting issues that are not considered to be in compliance with the Ethical Principles. The Ethics Committee is authorized and responsible for the examination, evaluation and resolution of complaints, denunciations and allegations received by the Ethical Principles Hotline. It is essential to keep the identity of employees who report violations confidential. Following a complaint or report, the Company prevents any retaliation among employees and any maltreatment or damage to the employee who made the complaint or report, and ensures that the report is made in confidence.	https://hitit.com/themes/hitit/documents/ethical-principles.pdf

SUSTAINABILITY COMPLIANCE REPORT

	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
C1. Human Rights and Employee Rights (More)						
C1.5. The activities carried out within the reporting period which related to ensure employee satisfaction have been disclosed.	X				In the annual report, under the heading of Employee Experience, the activities carried out in this regard are included. Employee Satisfaction Survey was conducted in 2023. Happy Place To Work - Excellent Employee Experience certificate was obtained for the period November 2023 - November 2024.	https://hitit.com/investor-relations/financial-information/#annual-reports Human Capital
C1.6. The occupational health and safety policies have been established and disclosed.	X					https://hitit.com/themes/hitit/documents/occupational-health-and-safety-policy.pdf
C1.6. The measures taken for protecting health, preventing occupational accidents and related statistics have been disclosed.	X					https://hitit.com/investor-relations/financial-information/#annual-reports Human Capital
C1.7. The personal data protection and data security policies have been established and disclosed.	X					https://hitit.com/themes/hitit/documents/personal-data-processing-and-protection-policy.pdf
C1.8. The ethics policy have been established and disclosed.	X					https://hitit.com/themes/hitit/documents/ethicalprinciples.Pdf
C1.9. The studies related to social investment, social responsibility, financial inclusivity and access to finance have been explained.	X				Our Social Responsibility projects are included in the Company's annual reports. In addition to the annual reports, our social responsibility activities are also explained on our website.	"https://hitit.com/investor-relations/financial-information/#annual-reports Human Capital Our Value Creation Model and Capitals https://hitit.com/about/#socialresponsibility https://www.ucanraketler.com/ https://ipk.adimadim.org/team/view?id=17231"

SUSTAINABILITY COMPLIANCE REPORT

	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
C1. Human Rights and Employee Rights (More)						
C1.10. The informative meetings and training programs related to ESG policies and practices have been organized for employees.	X				The company has implemented a structure called "Hitit's Community Governance System" together with its customers. The basis of our approach is that we put our partners at the center of the business while developing our software solutions and always position them at the center of all developments. In order to continue working effectively with customers as a team, a support system has been developed. Our customers can reach us 24/7 via phone calls, e-mails or instant messengers.	https://hitit.com/investor-relations/financial-information/#annual-reports Human Capital
C2. Stakeholders, International Standards and Initiatives						
C2.1. The customer satisfaction policy regarding the management and resolution of customer complaints has been prepared and disclosed.	X				Together with its partners, the company has implemented a structure called "Hitit's Community Governance System". The basis of our approach is that we put our partners at the center of the business while developing our software solutions and always position them at the center of all developments. In order to continue working effectively with partners as a team, a support system has been developed. They can reach us 24/7 via phone calls, emails or instant messengers	https://hitit.com/newsupdates/blog/hititscommunity-governance

SUSTAINABILITY COMPLIANCE REPORT

	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
C2. Stakeholders, International Standards and Initiatives (More)						
C2.2 The information about the communication with stakeholders (which stakeholder, subject and frequency) have been disclosed.	X				Together with its partners, the company has implemented a structure called "Hitit's Community Governance System". The basis of our approach is that we put our partners at the center of the business while developing our software solutions and always position them at the center of all developments. In order to continue working effectively with partners as a team, a support system has been developed. They can reach us 24/7 via phone calls, emails or instant messengers	https://hitit.com/newsupdates/blog/hititscommunity-governance
C2.3. The international reporting standards that adopted in reporting have been explained.			X		There is no data to be reported under this heading as of the active period.	
C2.4. The principles adopted regarding sustainability, the signatory or member international organizations, committees and principles have been disclosed.	X				All our sustainability related actions and principles are disclosed to the public in our Annual Reports and on our website. Our work on the subject continues.	https://hitit.com/investor-relations/financial-information/#annual-reports Sustainability https://hitit.com/sustainability#overview
C2.5. The improvements have been made and studies have been carried out in order to be included in the Borsa Istanbul sustainability indices and/or international index providers.	X				Our company has been included in the BIST Sustainability Index in 2025.	
D. CORPORATE GOVERNANCE PRINCIPLES						
D1. The opinions of stakeholders have been sought in the determination of measures and strategies related to sustainability field.			X		There is no data to be reported under this heading as of the active period.	
D2. The social responsibility projects, awareness activities and trainings have been carried out to raise awareness about sustainability and its importance.	X				In addition to creating awareness within the Company by emphasizing employee participation in social responsibility projects, the Company's CSR activities are also communicated to younger generations at career events at universities. Relevant information is made available to the public through the Company's annual reports, website and social media accounts.	https://hitit.com/investor-relations/financial-information/#annual-reports Our Projects for a Sustainable World https://www.instagram.com/hitits/

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE STATEMENT

Hitit Bilgisayar Hizmetleri AŞ, which places great importance on compliance with the Capital Markets Board ("CMB") "Corporate Governance Principles," began its corporate governance efforts with the public offering of its shares. Initially, with an awareness of our responsibilities toward shareholders, we adopted the concepts of "equality," "transparency," "accountability," and "responsibility," which form the foundation of corporate governance. These principles were implemented by making a series of changes to the company's Articles of Association in compliance with the Capital Markets Law and the secondary regulations and decisions of the CMB.

After our company's shares were publicly offered and began trading on BIST Star as of 03.03.2022, efforts to establish corporate governance mechanisms within the company gained momentum and continued in alignment with the relevant legislation.

- The effectiveness of the Board of Directors was increased with the addition of independent members, and governance was enhanced through committees under the Board of Directors. Furthermore, the proportion of female members in the Board of Directors was set at 50%.
- The company has taken out management liability insurance with a coverage amount exceeding 25% of the company's capital to cover damages caused by errors of board members during their duties.
- By the decision of the Board of Directors dated 05.04.2024, the company decided to establish a Sustainability Committee and accepted the rules and working principles regarding this matter.

On 31.07.2024, our Board of Directors Chairwoman and CEO, Fatma Nur Gökman, submitted her resignation voluntarily, which was effective as of 31.08.2024. Her position was replaced by Şükriye Nevra Onursal Karaağaç, thus separating the roles of Chairwoman of the Board and CEO.

Our Board of Directors consists of half female members, and our Diversity, Equality, and Inclusion Policy, which aims to maintain this balanced ratio, was accepted with the decision of the Board of Directors on 07.11.2024 and publicly disclosed under the Policies section of the company's corporate website.

The company's corporate website is prepared in both Turkish and English, in accordance with the provisions of the Turkish Commercial Code and Capital Markets Legislation.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE STATEMENT

Hitit Bilgisayar Hizmetleri AŞ conducts all its activities in compliance with the relevant legal regulations and the CMB's "Corporate Governance Principles." The company has complied with all mandatory principles listed in the Corporate Governance Communiqué (II-17.1) and has adopted most of the non-mandatory principles. No conflicts of interest have arisen among stakeholders due to the principles that have not yet been fully implemented. Under the Corporate Governance Communiqué, the company has been subject to the obligations of companies in the first group, as announced by the CMB on 25.01.2024. As of the date of this statement, the company continues to be subject to the obligations of the first group, as announced by the CMB on 16.01.2025.

During the fiscal period ending 31 December 2024, the company will include in the activity report, the Corporate Governance Compliance Report ("URF"), Corporate Governance Information Form ("KYBF"), and other relevant sections the disclosures regarding compliance with corporate governance principles and those not yet fully implemented.

In the future, the company will continue to work on improving corporate governance mechanisms and developing corporate governance practices, including voluntary principles that have not been implemented. Any changes in the URF or KYBF during the period will be disclosed through material event disclosures and also included in the interim activity reports.

CORPORATE GOVERNANCE COMPLIANCE REPORT

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
1.1. FACILITATING THE EXERCISE OF SHAREHOLDER RIGHTS						
1.1.2- Up-to-date information and disclosures which may affect the exercise of shareholder rights are available to investors at the corporate website	X					
1.2. RIGHT TO OBTAIN AND REVIEW INFORMATION						
1.2.1- Management did not enter into any transaction that would complicate the conduct of special audit.	X					
1.3. GENERAL ASSEMBLY						
1.3.2 - The company ensures the clarity of the General Assembly agenda, and that an item on the agenda does not cover multiple topics.	X					
1.3.7- Insiders with privileged information have informed the board of directors about transactions conducted on their behalf within the scope of the company's activities in order for these transactions to be presented at the General Shareholders' Meeting.					X	There was no transaction in this context in 2024.
1.3.8 - Members of the board of directors who are concerned with specific agenda items, auditors, and other related persons, as well as the officers who are responsible for the preparation of the financial statements were present at the General Shareholders' Meeting.	X					
1.3.10 - The agenda of the General Shareholders' Meeting included a separate item detailing the amounts and beneficiaries of all donations and contributions.	X					
1.3.11 - The General Shareholders' Meeting was held open to the public, including the stakeholders, without having the right to speak.	X					

CORPORATE GOVERNANCE COMPLIANCE REPORT

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
1.4. VOTING RIGHTS						
1.4.1 - There is no restriction preventing shareholders from exercising their voting rights.	X					
1.4.2 - The company does not have shares that carry privileged voting rights.			X			According to Article 9 of the Articles of Association titled "General Assembly"; (A) and (B) Group shareholders have five voting rights for each share they hold, while (C) group shareholders have one voting right for each share they hold.
1.4.3-The company withholds from exercising its voting rights at the General Shareholders' Meeting of any company with which it has cross-ownership, in case such cross-ownership provides management control.					X	The company does not have a cross-shareholding relationship that brings with it a dominance relationship.
1.5. MINORITY RIGHTS						
1.5.1 - The company pays maximum diligence to the exercise of minority rights.	X					
1.5.2 - The Articles of Association extend the use of minority rights to those who own less than one twentieth of the outstanding shares, and expand the scope of the minority rights.			X			The scope of minority rights is not expanded in the Articles of Association, and the provisions of the relevant legislation are applied. No amendments to the Articles of Association are planned in this regard.
1.6. DIVIDEND RIGHT						
1.6.1 - The dividend policy approved by the General Shareholders' Meeting is posted on the company website.	X					
1.6.2 - The dividend distribution policy comprises the minimum information to ensure that the shareholders can have an opinion on the procedure and principles of dividend distributions in the future.	X					

CORPORATE GOVERNANCE COMPLIANCE REPORT

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
1.6. DIVIDEND RIGHT (More)						
1.6.3 - The reasons for retaining earnings, and their allocations, are stated in the relevant agenda item.	X					
1.6.4 - The board reviewed whether the dividend policy balances the benefits of the shareholders and those of the company.	X					
1.7. TRANSFER OF SHARES						
1.7.1 - There are no restrictions preventing shares from being transferred.			X			Pursuant to the provision of Article 16 of the Articles of Association titled "Limitation of Share Transfer"; Company (A) and (B) group shares are privileged. (C) group shares do not have any privileges, and (C) group shares are free to transfer, provided that the relevant articles of the Turkish Commercial Code, the Capital Markets Legislation and the provisions of this Articles of Association are reserved. The transfer of Company (A) and (B) group shares is only possible with the approval of the Company's Board of Directors.
2.1. CORPORATE WEBSITE						
2.1.1. - The company website includes all elements listed in Corporate Governance Principle 2.1.1.	X					
2.1.2 - The shareholding structure (names, privileges, number and ratio of shares, and beneficial owners of more than 5% of the issued share capital) is updated on the website at least every 6 months.					X	Within the framework of Article 12 of the Material Events Communiqué, changes in ownership as a result of transactions in the Exchange are followed and updated by MKK. The company's corporate website provides a link to the partnership structure on the Public Disclosure Platform. Information about the real person shareholders who indirectly own the capital is given in the Corporate Governance/Partnership Structure section of the Company's website.

CORPORATE GOVERNANCE COMPLIANCE REPORT

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
2.1. CORPORATE WEBSITE (More)						
2.1.4 - The company website is prepared in other selected foreign languages, in a way to present exactly the same information with the Turkish content.	X					
2.2. ANNUAL REPORT						
2.2.1 - The board of directors ensures that the annual report represents a true and complete view of the company's activities.	X					
2.2.2 - The annual report includes all elements listed in Corporate Governance Principle 2.2.2.	X					
3.1. CORPORATION'S POLICY ON STAKEHOLDERS						
3.1.1- The rights of the stakeholders are protected pursuant to the relevant regulations, contracts and within the framework of bona fides principles.	X					
3.1.3 - Policies or procedures addressing stakeholders' rights are published on the company's website.	X					
3.1.4 - Necessary mechanisms have been established for stakeholders to report the transactions that are contrary to legislation and unethical.	X					
3.1.5 - The company deals with conflicts of interest among stakeholders in a balanced manner.	X					
3.2. SUPPORTING THE PARTICIPATION OF THE STAKEHOLDERS IN THE CORPORATION'S MANAGEMENT						
3.2.1 - The Articles of Association, or the internal regulations (terms of reference/manuals), regulate the participation of employees in management.		X				Although there is no provision in the Articles of Association, the participation of employees in the management is supported by in-house practices.
3.2.2 - Surveys/other research techniques, consultation etc. were conducted to obtain opinions from stakeholders on decisions that significantly affect them.	X					

CORPORATE GOVERNANCE COMPLIANCE REPORT

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
3.3. HUMAN RESOURCES POLICY						
3.3.1 - The company has adopted an employment policy ensuring equal opportunities, and a succession plan for all key managerial positions.		X				Although the Company has adopted a succession plan for the Company's key executive positions (C-Level and above), for the Company's high-performing, potential promising executives, efforts are underway to put it into written rules.
3.3.2 - Recruitment criteria are documented.	X					
3.3.3 - The company has a policy on human resources development, and organises trainings for employees.	X					
3.3.4 - Meetings have been organised to inform employees on the financial status of the company, remuneration, career planning, education and health.	X					
3.3.5 - Employees, or their representatives, were notified of decisions impacting them. The opinion of the related trade unions was also taken.		X				Employees are informed by their managers about decisions that may affect them. There is no union structure in our company.
3.3.6 - Job descriptions and performance criteria have been prepared for all employees, announced to them and taken into account to determine employee remuneration.		X				The job descriptions has been detailed, announced for all employees.
3.3.7 - Measures (procedures, trainings, raising awareness, goals, monitoring, complaint mechanisms) have been taken to prevent discrimination, and to protect employees against any physical, mental, and emotional mistreatment.	X					
3.3.8 - The company ensures freedom of association and supports the right for collective bargaining.					X	There is no collective bargaining agreement in our company and there is no union.

CORPORATE GOVERNANCE COMPLIANCE REPORT

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
3.3. HUMAN RESOURCES POLICY (More)						
3.3.9 - A safe working environment for employees is maintained.	X					
3.4. RELATIONS WITH CUSTOMERS AND SUPPLIERS						
3.4.1-The company measured its customer satisfaction, and operated to ensure full customer satisfaction.	X					
3.4.2 - Customers are notified of any delays in handling their requests.	X					
3.4.3 - The company complied with the quality standards with respect to its products and services	X					
3.4.4 - The company has in place adequate controls to protect the confidentiality of sensitive information and business secrets of its customers and suppliers.	X					
3.5. ETHICAL RULES AND SOCIAL RESPONSIBILITY						
3.5.1 - The board of the corporation has adopted a code of ethics, disclosed on the corporate website.	X					
3.5.2-The company has been mindful of its social responsibility and has adopted measures to prevent corruption and bribery.	X					
4.1. ROLE OF THE BOARD OF DIRECTORS						
4.1.1 - The board of directors has ensured strategy and risks do not threaten the long-term interests of the company, and that effective risk management is in place.	X					
4.1.2 - The agenda and minutes of board meetings indicate that the board of directors discussed and approved strategy, ensured resources were adequately allocated, and monitored company and management performance.	X					

CORPORATE GOVERNANCE COMPLIANCE REPORT

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
4.2. ACTIVITIES OF THE BOARD OF DIRECTORS						
4.2.1-The board of directors documented its meetings and reported its activities to the shareholders.	X					
4.2.2 - Duties and authorities of the members of the board of directors are disclosed in the annual report.	X					
4.2.3-The board has ensured the company has an internal control framework adequate for its activities, size and complexity.	X					
4.2.4 - Information on the functioning and effectiveness of the internal control system is provided in the annual report.	X					
4.2.5 - The roles of the Chairman of the Board of Directors and Chief Executive Officer are separated and defined.	X					
4.2.7-The board of directors ensures that the Investor Relations department and the corporate governance committee work effectively. The board works closely with them when communicating and settling disputes with shareholders.	X					
4.2.8 - The company has subscribed to a Directors and Officers liability insurance covering more than 25% of the capital.	X					
4.3. STRUCTURE OF THE BOARD OF DIRECTORS						
4.3.9 - The board of directors has approved the policy on its own composition, setting a minimal target of 25% for female directors. The board annually evaluates its composition and nominates directors so as to be compliant with the policy.	X					The company's board of directors is composed of half female members, and a policy has also been established.

CORPORATE GOVERNANCE COMPLIANCE REPORT

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
4.3. STRUCTURE OF THE BOARD OF DIRECTORS (More)						
4.3.10 - At least one member of the audit committee has 5 years of experience in audit/accounting and finance.	X					
4.4. BOARD MEETING PROCEDURES						
4.4.1-Each board member attend the majority of the board meetings in person.	X					The Board meetings in 2024 were held solely in physical form. The participation rate in the Board omeetings was 100%.
4.4.2 - The board has formally approved a minimum time by which information and documents relevant to the agenda items should be supplied to all board members.	X					
4.4.3 - The opinions of board members that could not attend the meeting, but did submit their opinion in written format, were presented to other members.					X	Although there is an opportunity to express opinions, there was no member who could not attend the meetings of the Board of Directors in the relevant period and submitted their opinions in writing to the Board of Directors.
4.4.4 - Each member of the board has one vote.	X					
4.4.5 - The board has a charter/written internal rules defining the meeting procedures of the board.	X					
4.4.6 - Board minutes document that all items on the agenda are discussed, and board resolutions include director's dissenting opinions if any.	X					
4.4.7-There are limits to external commitments of board members. Shareholders are informed of board members' external commitments at the General Shareholders' Meeting.		X				Due to the significant contribution of the Board of Directors members' work experience and sectoral expertise to the Board, they are not restricted from taking on other roles outside the Company, and there are no plans to impose any such limitations. The roles taken by the Board members outside the Company are presented to the shareholders at the General Assembly by being disclosed in the annual activity report and the General Assembly information document

CORPORATE GOVERNANCE COMPLIANCE REPORT

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
4.5. BOARD COMMITTEES						
4.5.5 - Board members serve in only one of the Board's committees.		X				The Board of Directors consists of six members and operates with four committees. Currently, two of the six members are independent, and four are non-executive members. As a result, some of the independent/non-executive members serve on multiple committees. It has been observed that the current structure does not negatively affect the effective operation of the committees. Therefore, no changes are expected to be made in 2025.
4.5.6 - Committees have invited persons to the meetings as deemed necessary to obtain their views.	X					
4.5.7 - If external consultancy services are used, the independence of the provider is stated in the annual report.					X	The committees did not receive external consultancy services in 2024.
4.5.8 - Minutes of all committee meetings are kept and reported to board members.	X					
4.6. FINANCIAL RIGHTS PROVIDED TO BOARD MEMBERS AND MANAGERS WITH ADMINISTRATIVE RESPONSIBILITIES						
4.6.1-The board of directors has conducted a board performance evaluation to review whether it has discharged all its responsibilities effectively.			X			No work is planned regarding the performance evaluation of the Board of Directors.
4.6.4-The company did not extend any loans to its board directors or executives, nor extended their lending period or enhanced the amount of those loans, or improve conditions thereon, and did not extend loans under a personal credit title by third parties or provided guarantees such as surety in favour of them.	X					

CORPORATE GOVERNANCE COMPLIANCE REPORT

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
4.6. FINANCIAL RIGHTS PROVIDED TO BOARD MEMBERS AND MANAGERS WITH ADMINISTRATIVE RESPONSIBILITIES (More)						
4.6.5 - The individual remuneration of board members and executives is disclosed in the annual report.		X				The remunerations given to the members of the Board of Directors and senior executives are announced in the annual report, in line with the common practice. Considering the legislation on the protection of personal data, the application will continue to be followed regarding the disclosure of wages on an individual basis.

CORPORATE GOVERNANCE INFORMATION FORM

1. SHAREHOLDERS	
1.1. Facilitating the Exercise of Shareholders Rights	
The number of investor meetings (conference, seminar/etc.) organised by the company during the year	During the year, a total of 235 meetings were held with investors and analysts over the phone, via video conference or face-to-face.
1.2. Right to Obtain and Examine Information	
The number of special audit request(s)	There was no request for the appointment of a special auditor during the period.
The number of special audit requests that were accepted at the General Shareholders' Meeting	None
1.3. General Assembly	
Link to the PDP announcement that demonstrates the information requested by Principle 1.3.1. (a-d)	https://www.kap.org.tr/en/Bildirim/1264538
Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time	No
The links to the PDP announcements associated with the transactions that are not approved by the majority of independent directors or by unanimous votes of present board members in the context of Principle 1.3.9	There was no such transaction in 2024.
The links to the PDP announcements associated with related party transactions in the context of Article 9 of the Communique on Corporate Governance (II-17.1)	There was no transaction carried out within the scope of Article 9 during the year.

CORPORATE GOVERNANCE INFORMATION FORM

1. SHAREHOLDERS	
1.1. Pay Sahipliği Haklarının Kullanımının Kolaylaştırılması (Devamı)	
The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communiqué on Corporate Governance (II-17.1)	https://www.kap.org.tr/en/Bildirim/1286687
The name of the section on the corporate website that demonstrates the donation policy of the company	Hitit.com Website /Investor Relations / Policies
The relevant link to the PDP with minute of the General Shareholders' Meeting where the donation policy has been approved	https://www.kap.org.tr/tr/Bildirim/1032274
The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting	None.
Identified stakeholder groups that participated in the General Shareholders' Meeting, if any	Although there is no restriction on the participation of stakeholders in the General Assembly, the Company's employees attended the meeting as observers.
1.4. Voting Rights	
Whether the shares of the company have differential voting rights	Yes
In case that there are voting privileges, indicate the owner and percentage of the voting majority of shares.	(A) and (B) Group shareholders have five voting rights for each share they hold, while (C) group shareholders have one voting right for each share they hold.
The percentage of ownership of the largest shareholder	36,82%
1.5. Minority Rights	
Azlık haklarının, şirketin esas sözleşmesinde (içerik veya oran bakımından) genişletilip genişletilmediği	No
If yes, specify the relevant provision of the articles of association	-
1.6. Dividend Right	
The name of the section on the corporate website that describes the dividend distribution policy	Hitit.com Website /Investor Relations / Policies / Dividend Distribution Policy
Minutes of the relevant agenda item in case the board of directors proposed to the general assembly not to distribute dividends, the reason for such proposal and information as to use of the dividend.	By evaluating the conditions stipulated in our Company's Dividend Distribution Policy; by taking into consideration the current economic conjuncture, the Company's long-term strategies, cash flow, financing and investment policies, and the long-term interests of our shareholders and our Company, in order to strengthen the financial structure, the distributable profit for the 2023 accounting period will not be distributed and the amount remaining after the general legal reserves are set aside will be transferred to the retained earnings account
PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends	https://www.kap.org.tr/en/Bildirim/1277000

CORPORATE GOVERNANCE INFORMATION FORM

GENERAL ASSEMBLY MEETINGS

General Meeting Date	The number of information requests received by the company regarding the clarification of the agenda of the General Shareholders' Meeting	Shareholder participation rate to the General Shareholders' Meeting	Percentage of shares directly present at the GSM	Percentage of shares represented by proxy	Specify the name of the page of the corporate website that contains the General Shareholders' Meeting minutes, and also indicates for each resolution the voting levels for or against	Specify the name of the page of the corporate website that contains all questions asked in the general assembly meeting and all responses to them	The number of the relevant item or paragraph of General Shareholders' Meeting minutes in relation to related party transactions	The number of declarations by insiders received by the board of directors	The link to the related PDP general shareholder meeting notification
25.04.2024	None	80%	37%	43%	Corporate Governance / General Assembly Meetings	Corporate Governance / General Assembly Meetings	None.	None.	https://www.kap.org.tr/en/Bildirim/1277000 1128813

2. DISCLOSURE AND TRANSPARENCY

2.1. Corporate Website	
Specify the name of the sections of the website providing the information requested by the Principle 2.1.1.	Hitit.com website / Investor Relations / Public Offering - Prospectus Hitit.com website / Investor Relations / Financial Information - Financial Reports, Annual Reports, Presentations, Webcasts Hitit.com website / Investor Relations / Corporate Governance - Articles of Association, Amendments to the Articles of Association, General Assembly Invitation, Information Document, List of Attendees, General Assembly Minutes, Committees Hitit.com website / Investor Relations / Company Information / Trade Registry Information - Board of Directors - Subsidiaries - Shareholding Structure, Privileged Share Information - Management Hitit.com website / Investor Relations / Policies Hitit.com website / Investor Relations / Sustainability Hitit.com website / Investor Relations / Frequently Asked Questions
If applicable, specify the name of the sections of the website providing the list of shareholders (ultimate beneficiaries) who directly or indirectly own more than 5% of the shares.	Corporate Governance / Shareholder structure
List of languages for which the website is available	Turkish and English
2.2. Annual Report	
The page numbers and/or name of the sections in the Annual Report that demonstrate the information requested by principle 2.2.2.	
a) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the duties of the members of the board of directors and executives conducted out of the company and declarations on independence of board members	It is included in the Corporate Governance of the annual report.

CORPORATE GOVERNANCE INFORMATION FORM

2. DISCLOSURE AND TRANSPARENCY	
2.2. Annual Report (More)	
b) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on committees formed within the board structure	It is included in the Corporate Governance of the annual report.
c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the number of board meetings in a year and the attendance of the members to these meeting	It is included in the Corporate Governance - Statutory Disclosures section of the annual report.
ç) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on amendments in the legislation which may significantly affect the activities of the corporation	It is included in the Corporate Governance - Statutory Disclosures section of the annual report.
d) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on significant lawsuits filed against the corporation and the possible results thereof	It is included in the Corporate Governance - Statutory Disclosures section of the annual report.
e) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the conflicts of interest of the corporation among the institutions that it purchases services on matters such as investment consulting and rating and the measures taken by the corporation in order to avoid from these conflicts of interest	It is included in the Corporate Governance - Statutory Disclosures section of the annual report.
f) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the cross ownership subsidiaries that the direct contribution to the capital exceeds 5%	It is included in the Corporate Governance - Statutory Disclosures section of the annual report.
g) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on social rights and professional training of the employees and activities of corporate social responsibility in respect of the corporate activities that arises social and environmental results	It is included in Human Capital and Our Projects for a Sustainable World sections of the annual report.

CORPORATE GOVERNANCE INFORMATION FORM

3. STAKEHOLDERS	
3.1. Corporation's Policy on Stakeholders	
The name of the section on the corporate website that demonstrates the employee remedy or severance policy	Hitit.com Website /Investor Relations / Policies / Compensation Policy
The number of definitive convictions the company was subject to in relation to breach of employee rights	There is no final judgment against the company due to the violation of employee rights.
The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)	Ethics Committee
The contact detail of the company alert mechanism	Ethical Principles Notification Lines: etik@hititcs.com; 0 212 276 1500
3.2. Supporting the Participation of the Stakeholders in the Corporation's Management	
Name of the section on the corporate website that demonstrates the internal regulation addressing the participation of employees on management bodies	None
Corporate bodies where employees are actually represented	None
3.3. Human Resources Policy	
The role of the board on developing and ensuring that the company has a succession plan for the key management positions	The Company's work continues for key managerial positions (C-Level and above).
The name of the section on the corporate website that demonstrates the human resource policy covering equal opportunities and hiring principles. Also provide a summary of relevant parts of the human resource policy.	It is included in the Company's Ethical Principles under the title of Ethical Principles on the corporate website of the company." We do not discriminate on the basis of religion, language, race, ethnic origin, gender and sexual orientation in all human resources processes from recruitment to wage management."
Whether the company provides an employee stock ownership programme	There is no share acquisition plan.
The name of the section on the corporate website that demonstrates the human resource policy covering discrimination and mistreatments and the measures to prevent them. Also provide a summary of relevant parts of the human resource policy.	It is available in Hitit.com WebSite / Ethical Principles. In addition, it is specifically stated in the internal regulations regarding human resources: "No discrimination is allowed in practices based on gender, age, religion, race, sect, social status, physical structure, ethnic origin, nationality, sexual orientation or any other personal characteristics."
The number of definitive convictions the company is subject to in relation to health and safety measures	None.
3.5. Ethical Rules and Social Responsibility	
The name of the section on the corporate website that demonstrates the code of ethics	Hitit.com Website / Ethical Principles
The name of the section on the company website that demonstrates the corporate social responsibility report. If such a report does not exist, provide the information about any measures taken on environmental, social and corporate governance issues.	There is no corporate social responsibility report. It is available on the corporate website of the company, in the " Our Projects for a Sustainable World" section of the annual report.
Any measures combating any kind of corruption including embezzlement and bribery	It is included in the Company's Ethical Principles under the title of Ethical Principles on the corporate website of the company.

CORPORATE GOVERNANCE INFORMATION FORM

4. BOARD OF DIRECTORS-I	
4.2. Activity of the Board of Directors	
Date of the last board evaluation conducted	None
Whether the board evaluation was externally facilitated	No
Whether all board members released from their duties at the GSM	Yes
Name(s) of the board member(s) with specific delegated duties and authorities, and descriptions of such duties	Chairman of the Board of Directors: Fatma Nur GÖKMAN, Vice Chairman of the Board of Directors: Dilek OVACIK. In accordance with the Board of Directors decision dated 25.04.2024 and numbered 2024/11, Fatma Nur GÖKMAN and Mahmut Barbaros KUBATOĞLU are authorized to represent the company in the broadest and unlimited way in all matters, with their JOINT signatures to be placed under the Company title or the Company stamp showing the Company title.
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	None
Specify the name of the section or page number of the annual report that provides the summary of the review of the effectiveness of internal controls	It is presented in the Corporate Governance Section of the annual report.
Name of the Chairman	Fatma Nur GÖKMAN
Name of the CEO	Şükriye Nevra ONURSAL KARAAĞAÇ
If the CEO and Chair functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles	-
Link to the PDP notification stating that any damage that may be caused by the members of the board of directors during the discharge of their duties is insured for an amount exceeding 25% of the company's capital	There is a manager's liability insurance for the damages that may be caused to the company by the faults of the members of the board of directors during their duties. It is included in the Corporate Governance - Statutory Disclosures section of the annual report.
The name of the section on the corporate website that demonstrates current diversity policy targeting women directors	Hitit.com website / Investor Relations / Corporate Governance / Policies / Diversity, Equality, and Inclusion Policy
The number and ratio of female directors within the Board of Directors	Number: 3 Ratio: 50%

CORPORATE GOVERNANCE INFORMATION FORM

4. BOARD OF DIRECTORS-I							
COMPOSITION OF BOARD OF DIRECTORS							
Name, Surname of Board Member	Whether Executive Director Or Not	Whether Independent Director Or Not	The First Election Date To Board	Link To PDP Notification That Includes The Independency Declaration	Whether the Independent Director Considered By The Nomination Committee	Whether She/ He is the Director Who Ceased to Satisfy The Independence or Not	Whether The Director Has At Least 5 Years' Experience On Audit, Accounting And/Or Finance Or Not
Fatma Nur GÖKMAN	Executive	Not independent director	12/11/2013				No
Dilek OVACIK	Non-executive	Not independent director	12/11/2013				Yes
Mahmut Barbaros KUBATOĞLU	Executive	Not independent director	12/01/2018				Yes
Ali UZUN	Non-executive	Not independent director	12/04/2023				No
Aliye Sultan ALPTEKİN	Non-executive	Independent director	02/01/2024	https://www.kap.org.tr/Bildirim/1016080	Yes	No	Yes
Turgut GÜRSOY	Non-executive	Independent director	05/04/2022	https://www.kap.org.tr/Bildirim/1016080	Yes	No	Yes

CORPORATE GOVERNANCE INFORMATION FORM

4. BOARD OF DIRECTORS-II	
4.4. Meeting Procedures of the Board of Directors	
Number of physical or electronic board meetings in the reporting period	4
Director average attendance rate at board meetings	100%
Whether the board uses an electronic portal to support its work or not	No
Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter	1 Week
The name of the section on the corporate website that demonstrates information about the board charter	It is stated in Article 7 of the Articles of Association in the Investor Relations-Corporate Governance Section of the website.
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	None
4.5. Board Committees	
Page numbers or section names of the annual report where information about the board committees are presented	It is included in the Corporate Governance Section of the annual report.
Link(s) to the PDP announcement(s) with the board committee charters	https://www.kap.org.tr/Bildirim/1016081 , https://hitit.com/investor-relations/corporate-management#committees

CORPORATE GOVERNANCE INFORMATION FORM

COMPOSITION OF BOARD COMMITTEES-I

Names Of The Board Committees	Name Of Committees Defined As "Other" In The First Column	Name-Surname of Committee Members	Whether Committee Chair Or Not	Whether Board Member Or Not
Audit Committee	-	Aliye Sultan Alptekin	Yes	Board member
Audit Committee	-	Turgut Gürsoy	No	Board member
Corporate Governance Committee	-	Aliye Sultan Alptekin	Yes	Board member
Corporate Governance Committee	-	Fatma Nur Gökman	No	Board member
Corporate Governance Committee	-	Ali Uzun	No	Board member
Corporate Governance Committee	-	Hülya Yıldırım	No	Not Board member
Committee of Early Detection of Risk	-	Turgut Gürsoy	Yes	Board member
Committee of Early Detection of Risk	-	Dilek Ovacık	No	Board member
Committee of Early Detection of Risk	-	Atilla Lise	No	Not Board member
Other	Sustainability Committee	Ali Uzun	Yes	Board member
Other	Sustainability Committee	Şükriye Nevra Onursal Karaağaç	No	Not Board member
Other	Sustainability Committee	Figen Dönder	No	Not Board member
Other	Sustainability Committee	Gülbin Yılmaz	No	Not Board member

KURUMSAL YÖNETİM BİLGİ FORMU

4. BOARD OF DIRECTORS-III	
4.5. Board Committees-II	
Specify where the activities of the audit committee are presented in your annual report or website (Page number or section name in the annual report/website)	It is included in the Corporate Governance Section of the annual report.
Specify where the activities of the corporate governance committee are presented in your annual report or website (Page number or section name in the annual report/website)	It is included in the Corporate Governance Section of the annual report.
Specify where the activities of the nomination committee are presented in your annual report or website (Page number or section name in the annual report/website)	It is included in the Corporate Governance Section of the annual report.
Specify where the activities of the early detection of risk committee are presented in your annual report or website (Page number or section name in the annual report/website)	It is included in the Corporate Governance Section of the annual report.
Specify where the activities of the remuneration committee are presented in your annual report or website (Page number or section name in the annual report/website)	It is included in the Corporate Governance Section of the annual report.
4.6. Financial Rights	
Specify where the operational and financial targets and their achievement are presented in your annual report (Page number or section name in the annual report)	It is included in the Financial Indicators Sections of the annual report.
Specify the section of website where remuneration policy for executive and non-executive directors are presented.	Hitit.com Website / Investor Relations / Policies / Remuneration Policy
Specify where the individual remuneration for board members and senior executives are presented in your annual report (Page number or section name in the annual report)	It is presented in the Corporate Governance - Financial Benefits Provided to Members of the Board of Directors and Senior Executives section of the annual report.

KURUMSAL YÖNETİM BİLGİ FORMU

4. BOARD OF DIRECTORS-III					
COMPOSITION OF BOARD COMMITTEES-II					
Names Of The Board Committees	Name of committees defined as "Other" in the first column	The Percentage Of Non-executive Directors	The Percentage Of Independent Directors In The Committee	The Number Of Meetings Held In Person	The Number Of Reports On Its Activities Submitted To The Board
Audit Committee	-	100%	100%	4	4
Corporate Governance Committee	-	75%	25%	5	12
Committee of Early Detection of Risk	-	66,6%	33,3%	4	6
Other	Sustainability Committee	100%	0%	3	1

OTHER DISCLOSURES

Information about any Extraordinary General Assembly meetings held during the year:

No Extraordinary General Assembly meetings were held during the year.

The number of meetings held by the Board of Directors during the year and the participation status of members in these meetings:

Board of Directors meetings were held simultaneously in a physical environment. A total of four meetings were held in 2024. All Board members attended the meetings.

Information about Management Liability Insurance:

The company has taken out management liability insurance for the Board members, covering potential damages they might cause to the company due to faults in their duties, with an amount exceeding 25% of the company's capital.

Information about lawsuits filed against the company that could affect its financial condition or activities and their possible outcomes:

There are no lawsuits filed against the company, including those related to environmental, social, and corporate governance matters, that could potentially affect the company's financial condition or activities.

Explanation of administrative or legal sanctions imposed on the company or members of the management body due to practices contrary to regulatory provisions:

There are no administrative or legal sanctions imposed on the company or its Board members due to practices contrary to regulatory provisions.

Information about legislative changes that could significantly affect the company's activities:

There are no legislative changes that could significantly affect the company's activities.

Assessment under Article 376 of the Turkish Commercial Code:

As of December 31, 2024, it has been determined that the company's issued capital of 300,000,000₺ is intact, and there is no occurrence of insolvency.

Information about potential conflicts of interest between the company and the institutions providing services, such as investment consultancy and rating, and the measures taken by the company to prevent such conflicts:

There have been no issues that could lead to conflicts of interest between the company and the institutions providing services, such as investment consultancy and rating.

Information about cross-shareholdings where the shareholding ratio exceeds 5% of the capital:

There is no cross-shareholding relationship.

STATUTORY DISCLOSURES

Changes Made in the Board of Directors During the Period

Ms. Günseli Tarhan resigned from her position as of January 2, 2024, with his letter dated January 2, 2024. In accordance with the capital markets legislation and the provisions of the articles of association, Ms. Aliye Sultan Alptekin was elected as a Board Member with the decision of the Board of Directors dated January 2, 2024, and numbered 2024/01. She will serve until the end of the term of the resigning member, as per the provisions of Article 363 of the Turkish Commercial Code (TCC).

Changes Made in Senior Management During the Period

Ms. Fatma Nur Gökman resigned from her position as CEO on August 31, 2024, with her letter dated July 31, 2024. Her resignation was accepted in accordance with the Corporate Governance Principles outlined in the Capital Markets Board (CMB) Corporate Governance Communiqué. Ms. Şükriye Nevra Onursal Karaağaç was appointed as the new General Manager.

On October 11, 2024, with the decision of the Board of Directors dated 2024/21, a structural change was made, creating the Application Engineering and Security Unit. Mr. Semih Sakız was appointed as the Deputy General Manager of Application Engineering and Security. Following Mr. Sakız's new appointment, Mr. Yener Kılıç was appointed as the Deputy General Manager of the System Infrastructure and Operations Unit.

Legal Explanations Regarding Preferred Shares

The company's capital is divided into a total of 300,000,000 shares, with 108,597,285 of Group A registered shares, each with a nominal value of 1 (one) TL, 108,597,285 of Group B registered shares, each with a nominal value of 1 (one) TL, and 82,405,430 of Group C registered shares, each with a nominal value of 1 (one) TL. All company shares are registered shares. The Group A and Group B registered shares are privileged, while the Group C registered shares have no privileges.

Privilege in Nominating Board Members

According to Article 7 of the Company's Articles of Association titled "Board of Directors and Term," the company's business and management will be carried out by a Board of Directors composed of six (6) members, elected for a maximum term of 3 years by the General Assembly, in compliance with the provisions of the Turkish Commercial Code and the Capital Markets Law. Group A and Group B shareholders are granted a privilege in "Nominating Candidates for the Board of Directors" in comparison to Group C shareholders. One (1) member will be nominated by the majority of Group A shareholders, and one (1) member will be nominated by the majority of Group B shareholders, and these nominees will be selected by the General Assembly. If a Board member nominated by Group A or Group B shareholders leaves the Board for any reason, the vacancy in the Board position will be filled by a new member selected from the candidates nominated by the same shareholder group. The new member will be selected in accordance with Article 363 of the Turkish Commercial Code and will be submitted for approval by the next General Assembly.

Privilege in Determining the Chairman of the Board of Directors

According to Article 7 of the Company's Articles of Association, titled "Board of Directors and Term," the Chairman of the Board of Directors is a member of the Board selected from candidates nominated by Group A shareholders. According to Article 9 of the Articles of Association, titled "General Assembly," the Chairman of the Board of Directors will preside over the General Assembly meetings. If the Chairman of the Board is absent, the meeting chairman will be selected by the General Assembly.

STATUTORY DISCLOSURES

Privilege in Choosing the General Manager

According to the second paragraph of Article 17 of the Articles of Association, titled "General Manager," the General Manager will be selected from among the candidates nominated by the majority of Group A shareholders.

Voting Privilege

According to Article 9 of the Articles of Association, titled "General Assembly," each share of Group A and Group B shares entitles the holder to five votes, while each share of Group C shares entitles the holder to one vote. Voting will be in compliance with the Turkish Commercial Code, the Capital Markets Law, and other relevant legislation.

According to Article 15 of the Articles of Association, titled "Special Assembly of Privileged Shareholders," certain privileges are granted to Group A and Group B shareholders as explicitly stated in specific provisions of the Articles of Association. For General Assembly decisions related to amendments to the Articles of Association, including capital increase within the registered capital ceiling requiring approval by the special assembly of privileged shareholders under Article 454 of the Turkish Commercial Code, the special assembly of preferred shareholders will meet with a minimum participation of 60% of the capital representing each privileged share group. A decision will be made by a majority vote (at least 51%) of the capital representing the relevant privileged share group. Decisions affecting the rights of privileged shareholders in that group cannot be made without the approval and decision of the special assembly of privileged shareholders. The procedure and principles of the special assembly of privileged shareholders will be subject to the general assembly's working procedures and principles as determined by this Articles of Association, unless otherwise specified.

Legal Explanations Regarding Dividend Distribution

According to Article 12 of the Company's Articles of Association, titled "Profit Distribution," the Company complies with the provisions of the Turkish Commercial Code and the Capital Markets regulations regarding profit distribution. Under capital markets regulations, companies whose shares are listed on the stock exchange are not obligated to distribute profits. Within the framework of the Company's Articles of Association and profit distribution policy, the form and timing of the distribution of profits decided by the General Assembly are determined based on the proposal of the Board of Directors.

Our Company determines the profit distribution in accordance with the provisions of the Turkish Commercial Code, capital market legislation, tax laws, and other relevant legal regulations, as well as Article 12 of the Company's Articles of Association, in line with the proposal of the Board of Directors and the decision taken by the General Assembly. The Company's Articles of Association do not grant any privileges to shares regarding the right to receive dividends. In profit distribution, a balanced and consistent policy is followed, ensuring the interests of shareholders and the Company are considered, in line with the Corporate Governance Principles. As a principle, financial statements prepared in accordance with capital market regulations are used, and the "net distributable period profit" is calculated, with at least 5% of the issued share capital being considered for distribution.

STATUTORY DISCLOSURES

During the relevant profit distribution period, this rate may be reviewed and adjusted annually, based on national and global economic conditions, the Company's medium- and long-term growth and investment strategies, and cash requirements. In cases where a dividend distribution rate higher than 5% of the issued share capital is desired from the calculated "net distributable period profit," the financial position of the Company, other funding needs related to planned investments, the industry conditions, economic environment, profitability, and cash position are taken into account in determining the dividend distribution rate.

In the event that no "net distributable period profit" is generated according to legal accounting records, or if the calculated "net distributable period profit" is less than 5% of the issued share capital, no profit distribution may occur. The Board of Directors makes a separate decision regarding dividend distribution for each accounting period, and this dividend proposal is publicly disclosed in accordance with the legislation and published on the Company's website. The General Assembly may approve or reject this proposal. In cases where dividend distribution is not possible, the Board of Directors presents the reasons for the non-distribution of profits and the intended use of the undistributed profits to the shareholders at the General Assembly.

Dividend distribution is made equally to all existing shares as of the distribution date, without considering the issuance and acquisition dates of the shares. Dividend distribution will begin on a date determined by the Board of Directors, provided that it is no later than the end of the year in which the General Assembly meeting is held, or on a date authorized by the General Assembly. The Company may consider distributing an advance dividend or paying the dividend in equal or unequal installments in accordance with the applicable legislation.

Legal Explanations Regarding Share Transfer Restrictions

According to Article 16 of the Articles of Association titled "Share Transfer Restrictions," the Company has privileged shares in both (A) and (B) groups. The (C) group shares have no privileges, and their transfer is free, subject to the provisions of the Turkish Commercial Code, the Capital Markets Legislation, and the relevant provisions of this Articles of Association.

When (A) Group shares are intended to be transferred, they must first be offered to other (A) Group shareholders, who will have the preemption right (also referred to as the Right of First Refusal). Similarly, when (B) Group shares are intended to be transferred, they must first be offered to other (B) Group shareholders, who will also have the preemption right.

If no shareholder from the relevant group wishes to acquire the offered shares, the shares will be offered to the other privileged group. In this case, the other group will have a secondary preemption right (contingent upon the first group's refusal to purchase the shares). If no shareholder from either group is willing to purchase the offered shares, only then can the shares be offered to third parties who are not competitors of the Company or the shareholders.

The transfer of (A) and (B) group shares will only be registered in the Company's share register upon approval by the Board of Directors, as per the rules specified in this article. The Board of Directors has the right to refuse the registration of (A) and (B) group share transfers that do not comply with the transfer rules specified in the Articles of Association. Any transfers made in violation of these rules will be deemed null and void against the Company.

STATUTORY DISCLOSURES

Legal Explanations Regarding Meeting and Quorum Requirements

According to the provision titled "Meeting and Quorum Requirements" in the Articles of Association, the General Assembly meetings are presided over by the Chairman of the Board of Directors. Shareholders of (A) and (B) Group shares have five votes per share, while (C) Group shareholders have one vote per share. Voting is conducted in compliance with the Turkish Commercial Code, the Capital Markets Law, and other relevant legislation.

The quorum for General Assembly meetings and decisions is regulated by Article 421/2 of the Turkish Commercial Code, which requires unanimity for certain decisions, and Article 421/3, which requires the affirmative votes of shareholders holding at least 75% of the capital for other decisions. These provisions, along with any higher quorum requirements specified in the Articles of Association, must be adhered to. The quorum for decisions is met if shareholders representing at least 70% of the total voting rights of the company participate in the meeting and vote affirmatively.

In cases regulated by Article 479, third paragraph of the Turkish Commercial Code, the quorum is calculated based on shares representing the capital, with the same ratio maintained. Decisions taken by these rules do not constitute a General Assembly decision and will never produce the effects of such a decision.

If the required quorum for the General Assembly meeting and decision cannot be achieved in the first meeting, the same quorum requirements will apply for the second meeting. If the quorum is not met in the second meeting either, the meeting will be considered as not held, and no decisions will be valid.

The management and business operations of the company are executed by a Board of Directors consisting of six members, selected by the General Assembly in compliance with the provisions of the Turkish Commercial Code and the Capital Markets Law. One of the Board members is nominated by the shareholder(s) holding the majority of (A) Group shares, and one is nominated by the majority of (B) Group shareholders. The number and qualifications of independent members of the Board are determined according to the Capital Markets Board's regulations on corporate governance.

For a Board decision to be valid, both members elected by (A) Group and (B) Group shareholders must attend the meetings and cast an affirmative vote. If either of them does not attend or does not vote affirmatively, the decision will not be considered a valid decision of the Board of Directors, and any consequences derived from it will be invalid.

DECLARATIONS OF INDEPENDENCE

15.02.2024

I hereby declare that I am a candidate to serve as an "independent member" at the Board of Directors of Hitit Bilgisayar Hizmetleri A.Ş. ("Company") in accordance with the criteria set forth in the legislation, Articles of Association and article 4.3.6 of the Attachment to the Corporate Governance Communiqué No. II-17.1, published by the Capital Market Board, in this respect;

a) There is no employment relationship with respect to any executive position that covers important duties and responsibilities, no more than 5% of the capital or voting rights or privileged shares are held jointly or individually, or no significant commercial relationship has been established in the last five years between the Company, or partnerships over which the Company has management control or exercises substantial influence, or shareholders who hold the management control of, or who exercise significant influence on, the Company and the legal entities which hold the management control of such shareholders, and me, my spouse, my relatives by blood and marriage up to the second degree,

b) I have not been a shareholder (5% and above), worked in an executive position in a way to assume important duties and responsibilities, or served as a member of the board of directors in any company from which the Company has purchased or to which the Company has sold services or products to a significant extent during such periods when such services or products were purchased or sold in the framework of agreements, in particular regarding the Company's audit (including tax audit, legal audit, internal audit), rating and consulting, within the last five years,

c) I have the professional education, knowledge and experience to carry out properly the duties that I will undertake as an independent member of the Board of Directors,

ç) I have not worked on a full-time basis in any public entity and institution except as a university lecturer after I am elected as a member in accordance with the legislation,

d) I am deemed to be residing in Türkiye pursuant to the Income Tax Law dated 31/12/1960 and no. 193,

e) I possess strong ethical standards, professional reputation and experience to make positive contributions to the Company's activities, to preserve my impartiality in any conflict of interest between the Company and its shareholders, and to decide independently taking into account the interests of the beneficiaries,

f) I can spare time for the Company's affairs to such extent that I can follow up the operation of the Company activities and completely fulfill the requirements of the duties I assume,

g) I have not held office as a Board member in the Company's Board of Directors for more than six years within the last ten years,

ğ) I have not served as an independent Board member in more than three companies in which the Company or shareholders possessing the management control of the Company have the management control, and in total, in more than five companies that are traded on the stock exchange, h) I have not been registered and announced in the name of a legal entity that has been elected as a Board member.

Turgut GÜR SOY

DECLARATIONS OF INDEPENDENCE

15.02.2024

I hereby declare that I am a candidate to serve as an "independent member" at the Board of Directors of Hitit Bilgisayar Hizmetleri A.Ş. ("Company") in accordance with the criteria set forth in the legislation, Articles of Association and article 4.3.6 of the Attachment to the Corporate Governance Communiqué No. II-17.1, published by the Capital Market Board, in this respect;

a) There is no employment relationship with respect to any executive position that covers important duties and responsibilities, no more than 5% of the capital or voting rights or privileged shares are held jointly or individually, or no significant commercial relationship has been established in the last five years between the Company, or partnerships over which the Company has management control or exercises substantial influence, or shareholders who hold the management control of, or who exercise significant influence on, the Company and the legal entities which hold the management control of such shareholders, and me, my spouse, my relatives by blood and marriage up to the second degree,

b) I have not been a shareholder (5% and above), worked in an executive position in a way to assume important duties and responsibilities, or served as a member of the board of directors in any company from which the Company has purchased or to which the Company has sold services or products to a significant extent during such periods when such services or products were purchased or sold in the framework of agreements, in particular regarding the Company's audit (including tax audit, legal audit, internal audit), rating and consulting, within the last five years,

c) I have the professional education, knowledge and experience to carry out properly the duties that I will undertake as an independent member of the Board of Directors,

ç) I have not worked on a full-time basis in any public entity and institution except as a university lecturer after I am elected as a member in accordance with the legislation,

d) I am deemed to be residing in Türkiye pursuant to the Income Tax Law dated 31/12/1960 and no. 193,

e) I possess strong ethical standards, professional reputation and experience to make positive contributions to the Company's activities, to preserve my impartiality in any conflict of interest between the Company and its shareholders, and to decide independently taking into account the interests of the beneficiaries,

f) I can spare time for the Company's affairs to such extent that I can follow up the operation of the Company activities and completely fulfill the requirements of the duties I assume,

g) I have not held office as a Board member in the Company's Board of Directors for more than six years within the last ten years,

ğ) I have not served as an independent Board member in more than three companies in which the Company or shareholders possessing the management control of the Company have the management control, and in total, in more than five companies that are traded on the stock exchange, h) I have not been registered and announced in the name of a legal entity that has been elected as a Board member.

Aliye Sultan ALPTEKİN

**STATEMENT OF RESPONSIBILITY
PREPARED PER CAPITAL MARKETS BOARD'S FINANCIAL
REPORTING COMMUNIQUE SERIES NO: II-14.1., ARTICLE 9**

**BOARD OF DIRECTORS' RESOLUTION REGARDING APPROVAL OF
FINANCIAL STATEMENTS**

RESOLUTION DATE: 03.03.2025

RESOLUTION NUMBER : 2025/03

The consolidated financial statements and the annual activity report which have been prepared by the Company for the period January 1 – December 31, 2024 in accordance with Capital Markets Board's ("CMB") Communiqué Series N II.14.1 "Communique On Principles of Financial Reporting in Capital Markets" ("**Communique**"), the Turkish Accounting Standards/Turkish Financial Reporting Standards ("TAS/TFRS") and the mandatory formats defined by CMB, approved by the Board of Directors by its resolution dated March 3, 2025 and numbered 2025/03 and audited by the independent audit firm,

a. Have been analysed,

b. To the best of our knowledge and inline with our Company roles and responsibilities, in all material respects, does not contain any untrue representations or any omissions that would lead to misleading conclusions as at disclosure date,

c. To the best of our knowledge and inline with our Company roles and responsibilities, the financial statements prepared in line with the Communique along with those within the scope of consolidation, fairly reflect the Company's assets, liabilities, financial position and profit / loss and the activity report, reflect fairly on the development of the business, performance and again along with those within the scope of consolidation, Company's financial position, important risks and uncertainties faced,

and we hereby declare our responsibility for this statement.

Respectfully yours,

Aliye Sultan Alptekin
Chairwoman of the Audit
Committee

Turgut Gürsoy
Chief Financial Officer

Sezer Tuğ Özmutlu
Audit Committee Member

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS TO WHICH WE CONTRIBUTE

Sustainable Development Goals	Objectives	Associated Section
SDG 1 - No Poverty	1.2 National Poverty	Our Projects for a Sustainable World, Educational, Page 89
SDG 3 - Good Health and Well-Being	3.9 Health Impact of Pollution	Our Projects for a Sustainable World, Health, Page 91
SDG 4 - Quality Education	4.4 Skills for employment	Human Capital, Training and Improvement, Page 77
	4.5 Equal access to education	Human Capital, Training and Improvement, Occupational Health and Safety, Page 77
	4.b Scholarships	Our Projects for a Sustainable World, Gender Equality, Page 90
	4.c Qualified teachers	Our Projects for a Sustainable World, Rackets Up, Page 92
SDG 5 - Gender Equality	5.5 Women in leadership	Members of the Board of Directors, Page 21-23 Senior Management, Page 25-27 Our Value Creation Model, Page 62-63
	5.a Equal economic rights	Human Capital, Diversity and Equal Opportunity, Page 75
	5.b Technology for women empowerment	Our Projects for a Sustainable World, Educational, Page 89
	5.c Gender equality policies	Our Projects for a Sustainable World, Educational, Page 89
SDG 6 - Clean Water and Sanitation	6.1 Safe drinking water	Our Projects for a Sustainable World, Health, Page 91
	6.2 Access to sanitation & hygiene	Our Projects for a Sustainable World, Health, Page 91
	6.3 Water quality	Our Projects for a Sustainable World, Health, Page 91
	6.5 Trans-boundary water cooperation	Our Projects for a Sustainable World, Health, Page 91
SDG 7 - Affordable and Clean Energy	7.a International cooperation on energy	Sustainability, Corporate Sustainability Efforts, Page 87
SDG 8 - Decent Work and Economic Growth	8.8 Labour rights & safe working environment	Human Capital, Türkiye's Happiest Software Company, Page 74
	8.8 Labour rights & safe working environment	Human Capital, Training and Improvement, Occupational Health and Safety, Page 77
	8.9 Sustainable tourism	Intellectual Capital, New Developments in Accounting Solutions, Page 68 Natural Capital, Page 85
	8.b Strategy for youth employment	Our Projects for a Sustainable World, Gender Equality, Page 90

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS TO WHICH WE CONTRIBUTE

Sustainable Development Goals	Objectives	Associated Section
SDG 9 - Industry, Innovation and Infrastructure	9.4 Sustainable & clean industries	Intellectual Capital, New Developments in Accounting Solutions, Page 68 Natural Capital, Page 85
	9.5 Research and development	Intellectual Capital, Page 66-73
	9.b Domestic technology development	Intellectual Capital, Page 66-73 Natural Capital, Page 85
SDG 10 - Reduced Inequalities	10.2 Inclusion (social, economic & political)	Our Projects for a Sustainable World, Rackets Up, Page 92
	10.3 Eliminate discrimination	Our Projects for a Sustainable World, Gender Equality, Page 90 Our Projects for a Sustainable World, Rackets Up, Page 92
	10.6 Inclusive global governance	Social Capital, Community Governance Model, Page 80
SDG 12 - Responsible Consumption and Production	12.1 Programmes on sustainable consumption and production	Intellectual Capital, New Developments in Accounting Solutions, Page 68 Natural Capital, Page 85
	12.5 Reduction in waste generation	Our Projects for a Sustainable World, Energy, Page 89
	12.a Support for R&D capacity for sustainable development	Intellectual Capital, New Developments in Accounting Solutions, Page 68 Natural Capital, Page 85 Sustainability, Corporate Sustainability Efforts, Page 87
SDG 13 - Climate Action	13.3 Climate change awareness	Natural Capital, Page 85 Our Projects for a Sustainable World, Biodiversity, Page 88
	13.b Climate change planning & management	Biodiversity, Page 88
SDG 15 - Life on Land	15.1 Terrestrial & freshwater ecosystems	Biodiversity, Page 88
	15.5 Loss of biodiversity	Biodiversity, Page 88
	15.9 Biodiversity in national & local planning	Biodiversity, Page 88
SDG 17 - Partnership for the Goals	17.7 Transfer of technologies	Social Capital, Academic Institutions, Page 83
	17.8 Capacity building for ICT	Intellectual Capital, Page 66-73
	17.11 Exports of developing countries	Social Capital, Our Partners, Page 82
	17.16 Global partnership for sustainable development	Social Capital, Academic Institutions, Page 83 Our Projects for a Sustainable World, Health, Page 91
	17.17 Partnerships (public, private, CSO)	Social Capital, Academic Institutions, Page 82-83 Our Projects for a Sustainable World, Health, Page 91



**INDEPENDENT AUDITOR'S REPORT ON THE ANNUAL
ACTIVITY REPORT OF THE BOARD OF DIRECTORS,
INDEPENDENT AUDIT REPORT OF HİTİT BİLGİSAYAR
HİZMETLERİ A.Ş. AND ITS AFFILIATE FOR
THE ACCOUNTING PERIOD ENDED ON DECEMBER
31, 2024, CONSOLIDATED FINANCIAL STATEMENTS
AND FOOTNOTES ON STATEMENTS**

**HİTİT BİLGİSAYAR HİZMETLERİ A. Ş.
AND ITS SUBSIDIARY**

CONSOLIDATED FINANCIAL
STATEMENTS AS OF 31 DECEMBER 2024
AND INDEPENDENT AUDITOR'S REPORT

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



**CONVENIENCE TRANSLATION INTO ENGLISH OF
INDEPENDENT AUDITOR'S REPORT
ORIGINALLY ISSUED IN TURKISH**

INDEPENDENT AUDITOR'S REPORT

To the General Assembly of Hitit Bilgisayar Hizmetleri A.Ş.

A. Audit of the consolidated financial statements

1. Our opinion

We have audited the accompanying consolidated financial statements of Hitit Bilgisayar Hizmetleri A.Ş. (the "Company") and its subsidiaries (collectively referred to as the "Group") which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements comprising a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Turkish Financial Reporting Standards ("TFRS").

2. Basis for opinion

Our audit was conducted in accordance with the Standards on Independent Auditing (the "SIA") that are part of Turkish Standards on Auditing issued by the Public Oversight Accounting and Auditing Standards Authority (the "POA"). Our responsibilities under these standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We hereby declare that we are independent of the Group in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the "Ethical Rules") and the ethical requirements regarding independent audit in regulations issued by POA that are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

3. Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. Key audit matters were addressed in the context of our independent audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Key Audit Matters	How the key audit matter was addressed in the audit
<p data-bbox="269 499 597 531">Recognition of Revenue</p> <p data-bbox="269 575 878 716">1,122,416,793 TL of revenue has been recognized for the year ended 31 December 2024, which is an important performance indicator to assess the result of the strategies performed during the year.</p> <p data-bbox="269 760 833 827">The Group’s main revenue streams are software sales and maintenance services.</p> <p data-bbox="269 835 878 1052">Within these revenue streams, there is a risk of material misstatement due to complexity associated with the Group offering software and maintenance services under different contractual terms. This introduces risks related to the timing of revenue recognition, the accuracy completeness of records.</p> <p data-bbox="269 1096 795 1199">Due to materiality of revenue within the comprehensive income statement, it has been identified as a key audit matter.</p> <p data-bbox="269 1243 878 1310">Group’s accounting policies and estimates regarding revenue is disclosed in Note 2.5 and 15.</p>	<p data-bbox="899 575 1487 753">The procedures we have performed regarding revenue included gaining an understanding of the process, assessment of internal control environment and a combination of substantive analytical procedures and detailed testing.</p> <p data-bbox="899 798 1479 865">Regarding revenue recognition; we have assessed the appropriateness of the following:</p> <ul data-bbox="899 909 1487 1310" style="list-style-type: none"> - The Group’s accounting policies - Identification of the Group’s revenue contracts - Identification of performance obligations - Determination of transaction prices - Allocation of transaction prices to performance obligations in accordance with TFRS 15. We have reviewed a sample of revenue contracts with significant customers, considered the appropriateness of the timing of recognition and tested substantively delivery acceptance on a sample basis. <p data-bbox="899 1354 1479 1457">We have tested product and software revenue by inspecting supporting documentation and tested for accuracy and completeness on a sample basis.</p> <p data-bbox="899 1501 1479 1642">Maintenance revenue is recognised on a monthly basis. We have performed substantive test of details on a sample of customer invoices and related accounting records.</p> <p data-bbox="899 1686 1471 1753">We have also reviewed the disclosures regarding revenue in accordance with TFRS requirements.</p>



Key Audit Matters	How the key audit matter was addressed in the audit
<p>Capitalisation of development costs</p> <p>The Group has 505,206,419 TL of capitalised development costs in the accompanying consolidated financial statements as at 31 December 2024. The Group applies the requirements of TMS 38 Intangible Assets standard and its accounting policy is disclosed in Note 2.5 and Note 9.</p> <p>The Group capitalised payroll and directly related costs in projects where the project is in development stage and the Group expects future positive cash flows.</p> <p>During the capitalisation process only the time directly spent on the project is taken into account and all remaining time is expensed as incurred. Since the total capitalised development cost is material to the consolidated financial statements and the process involves management estimates we have included the matter as a key audit matter.</p>	<p>The procedures we have performed in testing the capitalisation of development costs include; a comprehensive understanding of the process, assessment of internal control environment and a combination of substantive analytical procedures and detailed tests.</p> <p>We have assessed the details of software development projects and the criteria for capitalisation. During this assessment we have compared the future cash flow estimates with prior performance and the recoverability of these capitalised development costs in line with the requirement of TMS 38 Intangible Assets standard.</p> <p>We have received a breakdown of all costs that are determined to be capitalised by project, employee and nature of cost. We have performed substantive testing procedures based on this breakdown.</p> <p>Management estimates regarding the useful life of these capitalised development costs are compared with the estimates of peer competitors and the life cycle of the customer contracts.</p> <p>We have also assessed the appropriateness of the disclosures stated in Note 2.5 and Note 9.</p>



4. Responsibilities of management and those charged with governance for the consolidated financial statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

5. Auditor's responsibilities for the audit of the consolidated financial statements

Responsibilities of independent auditors in an independent audit are as follows:

Our aim is 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 independent auditor's report that includes our opinion. Reasonable assurance expressed as a result of an independent audit conducted in accordance with SIA is a high level of assurance but does not guarantee that a material misstatement will always be detected. Misstatements can arise from fraud or error. Misstatements 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 consolidated financial statements.

As part of an independent audit conducted in accordance with SIA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the consolidated 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.
- Assess the 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 Group'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 Group'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 consolidated 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 independent auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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 Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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. Other responsibilities arising from regulatory requirements

1. No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code (“TCC”) No. 6102 and that causes us to believe that the Company’s bookkeeping activities concerning the period from 1 January to 31 December 2024 period are not in compliance with the TCC and provisions of the Company’s articles of association related to financial reporting.
2. In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.
3. In accordance with subparagraph 4 of Article 398 of the TCC, the auditor’s report on the early risk identification system and committee was submitted to the Company’s Board of Directors on 3 March 2025.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Orhan Öztürk, SMMM
Independent Auditor

Istanbul, 3 March 2025

TABLE OF CONTENTS	PAGE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION.....	1-2
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	3
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY.....	4
CONSOLIDATED STATEMENT OF CASH FLOWS.....	5
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS.....	6-53
NOTE 1 ORGANISATION AND OPERATIONS OF THE GROUP	6
NOTE 2 BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS	7-22
NOTE 3 CASH AND CASH EQUIVALENTS.....	23
NOTE 4 SEGMENT REPORTING.....	24
NOTE 5 RELATED PARTY DISCLOSURES.....	24-25
NOTE 6 TRADE RECEIVABLES AND PAYABLES	25-26
NOTE 7 PREPAID EXPENSES AND DEFERRED INCOME	27
NOTE 8 PROPERTY, PLANT AND EQUIPMENT.....	28
NOTE 9 INTANGIBLE ASSETS.....	29
NOTE 10 COMMITMENTS.....	30
NOTE 11 FINANCIAL INSTRUMENTS.....	30-33
NOTE 12 EMPLOYEE BENEFITS.....	33-35
NOTE 13 OTHER ASSETS AND LIABILITIES	36
NOTE 14 SHAREHOLDER'S EQUITY.....	37-38
NOTE 15 REVENUE AND COST OF SALES.....	38-39
NOTE 16 GENERAL ADMINISTRATIVE EXPENSES AND MARKETING/ SALES EXPENSES.....	40
NOTE 17 OTHER OPERATING INCOME AND EXPENSES.....	41
NOTE 18 INCOME FROM INVESTING ACTIVITIES.....	41
NOTE 19 FINANCE INCOME AND EXPENSES.....	42
NOTE 20 OTHER COMPREHENSIVE INCOME ANALYSIS.....	42
NOTE 21 TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES).....	43-46
NOTE 22 NATURE AND LEVEL OF RISKS DERIVING FROM FINANCIAL INSTRUMENTS.....	46-51
NOTE 23 FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND EXPLANATION ON HEDGE ACCOUNTING).....	52
NOTE 24 EARNINGS PER SHARE.....	52
NOTE 25 FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDIT FIRM.....	52
NOTE 26 EVENTS AFTER THE REPORTING PERIOD.....	53

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 31 DECEMBER 2024

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

ASSETS		Audited	Audited
		Current	Prior
		Period	Period
		31 December	31 December
	Notes	2024	2023
CURRENT ASSETS			
Cash and cash equivalents	3	301,723,476	218,438,892
Financial investments	11	130,464,116	246,873,455
Trade receivables	5,6	338,127,101	184,377,893
- <i>Related party trade receivables</i>	5	41,536,363	22,104,526
- <i>Other trade receivables</i>	6	296,590,738	162,273,367
Prepaid expenses	7	107,491,347	60,735,864
Other current assets	13	27,157,750	31,241,084
Total Current Assets		904,963,790	741,667,188
NON CURRENT ASSETS			
Financial investments	11	17,629,883	-
Property, plant and equipment	8	142,986,152	151,840,116
Intangible assets	9	1,429,556,944	759,708,182
Prepaid expenses	7	95,224,105	66,180,135
Deferred tax assets	21	23,536,441	8,618,504
Other non current assets	13	2,098,649	1,801,471
Total Non-Current Assets		1,711,032,174	988,148,408
TOTAL ASSETS		2,615,995,964	1,729,815,596

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

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 31 DECEMBER 2024

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

LIABILITIES AND EQUITY	Notes	Audited	Audited
		Current Period	Prior Period
		31 December	31 December
		2024	2023
CURRENT LIABILITIES			
Trade payables	6	92,386,616	70,993,281
Bank loans	11	160,258,928	-
Lease liabilities	11	6,946,444	-
Current tax liabilities	21	9,441,326	5,115,447
Deferred income	7	42,304,961	27,743,826
Employee benefit obligations	12	21,274,515	22,439,386
Short term provisions	12	46,028,620	22,238,558
- <i>Short term provision for employee benefits</i>		46,028,620	22,238,558
Other current liabilities	13	3,426,599	3,484,807
Total Current Liabilities		382,068,009	152,015,305
NON CURRENT LIABILITIES			
Lease liabilities	11	23,737,468	-
Deferred Income	7	101,465,331	70,038,983
Long-term provisions	12	13,958,757	10,570,669
- <i>Long term provision for employee benefits</i>		13,958,757	10,570,669
Total Non-Current Liabilities		139,161,556	80,609,652
EQUITY			
Share capital	14	300,000,000	127,500,000
Share premiums on capital stock	14	90,539,827	263,039,827
Adjustment to share capital	14	117,442	117,442
Legal reserves	14	25,580,347	12,506,162
Other Accumulated Comprehensive Loss that will not be subsequently reclassified to profit or loss		1,207,496,849	886,801,753
- <i>Actuarial loss on defined retirement benefit plans, net of taxes</i>		(997,003)	(1,900,376)
- <i>Currency translation difference</i>		1,208,493,852	888,702,129
Net Profit		276,880,664	132,168,362
Retained earnings		194,151,270	75,057,093
Total Equity		2,094,766,399	1,497,190,639
TOTAL LIABILITIES AND EQUITY		2,615,995,964	1,729,815,596

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

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD 1 JANUARY-31 DECEMBER 2024

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

		<u>Audited</u> <u>Current</u> <u>Period</u> <u>1 January</u> <u>31 December</u> <u>2024</u>	<u>Audited</u> <u>Prior</u> <u>Period</u> <u>1 January</u> <u>31 December</u> <u>2023</u>
	Note		
Revenue	15	1,122,416,793	609,051,324
Cost of sales (-)	15	(580,872,198)	(313,007,451)
Gross profit		541,544,595	296,043,873
Marketing and sales expenses (-)	16	(115,748,327)	(76,013,405)
General administrative expenses (-)	16	(181,628,560)	(89,924,269)
Other operating income	17	44,014,765	59,729,502
Other operating expenses (-)	17	(41,581,786)	(49,882,287)
Operating profit		246,600,687	139,953,414
Income from investment activities	18	63,612,706	82,143,148
Profit before finance expense		310,213,393	222,096,562
Finance expenses (-)	19	(31,844,692)	(53,046,829)
Finance income	19	6,822,771	3,024,357
Profit before tax		285,191,472	172,074,090
Income tax income	21	(8,310,808)	(39,905,728)
Current tax expense (-)		(20,636,859)	(45,245,748)
Deferred tax expense (-)		12,326,051	5,340,020
Profit for the year from continuing operations		<u>276,880,664</u>	<u>132,168,362</u>
Profit for the year		<u>276,880,664</u>	<u>132,168,362</u>
NET PROFIT FOR THE YEAR		<u>276,880,664</u>	<u>132,168,362</u>
Distribution of Net Profit			
Owners of the Company/parent	24	<u>276,880,664</u>	<u>132,168,362</u>
Basic earnings per share		<u>0,9229</u>	<u>0,4406</u>
OTHER COMPREHENSIVE INCOME / (EXPENSE)			
Items that will not be reclassified to profit or loss		320,695,096	526,493,280
Currency translation difference	20	319,791,723	525,931,651
Actuarial profits / (losses) in retirement benefit plans		957,575	595,327
Deferred tax effect of actuarial profits / (losses) in retirement benefit plans		(54,202)	(33,698)
OTHER COMPREHENSIVE INCOME / (EXPENSE)		<u>320,695,096</u>	<u>526,493,280</u>
TOTAL COMPREHENSIVE INCOME		<u>597,575,760</u>	<u>658,661,642</u>

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

**CONVENIENCE TRANSLATION INTO ENGLISH OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH
HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2024

(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		Retained earnings	Net Profit for the Period	Total Equity
						Actuarial Gain / (Loss)	Currency translation difference			
Balances as of 1 January 2023	14	127,500,000	292,429,353	117,442	2,808,433	(2,462,005)	362,770,478	26,210,031	58,544,791	867,918,523
Transfers		-	-	-	9,697,729	-	-	48,847,062	(58,544,791)	-
Profit for the year		-	-	-	-	-	-	-	132,168,362	132,168,362
Total comprehensive income		-	-	-	-	561,629	525,931,651	-	-	526,493,280
Due to other changes increase / (decrease) (*)		-	(29,389,526)	-	-	-	-	-	-	(29,389,526)
Balances as of 31 December 2023	14	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
Balances as of 1 January 2024	14	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		-	-	-	13,074,185	-	-	119,094,177	(132,168,362)	-
Profit for the year		-	-	-	-	-	-	-	276,880,664	276,880,664
Total comprehensive income		-	-	-	-	903,373	319,791,723	-	-	320,695,096
Capital increase (**)		172,500,000	(172,500,000)	-	-	-	-	-	-	-
Balances as of 31 December 2024	14	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

(*) Under the special additional taxes stipulated by Article 10, Clause 27 of Law No. 7440, published in the Official Gazette on March 12, 2023; the additional tax amounting to TL 29,389,526, calculated based on the "Issue Premiums" recorded under Equity, which exceeds the portion of the nominal capital in relation to some of the shares issued through capital increase with issue premiums for trading on the Borsa Istanbul (BIST Istanbul) in 2022, has been reported by offsetting it from the "Issue Premiums" account that directly affects the emergence of the tax.

(**) According to the resolution of the Company's Board of Directors dated August 1, 2024, and numbered 2024/17, it has been decided to increase the Company's issued capital from TL 127,500,000 to TL 300,000,000 within the registered capital ceiling of TRY 300,000,000. The increase of TRY 172,500,000 will be fully covered from the "Share Premiums" account. The Issuance Certificate for the shares with a nominal value of TL 172,500,000 and the amendment to Article 6 titled "Capital and Types of Shares" of the Company's Articles of Association were registered by the Istanbul Trade Registry Office on December 16, 2024, and published in the Turkish Trade Registry Gazette No. 11229.

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

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2024**

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

		Audited Current Period 1 January- 31 December 2024	Audited Prior Period 1 January- 31 December 2023
Cash Flows from Operating Activities	Notes		
Profit for the Period		276,880,664	132,168,362
Adjustments related to tax expenses	21	8,310,808	39,905,728
Adjustments related to provision for employment termination benefits	12	5,781,013	3,845,522
Adjustments related to provision for doubtful receivable	6	5,765,697	457,564
Adjustments related to provision for unused vacation	12	20,282,362	7,048,120
Adjustments related to interest income and expense	18, 19	(30,777,156)	(845,668)
Adjustments related to unrealized foreign exchange differences		73,322,217	(184,431,243)
Adjustments related with fair value expense (income) of financial assets	18	(18,189,226)	(81,071,183)
Depreciation and amortization of non-current assets	8, 9	206,476,047	100,598,040
Other non-cash adjustments		3,609,907	3,245,856
		551,462,333	20,921,098
Changes in working capital			
Adjustments related to increase in trade receivables	5, 6	(161,153,637)	(104,919,273)
Adjustments related to increase in prepaid expenses	7	(7,649,204)	(20,554,101)
Adjustments related to increase in other current / non-current assets	13	3,786,156	(7,762,304)
Adjustments related to decrease in trade payables	6	21,393,335	44,739,820
Adjustments related to increase / (decrease) in deferred income	7	2,182,163	(234,879)
Adjustments related to increase / (decrease) in other liabilities		(3,739,785)	17,675,382
Cash generated from operations		406,281,361	(50,134,257)
Income taxes paid		(10,697,253)	(62,633,340)
Unused vacation paid	12	(2,277,514)	(1,114,765)
Employment termination benefits paid	12	(3,689,069)	(2,685,731)
Net cash flows from operating activities		389,617,525	(116,568,093)
Cash flows from investing activities			
Cash generated from disposal of property, plant and equipment	8	20,456	10,758
Payments for purchases of property, plant and equipment	8	(81,347,861)	(50,760,542)
Payments for purchases of intangible assets	9	(538,979,109)	(204,553,221)
Interest received		57,975,339	80,559,717
Cash inflows from the sale of shares or debt instruments of other businesses or funds		113,188,680	247,319,739
Cash outflows from the acquisition of shares or debt instruments of other businesses or funds		(141,775,453)	-
Other cash inflow		181,193,910	649,744,251
Other cash outflow		(50,802,410)	(420,172,250)
Net cash flows from investing activities		(460,526,448)	302,148,452
Cash flows from financing activities			
Proceeds from borrowings	11	160,000,000	-
Borrowings paid	11	-	(23,777,875)
Lease borrowings paid	11	(2,963,063)	(27,716,090)
Interest paid		(43,031,896)	(845,768)
Net cash flows from financing activities		114,005,041	(52,339,733)
INCREASE IN CASH AND CASH EQUIVALENTS		43,096,118	133,240,626
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	3	218,438,892	57,136,078
Currency translation differences effect on cash and cash equivalents		40,188,466	28,062,188
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	3	301,723,476	218,438,892

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

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(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 December 2024, personnel number of the Group is 406 (31 December 2023: 390).

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/Istanbul 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 3 March 2025. General Assembly has the authority to modify the consolidated financial statements.

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(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”).

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.

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 December 2024, 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 December 2024 which is 35.2803 TL=1 USD.
- Consolidated statement of profit or loss for the period ended 31 December 2024, have been converted into TL with the exchange rates of the twelve-months average of January - December 2024 which is 32.7824 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.

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(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

The detail of the Company's subsidiary at 31 December 2024 and 31 December 2023 are as follows:

Subsidiaries	Country of incorporation	Currency	Share in equity of the Group (%)	
			31 December 2024	31 December 2023
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	-

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:

- 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.

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

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

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 December 2024:

- **Amendment to IAS 1 – Non-current liabilities with covenants;** effective from annual periods beginning on or after 1 January 2024. These amendments clarify how conditions with which an Group must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an Group provides related to liabilities subject to these conditions.
- **Amendment to IFRS 16 – Leases on sale and leaseback;** effective from annual periods beginning on or after 1 January 2024. These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an Group accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.
- **Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements;** effective from annual periods beginning on or after 1 January 2024. These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.
- **IFRS S1, 'General requirements for disclosure of sustainability-related financial information;** effective from annual periods beginning on or after 1 January 2024. This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an Group's value chain.
- **IFRS S2, 'Climate-related disclosures';** effective from annual periods beginning on or after 1 January 2024. This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(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 December 2024:

- **IFRS 17, 'Insurance Contracts'**; effective from annual periods beginning on or after 1 January 2023. This standard replaces IFRS 4, which permitted a wide variety of practices in accounting for insurance contracts. IFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts.
- **Amendments to IAS 21 - Lack of Exchangeability**; effective from annual periods beginning on or after 1 January 2025. An Group 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.
- **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;

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(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 December 2024: (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.

2.5 Summary of Significant Accounting Policies

Related Parties

Related parties are persons or businesses related to the entity that prepares their financial statements (reporting entity).

(a) A person or a member of his / her immediate family shall be deemed to be a related party with the business if any of the following is true:

- (i) the person has control or joint control power over the reporting entity
- (ii) the person has significant influence over the reporting entity,
- (iii) the person is a member of the key management personnel of a parent company of the reporting or reporting entity.

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

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

2.5 Summary of Significant Accounting Policies (cont'd)

Related Parties (cont'd)

(b) A business shall be deemed to be related to the reporting entity if any of the following conditions are met:

- (i) the business and the reporting entity are members of the same company (ie, associated with each parent, subsidiary and other subsidiary).
- (ii) the business is an affiliate or business partner of the reporting entity (or a member of a company that is also a member of the other operator).
- (iii) Both the business and the reporting entity are partnerships of the same third party.
- (iv) Either the business or reporting entity is a business partnership of a third party, and the third party is the affiliate of the reporting entity or business.
- (v) The business has benefit plans provided to employees of the reporting entity or an entity associated with the reporting entity after leaving the entity. If the reporting entity itself has such a plan, the sponsoring employers are also related parties to the reporting entity.
- (vi) The reporting entity is controlled or jointly controlled by a person as defined in (a).
- (vii) A person identified in sub-paragraph (i) of (a) has significant influence over or is a member of the key management personnel of the reporting entity (or its parent company).

Transactions with a related party are transfers between a reporting entity and a related party, irrespective of whether a resource, service or liability is for a consideration.

Revenue

The Group's revenues consist of sales and hosting of the software package containing modules to manage processes including booking, ticketing, revenue accounting, frequent flyer program, as well as sales and hosting of additional modules to manage flight planning and staff and aircraft information.

The Group also earns revenue due to installing the above mentioned software and additional modules, and due to maintenance, training and other services, it renders regarding the software and additional modules.

The Group defines performance obligations in the contracts it has made regarding the aforementioned services, distributes transaction costs to performance obligations, taking into account estimated customer returns, discounts and provisions, and records its revenues on an accrual basis over the fair value of the price received or to be received.

The Group provides a service of installation of various software products for specialised business operations. Such services are recognised as a performance obligation satisfied over time. Revenue is recognised for these installation services based on the stage of completion of the contract. The directors have assessed that the stage of completion determined as the proportion of the total time expected to install that has elapsed at the end of the reporting period is an appropriate measure of progress towards complete satisfaction of these performance obligations under TFRS 15. Payment for installation of software services is not due from the customer until the installation services are complete and therefore a contract asset is recognised over the period in which the installation services are performed representing the Group's right to consideration for the services performed to date.

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

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

2.5 Summary of Significant Accounting Policies (cont'd)

Revenue (cont'd)

Deferred installation income arise from obligations arising from customer contracts. The Group fulfills and recognizes its performance liabilities over time within the scope of its liabilities arising from customer contracts. Income from customer contracts related to the incomplete service period is accounted for as "Deferred Installation Income". Income from such services are recorded as income on an accrual basis over the hours of service provided in accordance with the contractual principles, in accordance with the periodicity principle. In the short-term and one-time services, the Group takes the income into the financial statements "at a certain moment of time" when the control is passed to the customer.

Property, Plant and Equipment

Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment losses. Land is not depreciated and carried at cost less accumulated impairment.

Properties in the course of construction for production, leases or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees. Borrowing costs are capitalised for assets that necessarily takes a substantial period of time to get ready for its intended use or sale. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognized so as to write off the cost or valuation of assets, other than freehold land and properties under construction, less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

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

2.5 Summary of Significant Accounting Policies (cont'd)

Intangible Assets

Trademarks and licenses

Acquired licenses are shown at historical cost. Licenses have a finite useful life and are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method to allocate the cost of licenses over their estimated useful lives (3-5 years).

Computer software

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful lives (3-15 years).

Costs associated with developing or maintaining computer software programmes are recognized as an expense as incurred. Costs that are directly associated with the development of identifiable and unique software products controlled by the Group, and that will probably generate economic benefits exceeding costs beyond one year, are recognized as intangible assets. Costs include the software development employee costs and an appropriate portion of relevant overheads.

Computer software development costs recognized as assets are amortized over their estimated useful lives (3 years).

Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognized as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development is recognized if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale,
- the intention to complete the intangible asset and use or sell it,
- the ability to use or sell the intangible asset,
- how the intangible asset will generate probable future economic benefits,
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognized for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognized, development expenditure is recognized in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

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

2.5 Summary of Significant Accounting Policies (cont'd)

Intangible Assets (cont'd)

Internally-generated intangible assets – research and development expenditure (cont'd)

Costs incurred under development activities are capitalized by the Group. Management takes into account how much time each staff member spends in research and development activities while including the salaries of staff directly involved in the calculation of the cost of the asset. Personnel expenses related to research activities are recognised as an expense when incurred.

Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognized.

Impairment of Property, Plant and Equipment and Intangible Assets Other Than Goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

Borrowing Costs

In the case of assets requiring a significant amount of time (qualifying assets) to be made ready for use and sale, borrowing costs that are directly attributable to the acquisition, construction or production are included in the cost of the asset until the asset is ready for use or sale.

All other borrowing costs are recorded as an expense in the statement of profit in the period in which they are incurred.

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

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

2.5 Summary of Significant Accounting Policies (cont'd)

Financial Instruments

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument. 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.

Financial assets

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset result in cash flows on certain dates that include only payments of principal and interest on the principal balance.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the Group may make the following irrevocable election at initial recognition of a financial asset; the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met.

(i) Amortised cost and effective interest method

Interest income on financial assets carried at amortized cost is calculated using the effective interest method. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. This income is calculated by applying the effective interest rate to the gross carrying amount of the financial asset:

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

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

2.5 Summary of Significant Accounting Policies (cont'd)

Financial Instruments (cont'd)

Financial assets (cont'd)

Classification of financial assets (cont'd)

(i) Amortised cost and effective interest method (cont'd)

(a) Credit-impaired financial assets when purchased or generated. For such financial assets, the Group applies the effective interest rate on the amortized cost of a financial asset based on the loan from the date of the recognition in the financial statements.

(i) Amortised cost and effective interest method (cont'd)

(b) Non-financial assets that are impaired at the time of acquisition or generation but subsequently become a financial asset that has been impaired. For such financial assets, the Group applies the effective interest rate to the amortized cost of the asset in the subsequent reporting periods.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI.

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI (see (i) above) are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship (see hedge accounting policy).

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically,

- for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss;
- for debt instruments measured at FVTOCI that are not part of a designated hedging relationship, exchange differences on the amortised cost of the debt instrument are recognised in profit or loss. Other exchange differences are recognised in other comprehensive income;
- for financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss; and
- for equity instruments measured at FVTOCI, exchange differences are recognised in other comprehensive income.

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

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

2.5 Summary of Significant Accounting Policies (cont'd)

Financial Instruments (cont'd)

Financial assets (cont'd)

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets, as well as financial guaranteed contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group utilizes a simplified approach for trade receivables, contract assets and lease receivables that does not have significant financing component and calculates the allowance for impairment against the lifetime ECL of the related financial assets.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

The expected credit loss of financial assets is the present value of the difference between all contractual cash flows of the Group and all cash flows that the Group expects to collect (all cash deficits), calculated over the initial effective interest rate (or credit-adjusted effective interest rate for financial assets that were credit-impaired when purchased or created).

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

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

2.5 Summary of Significant Accounting Policies (cont'd)

Financial Instruments (cont'd)

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred directly to retained earnings

Financial Liabilities

Financial liabilities are classified as at FVTPL on initial recognition. On initial recognition of liabilities other than those that are recognised at FVTPL, transaction costs directly attributable to the acquisition or issuance thereof are also recognised in the fair value.

A financial liability is subsequently classified at amortized cost except:

(a) Financial liabilities at FVTPL: These liabilities including derivative instruments are subsequently measured at fair value.

(b) Financial liabilities arising if the transfer of the financial asset does not meet the conditions of derecognition from the financial statements or if the ongoing relationship approach is applied:

When the Group continues to present an asset based on the ongoing relationship approach, a liability in relation to this is also recognised in the financial statements. The transferred asset and the related liability are measured to reflect the rights and liabilities that the Group continues to hold. The transferred liability is measured in the same manner as the net book value of the transferred asset.

(c) A contingent consideration recognized in the financial statements by the entity acquired in a business combination where TFRS 3 is applied: After initial recognition, the related contingent consideration is measured as at FVTPL.

The Group does not reclassify any financial liability.

Derecognition of financial liabilities

The Group derecognises financial liabilities only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Effect of Currency Exchange

Foreign Currency Balances and Transactions

The financial statements of the Group are presented in USD, the currency (functional currency) that is valid in the basic economic environment in which its. The financial position of the Group and the results of its operations are expressed in TL which the presentation currency for the consolidated financial statements.

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

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

2.5 Summary of Significant Accounting Policies (cont'd)

Effect of Currency Exchange (cont'd)

Foreign Currency Balances and Transactions (cont'd)

In preparing the financial statements of the individual entities, transactions in currencies other than US Dollar (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. The Group has determined TL as the reporting currency for the purpose of presenting the financial statements and footnotes. The financial statements are translated into the presentation TL currency using the period-end rate for statement of financial position items, capital and legal reserves, historical rates for other equity items excluding capital and legal reserves, and average rates for profit or loss statement items.

Events After the Reporting Period

Events after the reporting period are those events that occur between the balance sheet date and the date when the financial statements are authorized for issue, even if they occur after an announcement related with the profit for the year or public disclosure of other selected financial information.

The Group adjusts the amounts recognized in its financial statements if adjusting events occur after the balance sheet date.

Provisions, Contingent Assets and Liabilities

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

As of 31 December 2024, the Group has no provision for litigation.

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

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

2.5 Summary of Significant Accounting Policies (cont'd)

Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current year tax liability is calculated on the basis of the taxable portion of the period profit which is not included in the scope of the technology development region. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit or loss because of items of income or expense that are taxable or deductible in other years and it excludes items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax liability or asset is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax rates which are used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax 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.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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 Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period

Current and deferred tax are recognized as in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity.

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

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

2.5 Summary of Significant Accounting Policies (cont'd)

Income Taxes (cont'd)

Deferred tax (cont'd)

Employee Benefits

Employee Termination Benefits:

Under Turkish law and union agreements, lump sum payments are made to employees retiring or involuntarily leaving the Group. Such payments are considered as being part of defined retirement benefit plan as per TAS 19 (Revised) Employee Benefits (“TAS 19”).

The employee termination benefit liability recognized in the consolidated statement of financial position represents the present value of the defined benefit obligation. The actuarial gains and losses are recognized in other comprehensive income.

Statement of Cash Flow

In statement of cash flows, cash flows are classified according to operating, investing and financing activities.

Share Capital and Dividends

Common shares are classified as equity. Dividends on common shares are recognized in equity by deducting the dividend amount from accumulated profits in the period in which they are approved and declared.

2.6 Significant Accounting Judgements, Estimates and Assumptions

Development Costs

Costs incurred under development activities are capitalized by the Group. Management takes into account how much time each staff member spends in research and development activities while including the salaries of staff directly involved in the calculation of the cost of the asset. Personnel expenses related to research activities are recognised as an expense when incurred.

The Useful lives of Property, Plant and Equipment

The Group depreciates its property and equipment by taking the useful lives in Notes 8 and 9 into account. Useful lives of property, plant and equipment are based on best estimation of the Management, reviewed at every date of balance sheet and corrected in case of need.

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

3. CASH AND CASH EQUIVALENTS

	31 December 2024	31 December 2023
Cash on hand	688,213	634,776
Cash at banks	301,035,263	217,804,116
<i>Demand deposits</i>	46,950,823	16,289,897
<i>Time deposits</i>	254,084,440	201,514,219
	<u>301,723,476</u>	<u>218,438,892</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>

Time Deposits	Effective Interest Rate	Maturity Date	31 December 2023
US Dollar (TL denominated)	0.01%	2.01.2024	62,703,366
US Dollar (TL denominated)	4.00%	27.06.2024	58,876,400
US Dollar (TL denominated)	4.00%	28.03.2024	58,876,400
US Dollar (TL denominated)	2.5%	2.01.2024	2,821,142
TL	30.00%	2.01.2024	11,785,001
TL	13.00%	2.01.2024	100,000
EUR (TL denominated)	0.01%	2.01.2024	6,351,910
			<u>201,514,219</u>

Explanations about the nature and level of risks related to cash and cash equivalents are provided in Note 22. As of 31 December 2024, the Group do not have any worth of restricted cash (31 December 2023: None).

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

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 2023: 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 2023:30 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
	31 December 2024	31 December 2023
Balances with Related Parties		
Shareholders		
Pegasus Hava Taşımacılığı A.Ş.	39,628,684	17,750,663
Others		
Amadeus Bilgi Teknolojisi Hizmetleri A.Ş.	1,907,679	4,353,863
	<u>41,536,363</u>	<u>22,104,526</u>

The transactions with related parties for the period ended 31 December 2024 and 31 December 2023 are as follows:

	1 January -	1 January -
	31 December 2024	31 December 2023
	Sales	Sales
Transactions with Related Parties		
Pegasus Hava Taşımacılığı A.Ş.	279,706,493	155,755,362
Amadeus Bilgi Teknolojisi Hizmetleri A.Ş.	29,411,675	33,649,321
	<u>309,118,168</u>	<u>189,404,683</u>

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

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 December 2024	1 January- 31 December 2023
Salaries and other short term benefits	43,238,612	21,699,394
	<u>43,238,612</u>	<u>21,699,394</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 December 2024	31 December 2023
<u>Current trade receivables</u>		
Trade receivables	282,352,173	151,133,687
Trade receivables from related parties (Note: 5)	41,536,363	22,104,526
Income accruals	31,153,387	20,650,073
Expected credit loss (-)	(16,914,822)	(9,510,393)
	<u>338,127,101</u>	<u>184,377,893</u>

Trade receivables are amounts due from customers for services performed in the ordinary course of business. The average maturity of trade receivables is 84 days (31 December 2023: 80 days) and classified as a current trade receivables.

As of 31 December 2024, receivables of the Group amounting to TL 162,790,192 are overdue but not impaired (31 December 2023: TL 94,406,013). As of 31 December 2024, The Group's provisions for doubtful receivables are TL 16,914,822 (31 December 2023: TL 9,510,393).

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

6. TRADE RECEIVABLES AND PAYABLES (cont'd)

a) Trade Receivables (cont'd)

	1 January- 31 December 2024	1 January- 31 December 2023
<u>Movement of Allowance for Doubtful Receivables</u>		
Balance at beginning of the year	9,510,393	5,781,290
Charge for the period (Note: 16)	5,765,697	457,564
Collections	-	(140,708)
Currency translation difference	1,638,732	3,412,247
Closing balance	<u>16,914,822</u>	<u>9,510,393</u>

b) Trade Payables

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

	31 December 2024	31 December 2023
<u>Short term trade payables</u>		
Trade payables to service providers	82,004,386	62,355,524
Expense Accruals	10,382,230	8,637,757
	<u>92,386,616</u>	<u>70,993,281</u>

As of 31 December 2024, average maturity of the Group's trade payables is 51 days (31 December 2023: 57 days).

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

7. PREPAID EXPENSES AND DEFERRED INCOME

	31 December 2024	31 December 2023
<u>Short-term prepaid expenses</u>		
Deferred implementation expenses	36,677,470	25,018,555
Prepaid software support expenses	30,038,728	18,807,385
Prepaid interest expenses	29,211,227	-
Prepaid insurance expenses	6,631,787	7,374,943
Prepaid marketing and sales expenses	2,565,525	5,504,456
Order advances given	523,595	2,108,423
Business advances given	134,100	542,840
Other prepaid expenses	1,708,915	1,379,262
	<u>107,491,347</u>	<u>60,735,864</u>
	31 December 2024	31 December 2023
<u>Long-term prepaid expenses</u>		
Deferred implementation expenses	93,344,018	64,807,520
Prepaid software support expenses	1,821,948	1,325,774
Other prepaid expenses	58,139	46,841
	<u>95,224,105</u>	<u>66,180,135</u>
	31 December 2024	31 December 2023
<u>Short-term deferred income</u>		
Deferred implementation income	38,950,686	26,577,749
Other deferred Income	3,354,275	1,166,077
	<u>42,304,961</u>	<u>27,743,826</u>
	31 December 2024	31 December 2023
<u>Long-term deferred income</u>		
Deferred implementation income	101,465,331	70,032,948
Other deferred Income	-	6,035
	<u>101,465,331</u>	<u>70,038,983</u>

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

8. PROPERTY, PLANT AND EQUIPMENT

	Furnitures & Fixtures	Leasehold improvements	Construction in progress	Total
Cost Value				
Opening balance as of 1 January 2024	109,892,742	6,990,689	88,577,483	205,460,914
Additions with financial leasing	32,273,150	-	-	32,273,150
Additions	67,573,353	2,912,093	10,862,415	81,347,861
Transfers	-	-	(109,502,362)	(109,502,362)
Disposals	(20,456)	-	-	(20,456)
Foreign currency translation difference	29,414,930	1,609,215	10,062,464	41,086,609
Closing balance as of 31 December 2024	239,133,719	11,511,997	-	250,645,716
Accumulated Depreciation				
Opening balance as of 1 January 2024	(49,276,603)	(4,344,195)	-	(53,620,798)
Charge of the year	(39,108,256)	(1,225,341)	-	(40,333,597)
Disposals	8,687	-	-	8,687
Foreign currency translation difference	(12,758,371)	(955,485)	-	(13,713,856)
Closing balance as of 31 December 2024	(101,134,543)	(6,525,021)	-	(107,659,564)
Carrying value as of 31 December 2024	137,999,176	4,986,976	-	142,986,152
Cost Value				
Opening balance as of 1 January 2023	43,585,251	3,786,593	43,172,860	90,544,704
Additions	33,306,304	830,237	16,624,001	50,760,542
Disposals	(10,758)	-	-	(10,758)
Foreign currency translation difference	33,011,945	2,373,859	28,780,622	64,166,426
Closing balance as of 31 December 2023	109,892,742	6,990,689	88,577,483	205,460,914
Accumulated Depreciation				
Opening balance as of 1 January 2023	(21,192,223)	(2,223,172)	-	(23,415,395)
Charge of the year	(12,847,349)	(680,932)	-	(13,528,281)
Disposals	10,758	-	-	10,758
Foreign currency translation difference	(15,247,789)	(1,440,091)	-	(16,687,880)
Closing balance as of 31 December 2023	(49,276,603)	(4,344,195)	-	(53,620,798)
Carrying value as of 31 December 2023	60,616,139	2,646,494	88,577,483	151,840,116

There are no mortgage on property, plant and equipment (31 December 2023 : 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

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

9. INTANGIBLE ASSETS

	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	33,684,538	505,206,419	88,152	538,979,109
Transfer	-	-	109,502,362	109,502,362
Foreign currency translation difference	23,833,129	241,327,685	11,206,036	276,366,850
Closing balance as of 31 December 2024	<u>164,678,985</u>	<u>1,768,603,415</u>	<u>135,186,030</u>	<u>2,068,468,430</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	(25,969,234)	(136,805,741)	(3,376,162)	(166,151,137)
Foreign currency translation difference	(13,437,667)	(72,552,206)	(2,858,549)	(88,848,422)
Closing balance as of 31 December 2024	<u>(97,206,893)</u>	<u>(522,419,957)</u>	<u>(19,284,636)</u>	<u>(638,911,486)</u>
Carrying value as of 31 December 2024	<u>67,472,092</u>	<u>1,246,183,458</u>	<u>115,901,394</u>	<u>1,429,556,944</u>
Cost Value				
Opening balance as of 1 January 2023	66,191,122	490,101,141	9,046,107	565,338,370
Additions	2,380,971	202,053,272	118,978	204,553,221
Foreign currency translation difference	38,589,225	329,914,898	5,224,395	373,728,518
Closing balance as of 31 December 2023	<u>107,161,318</u>	<u>1,022,069,311</u>	<u>14,389,480</u>	<u>1,143,620,109</u>
Accumulated Depreciation				
Opening balance as of 1 January 2023	(25,681,853)	(141,975,313)	(7,629,243)	(175,286,409)
Charge of the year	(14,010,227)	(72,232,454)	(837,836)	(87,080,517)
Foreign currency translation difference	(18,107,912)	(98,854,243)	(4,582,846)	(121,545,001)
Closing balance as of 31 December 2023	<u>(57,799,992)</u>	<u>(313,062,010)</u>	<u>(13,049,925)</u>	<u>(383,911,927)</u>
Carrying value as of 31 December 2023	<u>49,361,326</u>	<u>709,007,301</u>	<u>1,339,555</u>	<u>759,708,182</u>

TL 136,805,741 of depreciation and amortization expense for the current period (31 December 2023: TL 72,232,454) has been charged in "Cost of sales," TL 69,670,306 of depreciation and amortization expense for the current period has been charged in "general administrative expenses" (31 December 2023: TL 28,365,586).

Useful lives of intangible assets are as follows:

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

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

10. COMMITMENTS

Collaterals-Pledges-Mortgages(“CPM”)

The details of the CPMs given by the Group as of 31 December 2024 and 31 December 2023 is as follows:

CPMs given by the Group:	31 December 2024				31 December 2023			
	TL equivalent	USD	EUR	TL	TL equivalent	USD	EUR	TL
A. Total amounts of CPM given on behalf of its own legal entity	318,380,528	2,788,540	-	220,000,000	81,293,589	2,761,500	-	-
-Collateral	318,380,528	2,788,540	-	220,000,000	81,293,589	2,761,500	-	-
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	318,380,528	2,788,540	-	220,000,000	81,293,589	2,761,500	-	-

The ratio of other CPMs given by the Group to banks and customers to the Group's equity is 0% as of 31 December 2024 (31 December 2023: 0%).

11. FINANCIAL INSTRUMENTS

Financial Investments

The details of the Group's short term and long term financial investments as of 31 December 2024 and 31 December 2023 is as follows:

	31 December 2024	31 December 2023
Short-Term		
Financial investments measured at amortized cost	116,951,055	97,056,921
Exchange rate protected time deposit converted from FX	-	145,902,431
Venture capital investment fund	13,513,061	3,914,103
	130,464,116	246,873,455
Long-Term		
Financial investments measured at amortized cost	17,629,883	-
	17,629,883	-

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

11. FINANCIAL INSTRUMENTS (cont'd)

Financial Investments (cont'd)

Financial investments at fair value through profit or loss

As of 31 December 2024, the Group do not have any exchange rate protected time deposits. 31 December 2023 is as follows:

	31 December 2023		
	Nominal Value	Interest Accrual	Fair Value
Exchange Rate Protected Time Deposit Converted from FX	130,391,500	15,510,931	145,902,431
	<u>130,391,500</u>	<u>15,510,931</u>	<u>145,902,431</u>

The annual interest rates for Exchange rate protected time deposit converted from FX are 30%, 34%, 35% and 36% as of 31 December 2023.

Financial investments measured at amortized cost

Security Issuer	31 December 2024	31 December 2023
TC Hazine Müsteşarlığı	134,580,938	97,056,921
	<u>134,580,938</u>	<u>97,056,921</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 December 2024	31 December 2023
TC Hazine Müsteşarlığı	132,880,935	98,500,470
	<u>132,880,935</u>	<u>98,500,470</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	17,629,878	22.06.2026
TC Hazine Müsteşarlığı	XS2523929474	9.76%	US Dollar	99,271,709	13.11.2025
TC Hazine Müsteşarlığı	US91282CDZ14	1.5%	US Dollar	17,679,351	15.02.2025
				<u>134,580,938</u>	

Security Issuer	ISIN Code	Coupon Interest Rate (%)	FX Rate	Asset Value	Call Date
TC Hazine Müsteşarlığı	US900123CW86	7.60%	US Dollar	97,056,921	14.11.2024
				<u>97,056,921</u>	

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

11. FINANCIAL INSTRUMENTS (cont'd)

Financial investments measured at amortized cost (cont'd)

Financial Liabilities

	31 December 2024	31 December 2023
<u>The borrowings</u>		
a) Bank Borrowings	160,258,928	-
b) Lease Liabilities	30,683,912	-
	<u>190,942,840</u>	<u>-</u>

The borrowings are repayable as follows:

	31 December 2024	31 December 2023
To be paid within 1 year	160,258,928	-
	<u>160,258,928</u>	<u>-</u>

a) Bank Loans

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>

a) Lease Liabilities

As of December 31, 2024, the total lease liabilities in US Dollars amount to TL 30,683,912 with a weighted average interest rate of 5.47% (December 31, 2023: None)

	Minimum lease payments		Present value of minimum lease payments	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	Amounts payable under lease liabilities	32,281,016	-	30,683,912
Within one year	7,309,267	-	6,946,444	-
In the second to fifth years inclusive	24,971,749	-	23,737,468	-
Less : Future finance charges	(1,597,104)	-	-	-
Present value of finance lease obligations	<u>30,683,912</u>	<u>-</u>	<u>30,683,912</u>	<u>-</u>
Less: Amounts due to settlement within twelve months (shown under current liabilities)			(6,946,444)	-
			<u>23,737,468</u>	<u>-</u>

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

11. FINANCIAL INSTRUMENTS (cont'd)

Financial Liabilities (cont'd)

Reconciliation of obligations arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	1 January 2024	Cash Flows	Non-Cash Movements			31 December 2024
			Fair Value Adjustments	New Leases	Exchange Rate Movements	
Bank borrowings	-	160,000,000	-	-	258,928	160,258,928
Lease Liabilities	-	(2,963,063)	-	32,273,150	1,373,825	30,683,912
	<u>-</u>	<u>157,036,937</u>	<u>-</u>	<u>32,273,150</u>	<u>1,632,753</u>	<u>190,942,840</u>
	1 January 2023	Cash Flows	Non-Cash Movements			31 December 2023
			Fair Value Adjustments	New Leases	Exchange Rate Movements	
Bank borrowings	23,372,875	(23,777,875)	-	-	405,000	-
Lease Liabilities	19,211,569	(28,379,908)	-	-	9,168,339	-
	<u>42,584,444</u>	<u>(52,157,783)</u>	<u>-</u>	<u>-</u>	<u>9,573,339</u>	<u>-</u>

12. EMPLOYEE BENEFITS

Employee benefit obligations

The details of the Group's employee benefit obligations as of reporting date are as follows:

	31 December 2024	31 December 2023
<u>Employee benefit obligations</u>		
Social security deductions to be paid	14,592,214	15,007,535
Taxes and funds to be paid	5,987,067	7,169,409
Payables to personnel	695,234	262,442
	<u>21,274,515</u>	<u>22,439,386</u>

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

12. EMPLOYEE BENEFITS (cont'd)

Short-term provision for employee benefits

	31 December 2024	31 December 2023
Short-term provision for employee benefits		
Provision for unused vacations	46,028,620	22,238,558
	<u>46,028,620</u>	<u>22,238,558</u>
<i>Movement of Provision for Unused Vacation</i>	1 January- 31 December 2024	1 January- 31 December 2023
As of 1 January	22,238,558	9,453,636
Provision made during the period / (reversed)	20,282,362	7,048,120
Payments during the period	(2,277,514)	(1,114,765)
Foreign currency translation difference	5,785,214	6,851,567
Provision at the end of the period	<u>46,028,620</u>	<u>22,238,558</u>

Long-term provision for employee benefits

Provision for Severance Payment

According to the Turkish Labor Law, the Group is required to make a severance payment to every employee who retires after 25 years of working life (58 for women and 60 for men), who is called for military service or who passes away, provided that the employee has completed one year of service.

The liability for severance payment is not legally subject to any funding. Provision for this payment is calculated by estimating the present value of the probable future liabilities of the Group arising from the retirement of its employees. TAS 19 ("Employee Benefits") provides for the development of an Group's liabilities using actuarial valuation methods within the scope of defined benefit plans. Accordingly, the following actuarial assumptions were made in the calculation of the total liability:

The principal assumption is that the maximum liability for each year of service will increase parallel with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. Consequently, in the accompanying financial statements as at 31 December 2024, the provision has been calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees.

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

12. EMPLOYEE BENEFITS (cont'd)

Long-term provision for employee benefits (cont'd)

Provision for Severance Payment (cont'd)

- 29% real discount rate (31 December 2023: 29.31%) calculated by using 23.50% annual inflation rate (31 December 2023: 24.82%) and 4.45% discount rate (31 December 2023: 3.60%).

- Legal cap valid as of 1 January 2025 TL 46,655.43 has been used in calculations (1 January 2024: TL 35,058.58).

- Estimated amount of retirement pay not paid due to voluntary leaves is also taken into consideration as 16.21% for employees with 0-15 years of service (2023: 19.07%), and 0% for those with 16 or more years of service.

Movement table of provision for severance payment is as follows:

	1 January- 31 December 2024	1 January- 31 December 2023
Provision at 1 January	10,570,669	6,180,536
Service cost	5,356,415	3,609,821
Interest cost	424,598	235,701
Termination benefits paid	(3,689,069)	(2,685,731)
Actuarial gain / (loss)	(957,575)	(595,327)
Foreign currency translation difference	2,253,719	3,825,669
Provision at the end of the period	<u>13,958,757</u>	<u>10,570,669</u>

The principal assumptions used in the calculation of retirement pay liability are discount rate and anticipated turnover rate.

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

13. OTHER ASSETS AND LIABILITIES

	31 December 2024	31 December 2023
Other current assets		
VAT carried forward	24,295,990	28,827,799
Deposits and guarantees given	385,790	307,659
Other current assets	2,475,970	2,105,626
	<u>27,157,750</u>	<u>31,241,084</u>
	31 December 2024	31 December 2023
Other non current assets		
Deposits and guarantees given	2,087,430	1,801,471
Other non current liabilities	11,219	-
	<u>2,098,649</u>	<u>1,801,471</u>
	31 December 2024	31 December 2023
Other current liabilities		
Advances received	1,779,750	3,125,513
Other current liabilities	1,646,849	359,294
	<u>3,426,599</u>	<u>3,484,807</u>

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

14. SHAREHOLDER'S EQUITY

Capital

The capital structure as of 31 December 2024 is as follows:

Shareholders	%	31 December 2024	%	31 December 2023
Pegasus Hava Taşımacılığı A.Ş. (*)	36.82%	110,446,803	36.82%	46,939,893
Fatma Nur Gökman (**)	23.19%	69,581,482	23.19%	29,572,131
Dilek Ovacık	4.71%	14,117,647	4.71%	6,000,000
Hakan Ünlü	4.34%	13,031,675	4.34%	5,538,462
Özkan Dülger	4.34%	13,031,675	4.34%	5,538,462
Publicly Held (***)	26.60%	79,790,718	26.60%	33,911,052
<i>Dilek Ovacık</i>	0.08%	240,437	0.08%	102,186
<i>Hakan Ünlü</i>	0.07%	221,944	0.07%	94,326
<i>Özkan Dülger</i>	0.07%	221,944	0.07%	94,326
<i>Diğer</i>	26.37%	79,106,393	26.37%	33,620,214
Nominal Capital	100%	300,000,000	100%	127,500,000
Inflation Adjustment		117,442		117,442
Adjusted Capital		300,117,442		127,617,442

(*) Including 1,849,518 public shares.

(**) Including 1,165,195 public shares.

(***) Representing shares in circulation.

As of 31 December 2024, the Group's capital consists of 300,000,000 ordinary shares (31 December 2023: 127,500,000 ordinary shares). Nominal value of each share is TL 1 (31 December 2023: TL 1).

According to the resolution of the Company's Board of Directors dated August 1, 2024, and numbered 2024/17, it has been decided to increase the Company's issued capital from TL 127,500,000 to TL 300,000,000 within the registered capital ceiling of TRY 300,000,000. The increase of TRY 172,500,000 will be fully covered from the "Share Premiums" account. The Issuance Certificate for the shares with a nominal value of TL 172,500,000 and the amendment to Article 6 titled "Capital and Types of Shares" of the Company's Articles of Association were registered by the Istanbul Trade Registry Office on December 16, 2024, and published in the Turkish Trade Registry Gazette No. 11229.

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

14. SHAREHOLDER’S EQUITY (cont’d)

Share premiums on capital stock

	31 December 2024	31 December 2023
Share premiums on capital stock	90,539,827	263,039,827
	<u>90,539,827</u>	<u>263,039,827</u>

Restricted profit reserves

	31 December 2024	31 December 2023
Legal reserves	25,580,347	12,506,162
	<u>25,580,347</u>	<u>12,506,162</u>

15. REVENUE AND COST OF SALES

Revenue From Customer Agreements

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

	1 January- 31 December 2024	1 January- 31 December 2023
Domestic Sales	445,702,237	176,818,437
Foreign Sales	745,130,596	467,984,222
Discounts and Other Adjustments	(68,416,040)	(35,751,335)
Revenue	1,122,416,793	609,051,324
Costs	(580,872,198)	(313,007,451)
Gross Profit	<u>541,544,595</u>	<u>296,043,873</u>

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

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

Revenue

	1 January- 31 December 2024	1 January- 31 December 2023
	<u>2024</u>	<u>2023</u>
Application use fee revenue	573,489,569	319,033,248
Application use and development revenue	219,246,462	119,140,658
Infrastructure revenue	155,791,111	59,718,554
Maintenance revenue	87,938,755	73,352,205
Implementation and Integration revenue	62,070,950	30,008,131
License revenue	13,144,005	6,386,675
Other	10,735,941	1,411,853
	<u>1,122,416,793</u>	<u>609,051,324</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 December 2024	1 January- 31 December 2023
	<u>2024</u>	<u>2023</u>
Personnel expenses	(215,281,037)	(134,280,730)
Software support expenses	(182,209,497)	(86,448,221)
Amortization expenses (Note: 8,9)	(136,805,741)	(72,232,454)
Travel and accommodation expenses	(18,970,486)	(12,454,174)
Conference, event and training expenses	(15,302,726)	(2,486,912)
Consultancy expenses	(10,402,675)	(3,782,067)
Rent expenses(*)	(336,872)	-
Representation expenses	(163,715)	(228,054)
Other	(1,399,449)	(1,094,839)
	<u>(580,872,198)</u>	<u>(313,007,451)</u>

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

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

16. GENERAL ADMINISTRATIVE EXPENSES AND MARKETING/ SALES EXPENSES

Marketing and Sales Expenses

	1 January- 31 December 2024	1 January- 31 December 2023
Personnel expenses	(48,097,387)	(25,536,368)
Sales premium expenses	(27,033,613)	(19,352,527)
Conference, event and training expenses	(14,284,800)	(1,814,457)
Advertising, marketing and sales expenses	(12,603,358)	(16,439,763)
Consultancy expenses	(6,160,305)	(4,214,593)
Rent expenses (*)	(3,322,890)	(1,709,965)
Travel and accomodation expenses	(1,150,466)	(3,259,892)
Other	(3,095,508)	(3,685,840)
	<u>(115,748,327)</u>	<u>(76,013,405)</u>

General Administrative Expenses

	1 January- 31 December 2024	1 January- 31 December 2023
Depreciation and amortization expenses (Note: 8, 9)	(69,670,306)	(28,365,586)
Personnel expenses	(51,777,408)	(25,729,529)
Rent expenses (*)	(11,776,684)	(3,914,986)
Consultancy expenses	(11,425,093)	(5,315,583)
Insurance expenses	(7,610,139)	(5,392,836)
Doubtful receivable allowance expense	(5,765,697)	(457,564)
Office expenses	(5,279,278)	(3,903,064)
Conference, event and training expenses	(4,219,587)	(4,978,454)
Software support expenses	(3,271,979)	(1,837,754)
Taxes and fees expenses	(2,440,879)	(3,068,861)
Travel and accomodation expenses	(268,422)	(194,355)
Representation expenses	(193,056)	(211,050)
Other	(7,930,032)	(6,554,647)
	<u>(181,628,560)</u>	<u>(89,924,269)</u>

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

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

17. OTHER OPERATING INCOME AND EXPENSES

For the period ending 31 December 2024 and 31 December 2023, detail of other operating income is as follows:

Other income from operating activities

	1 January- 31 December 2024	1 January- 31 December 2023
Government incentives (*)	21,330,237	14,836,726
Foreign exchange gain	16,651,689	41,733,876
Other	6,032,839	3,158,900
	<u>44,014,765</u>	<u>59,729,502</u>

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

Other expenses from operating activities

For the period ending 31 December 2024 and 31 December 2023 detail of other operating expenses is as follows:

	1 January- 31 December 2024	1 January- 31 December 2023
Foreign exchange loss	(40,852,607)	(49,479,161)
Other	(729,179)	(403,126)
	<u>(41,581,786)</u>	<u>(49,882,287)</u>

18. INCOME FROM INVESTING ACTIVITIES

	1 January- 31 December 2024	1 January- 31 December 2023
Interest revenue	45,423,480	1,071,965
Fair value gain from financial investment	18,189,226	81,071,183
	<u>63,612,706</u>	<u>82,143,148</u>

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

19. FINANCE INCOME AND EXPENSES

Finance Expenses

	1 January- 31 December 2024	1 January- 31 December 2023
Interest expense on bank loans	(14,646,324)	(226,297)
Foreign exchange losses	(12,682,003)	(52,437,664)
Commission expenses for letter of guarantee	(4,494,139)	(374,960)
Other	(22,226)	(7,908)
	<u>(31,844,692)</u>	<u>(53,046,829)</u>

Finance Income

	1 January- 31 December 2024	1 January- 31 December 2023
Foreign exchange gain	6,822,771	3,024,357
	<u>6,822,771</u>	<u>3,024,357</u>

20. OTHER COMPREHENSIVE INCOME ANALYSIS

	1 January- 31 December 2024	1 January- 31 December 2023
Foreign currency translation fund	319,791,723	525,931,651
Actuarial loss/ (gain) on defined retirement benefit plans	957,575	595,327
Tax effect	(54,202)	(33,698)
	<u>320,695,096</u>	<u>526,493,280</u>

Currency Translation Fund

	1 January- 31 December 2024	1 January- 31 December 2023
Balance at the beginning of the period	888,702,129	362,770,478
Balance during the period	319,791,723	525,931,651
Balance at the end of the period	<u>1,208,493,852</u>	<u>888,702,129</u>

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

21. TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

	31 December 2024	31 December 2023
	<u>2024</u>	<u>2023</u>
<i>Current tax liability</i>		
Current corporate tax provision	20,636,859	24,944,871
Less: prepaid taxes and funds	(11,195,533)	(19,829,424)
	<u>9,441,326</u>	<u>5,115,447</u>
	<u>9,441,326</u>	<u>5,115,447</u>
	1 January- 31 December 2024	1 January- 31 December 2023
<u>Tax expense comprises:</u>	<u>2024</u>	<u>2023</u>
Deferred tax income / (expense)	12,326,051	5,340,020
Current tax expense	(20,636,859)	(45,245,748)
Total tax expense	<u>(8,310,808)</u>	<u>(39,905,728)</u>
	<u>(8,310,808)</u>	<u>(39,905,728)</u>

Corporate Tax

The Group is subject to corporate tax in Türkiye.

The Group benefits from the " Law No. 4691 on Technology Development Zones", since it is operating at ITU Teknokent. According to Provisional Article 2 of the Law No. 4691 on Technology Development Zones"; the profits earned by the taxpayers operating in the region from the software and R & D activities exclusively in this zone have been exempted from the Corporate Tax until 31 December 2028, independent of the date on which the activity was initiated.

Also, salaries of R&D and support staff regarding their work in these zones is excepted from any tax until 31 December 2028.

However, even if the profits resulting from activities performed outside the region are obtained from software and R&D activities, they are not considered as exceptions.

In technology development zones, companies engaged in software and R & D activities and wishing to sell the products and services they have designed as a result of these activities on their own can benefit from this exception to revenues by segmenting the revenues according to transfer pricing regulations and excluding the part of their revenue corresponding to intangible assets such as licences, patents etc. The part of the income generated by the production and marketing organization is not considered to be excepted. However, revenue as a result of activities such as installation, revision, improvement, preparation of additional software is subject to exception. The Group is subject to corporation tax for the income as a result of hosting activities and the costs that they can associate during the submission of these services.

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

21. TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

Corporate Tax (cont'd)

Provision is recorded in the accompanying financial statements for the estimated tax liabilities related to the Group's results for the current period. The corporate tax that will be accrued over the income of the Group is calculated on the tax base excluding revenue generated by activities in technology development zone revenue excepted from tax and other discounts (previous year losses and unused investment incentives, if any) and including non-deductible expenses.

In Türkiye, effective corporate tax rate is 25% (2023: 25%).

In Türkiye, the provisional tax is calculated and accrued on a quarterly basis. Since the Group's Shares started to be traded in İstanbul stock exchange for the first time in 2022, Article 32/6 of the Corporate Tax Law; The corporate tax rate is applied with a discount of 2 % to the corporate earnings of the 5 accounting periods, starting from the accounting period in which their shares are offered to the public for the first time, to those whose shares are offered to the public for the first time in the İstanbul stock exchange, Provisional tax rate to be calculated on corporate earnings over the period of taxation of corporate earnings in 2024 according to provisional tax periods is 23% (2023: 23%). Losses can be carried forward for a maximum period of 5 years to be deducted from the taxable profit to be incurred in future years. However, the losses can not be deducted retrospectively from the profits of the previous years.

There is no definitive and conciliatory procedure for tax assessment in Türkiye. Companies prepare their tax declarations between 1-25 April of the year following the close of the accounting period of the related year. These statements and the accounting records on which they are based may be reviewed and amended by the Tax Office within 5 years.

Withholding Income Tax

In addition to the corporate tax, withholding income tax shall be additionally calculated on dividends except those paid to taxpayer corporations or local branches of foreign companies in Türkiye. Withholding income tax was applied as 10% for all companies between 24 April 2003 - 22 July 2006. This rate has been applied to 15% since 22 July 2006 by the decree No. 2006/10731 by the Council of Ministers. Dividends that are not distributed and added to the capital are not subject to income tax withholding.

19.8% withholding tax is required on investment deductions based on investment incentive certificates obtained before 24 April 2003. After this date, no withholding tax is applied on investments not based on investment incentive certificates.

Deferred Taxes

The Group records deferred tax assets and liabilities for temporary timing differences arising from differences that are not covered by the exception to the technology development zone between the statutory and TFRS based financial statements. Such differences usually arise from the fact that certain income and expense items are included in different periods in the financial statements prepared in accordance with TFRS as the basis of the taxation, and the differences are stated below.

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

21. TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

Deferred Taxes (cont'd)

The tax rate used in the calculation of deferred tax assets and liabilities is 23% over temporary timing differences that are expected to reverse in 2024, 23% over temporary timing differences that are expected to reverse after 2025.

In addition, as stated in important accounting policies, within the scope of the Technology Development Zones Law No. 4691, 30% of the taxable adjustments in the Group's deferred tax calculation are determined as exceptions.

<u>Deferred tax assets / (liabilities)</u>	<u>31 December 2024</u>	<u>31 December 2023</u>
Provision for doubtful receivables	435,954	59,847
Depreciation / amortization differences of property, plant and equipment and other intangible asse	13,530,563	4,947,569
Income and expense accruals	(232,482)	(872,443)
Impact of inflation adjustment on taxable (statutory) (*)	5,908,175	2,576,779
Other	3,894,231	1,906,752
	<u>23,536,441</u>	<u>8,618,504</u>

(*) As the functional currency of the Group is the US Dollar (according to TAS 21), the financial statements prepared according to TFRS are exempt from the inflation accounting practice introduced by General Communique No. 555 of the Tax Procedures Law, published on 30 December 2023. The taxable changes resulting from the practice in the statutory books are recorded as deferred tax assets in the financial statements prepared in accordance with TFRS.

The movements of deferred tax assets for the periods ending as of 31 December 2024 are given below:

<u>Movement of deferred tax asset / (liabilities):</u>	<u>1 January- 31 December 2024</u>	<u>1 January- 31 December 2023</u>
Opening balance as of 1 January	8,618,504	1,292,501
Charged to statement of income	12,326,051	5,340,020
Charged to equity	(54,202)	(33,698)
Foreign currency translation difference	2,646,088	2,019,681
Closing balance at the end of the period	<u>23,536,441</u>	<u>8,618,504</u>

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

21. TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

Deferred Taxes (cont'd)

	1 January- 31 December 2024	1 January- 31 December 2023
<u>Reconciliation of provision for taxes:</u>		
Profit from operations before tax	285,191,472	172,074,090
	<u>23%</u>	<u>23%</u>
Tax at the domestic income tax rate of 23% (2023: 23%)	(65,594,039)	(39,577,041)
Tax effects of:		
- effect of adjustment not calculated deferred tax	-	(16,841,731)
- non-tax-deductible expenses	(306,374)	(8,156,612)
- research and development concessions and other allowances	34,121,764	51,460,001
- Exchange difference and interest to be exempted	3,800,339	10,964,687
- Interest deduction on cash capital increase	2,447,699	2,032,439
- exchange differences arising on translating	17,219,803	(39,787,471)
Income tax expense recognised in profit	<u>(8,310,808)</u>	<u>(39,905,728)</u>

22. 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 December 2024 and 31 December 2023, 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 December 2024	1 January- 31 December 2023
Financial Liabilities (Note: 11)	190,942,840	-
Less: Cash and Cash equivalents and Financial Investments	(449,817,475)	(465,312,347)
Net Debt	(258,874,635)	(465,312,347)
Total Equity	2,094,766,399	1,497,190,639
Total Shareholder's Equity (Note: 14)	300,000,000	127,500,000
Total Debt/ Total Shareholder's Equity	<u>(0.86)</u>	<u>(3.65)</u>

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

22. NATURE AND LEVEL OF RISKS DERIVING FROM FINANCIAL INSTRUMENTS

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) Credit risk management

Credit Risks with Respect to Financial Instruments	Receivables				Cash at Banks
	Trade Receivables		Other Receivables		
	Related Party	Other	Related Party	Other	
31 December 2024					
Maximum Credit Risk as of the Reporting Date (A+B+C+D)	41,536,363	296,590,738	-	-	301,035,263
- Secured Portion of the Maximum Credit Risk	-	-	-	-	-
A. Net Book Value of Due and Unimpaired Financial Assets	41,491,486	133,800,546	-	-	301,035,263
B. Net Book Value of Overdue and Unimpaired Financial Assets	44,877	162,790,192	-	-	-
C. Net Book Value of Impaired Financial Assets	-	-	-	-	-
- Overdue (Book Value)	-	16,914,822	-	-	-
- Impairment (-)	-	(16,914,822)	-	-	-
- Secured Portion of the Net Value	-	-	-	-	-
- Due (Book Value)	-	-	-	-	-
- Impairment (-)	-	-	-	-	-
- Secured Portion of the Net Value	-	-	-	-	-
D. Off-Balance Sheet Items Posing Credit Risk	-	-	-	-	-

Credit Risks with Respect to Financial Instruments	Receivables				Cash at Banks
	Trade Receivables		Other Receivables		
	Related Party	Other	Related Party	Other	
31 December 2023					
Maximum Credit Risk as of the Reporting Date (A+B+C+D)	22,104,526	162,273,367	-	-	217,804,116
- Secured Portion of the Maximum Credit Risk	-	-	-	-	-
A. Net Book Value of Due and Unimpaired Financial Assets	22,104,526	67,867,354	-	-	217,804,116
B. Net Book Value of Overdue and Unimpaired Financial Assets	-	94,406,013	-	-	-
C. Net Book Value of Impaired Financial Assets	-	-	-	-	-
- Overdue (Book Value)	-	9,510,393	-	-	-
- Impairment (-)	-	(9,510,393)	-	-	-
- Secured Portion of the Net Value	-	-	-	-	-
- Due (Book Value)	-	-	-	-	-
- Impairment (-)	-	-	-	-	-
- Secured Portion of the Net Value	-	-	-	-	-
D. Off-Balance Sheet Items Posing Credit Risk	-	-	-	-	-

Remarks Regarding the Credit Quality of Financial Assets

Credit risk is defined as the risk of financial loss to the Group because one of the parties to the financial instrument cannot fulfill its contractual obligation. Financial instruments that can cause significant credit risk concentration of the Group are mainly cash and cash equivalents and trade receivables. The maximum credit risk that the Group may be exposed to is the amounts reflected in the financial statements.

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

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

Remarks Regarding the Credit Quality of Financial Assets (cont'd)

The Group has cash and cash equivalents in various financial institutions. The Group manages and manages the reliability of the financial institutions in which the risk is related.

The Group controls credit risk primarily by credit ratings and credit limits to counterparties, thereby limiting the total risk from a single counterparty.

Provision for doubtful receivables for financial assets is determined based on previous experience.

Aging of overdue receivables is as follows:

	Trade Receivables	
	Related Party	Other
31 December 2024		
Past due up to 30 days	-	43,894,854
Past due 1 - 3 months	44,877	44,244,859
Past due 3 - 12 months	-	37,456,642
Past due 1 - 5 year	-	37,193,837
Total past due receivables	44,877	162,790,192
	Trade Receivables	
	Related Party	Other
31 December 2023		
Past due up to 30 days	-	17,750,451
Past due 1 - 3 months	-	28,781,346
Past due 3 - 12 months	-	32,573,130
Past due 1 - 5 year	-	15,301,086
Total past due receivables	-	94,406,013

b.2) Liquidity Risk Management

The main responsibility for liquidity risk management belongs to the board of directors. The Board has established an appropriate liquidity risk management framework for short, medium and long-term funding and liquidity requirements of the Group's management.

The funding risk of the current and future debt requirements is managed through obtaining perpetual accessibility to sufficient number of high quality lenders. The Group management monitors Group's liquidity reserves according to cash flow forecasts.

The table below shows the maturity distribution of the Group's non-derivative financial liabilities. The following tables are prepared based on the Group's liabilities without discounting and taking the earliest due dates into consideration. Interests to be paid over these obligations are included in the table below.

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

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

b.2) Liquidity Risk Management (cont'd)

Liquidity Risk Table:

Since the Group manages liquidity risk by considering expected maturity of liabilities, the distribution of cash flows arising from non-derivative financial liabilities according to the expected maturities of the Group is also given:

31 December 2024	Carrying value	Total Contracted Cash Outflows	Less than 1 month	3 to 12 months	1 to 5 years
Lease liabilities (Note:11)	30,683,912	32,281,016	-	7,309,267	24,971,749
Trade payables (Note: 6)	92,386,616	92,386,616	92,386,616	-	-
Bank borrowings (Note: 11)	160,258,928	160,258,928	-	160,258,928	-
	<u>283,329,456</u>	<u>284,926,560</u>	<u>92,386,616</u>	<u>167,568,195</u>	<u>24,971,749</u>
31 December 2023	Carrying value	Total Contracted Cash Outflows	Less than 1 month	3 to 12 months	1 to 5 years
Trade payables (Note: 6)	70,993,281	70,993,281	70,993,281	-	-
	<u>70,993,281</u>	<u>70,993,281</u>	<u>70,993,281</u>	<u>-</u>	<u>-</u>

b.3) Market Risk Management

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

There is no change compared to the previous year in Group's exposure to the market risks and the methods that the Group's measurement and management of these market risks.

b.3.1) 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.

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

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

b) Financial Risk Factors (cont'd)

b.3) Market Risk Management (cont'd)

b.3.1) 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:

31 December 2024	<u>TL</u>	<u>EURO</u>	<u>Total TL Equivalent</u>
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>

31 December 2023	<u>TL</u>	<u>EURO</u>	<u>Total TL Equivalent</u>
Bank deposits	14,578,201	426,948	28,485,562
Financial investments (*)	149,816,534	-	149,816,534
Trade receivables	24,798,252	587,484	43,934,897
Trade and other payables	(15,603,253)	(131,246)	(19,878,447)
Other	(15,303,362)	217,462	(8,219,777)
Net foreign currency position	<u>158,286,372</u>	<u>1,100,648</u>	<u>194,138,769</u>

(*) Financial investments consist of 145,902,431 TL portion in USD and EURO indexed Exchange rate protected time deposit converted from FX account.

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.

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

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

b) Financial Risk Factors (cont'd)

b.3) Market risk management (cont'd)

b.3.1) Foreign currency risk management (cont'd)

Foreign currency sensitivity analysis (cont'd)

	31 December 2024			
	Income/Loss		Equity	
	Foreign exchange appreciation	Foreign exchange depreciation	Foreign exchange appreciation	Foreign exchange depreciation
10% change in TL exchange rate across 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 across 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)	-	-

	31 December 2023			
	Income/Loss		Equity	
	Foreign exchange appreciation	Foreign exchange depreciation	Foreign exchange appreciation	Foreign exchange depreciation
10% change in TL exchange rate across USD				
1 - TL Net asset/(liability) position	18,934,534	(15,491,892)	-	-
2- TL Hedge amount (-)	-	-	-	-
3- TL net effect (1 +2)	18,934,534	(15,491,892)	-	-
10% change in EUR exchange rate across USD				
4 - EUR Net asset/(liability) position	3,401,569	(2,783,102)	-	-
5- EUR Hedge amount (-)	-	-	-	-
6- EUR net effect (4+5)	3,401,569	(2,783,102)	-	-
TOTAL (3 + 6)	22,336,103	(18,274,994)	-	-

Information on interest rates of the Group in financial assets and financial liabilities is detailed in the liquidity risk management section of this note.

Interest rate sensitivity analysis

The details of the interest-bearing financial assets of the Group are as follows:

Fixed rate instruments	Interest Position Table	
	31 December 2024	31 December 2023
Financial Liabilities (Note: 11)	190,942,840	-
	190,942,840	-

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

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

Categories of financial instruments and fair values

31 December 2024	<u>Financial assets at amortized cost</u>	<u>Financial liabilities at amortized cost</u>	<u>Carrying value</u>	<u>Note</u>
<u>Financial assets</u>				
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
<u>Financial liabilities</u>				
Bank loans	-	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
31 December 2023	<u>Financial assets at amortized cost</u>	<u>Financial liabilities at amortized cost</u>	<u>Carrying value</u>	<u>Note</u>
<u>Financial assets</u>				
Cash and cash equivalents	218,438,892	-	218,438,892	3
Financial investments	246,873,455	-	246,873,455	11
Trade receivables (including related parties)	184,377,893	-	184,377,893	6
<u>Financial liabilities</u>				
Trade payables (including related parties)	-	70,993,281	70,993,281	6

24. EARNINGS PER SHARE

<u>Earnings per share</u>	<u>1 January- 31 December 2024</u>	<u>1 January- 31 December 2023</u>
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	276,880,664	132,168,362
Diluted earnings per share	0.9229	0.4406

25. FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDIT FIRM

The fees related to the services received by the Group from the Independent Audit Firm (IAF) for the periods which is based on the POA's Board Decision published on the Official Gazette on 30 March 2021, and the preparation principles of which are based on the POA's letter dated 19 August 2021, are as follows:

	<u>31 December 2024</u>	<u>31 December 2023</u>
Independent audit fee for the reporting period	1,700,000	1,000,000
Other assurance services	360,000	60,000
	<u>2,060,000</u>	<u>1,060,000</u>

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

HİTİT BİLGİSAYAR HİZMETLERİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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

26. EVENTS AFTER REPORTING PERIOD

Group decided to utilized a 180,000,000 TL rediscount credit with a 360-day maturity from Türk Eximbank within the framework of financial planning focused on the efficient use of resources.