

TÜRK HAVA YOLLARI ANONİM ORTAKLIĞI AND ITS SUBSIDIARIES

Consolidated Balance Sheet as at 31 December 2023

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

ASSETS	Audited	Audited
	31 December 2023	31 December 2022
Current Assets		
Cash and Cash Equivalents	20.115	76.192
Financial Investments	157.311	11.705
Trade Receivables		
-Related Parties	1.464	586
-Third Parties	23.728	18.032
Other Receivables		
-Related Parties	280	236
-Third Parties	25.916	16.151
Derivative Financial Instruments		
Inventories	531	819
Prepaid Expenses	12.311	6.196
Current Income Tax Assets	6.975	3.293
Other Current Assets	1.210	650
	3.202	1.235
TOTAL CURRENT ASSETS	253.043	135.095
Non-Current Assets		
Financial Investments	11.724	3.079
Other Receivables		
-Third Parties	41.076	17.887
Investments Accounted by Using Equity Method	14.626	5.179
Investment Property		
Property and Equipment	1.271	1.290
Right of Use Assets	178.849	87.045
Intangible Assets	498.310	309.943
- Other Intangible Assets	2.557	1.432
- Goodwill	787	500
Prepaid Expenses	38.085	17.089
Deferred Tax Assets	9.763	32
TOTAL NON-CURRENT ASSETS	797.048	443.476
TOTAL ASSETS	1.050.091	578.571

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Consolidated Balance Sheet as at 31 December 2023

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

	Audited	Audited
	31 December 2023	31 December 2022
LIABILITIES		
Current Liabilities		
Short Term Borrowings		
-Third Parties		
-Bank Borrowings	39.662	19.821
Short-Term Portion of Long-Term Borrowings		
-Related Parties		
-Bank Borrowings	9.964	8.897
-Third Parties		
-Bank Borrowings	8.267	11.710
-Lease Liabilities	51.917	29.756
Trade Payables		
-Related Parties	8.390	5.066
-Third Parties	29.670	17.416
Payables Related to Employee Benefits	12.315	3.425
Other Payables		
-Related Parties	122	251
-Third Parties	7.019	2.090
Derivative Financial Instruments		
Deferred Income	79.776	44.840
Current Tax Provision	1.148	58
Short-Term Provisions		
-Provisions for Employee Benefits	1.467	728
-Other Provisions	173	109
Other Current Liabilities	15.095	5.920
TOTAL CURRENT LIABILITIES	267.956	154.040
Non- Current Liabilities		
Long-Term Borrowings		
-Related Parties		
-Bank Borrowings	6.050	11.307
-Third Parties		
-Bank Borrowings	7.877	9.579
-Lease Liabilities	296.435	171.913
Other Payables		
-Third Parties	749	441
Deferred Income	3.185	2.022
Long-Term Provisions		
-Provisions for Employee Benefits	6.752	5.123
-Other Provisions	2.498	1.135
Deferred Tax Liability	1.477	41.584
TOTAL NON-CURRENT LIABILITIES	325.023	243.104
Equity		
Share Capital	1.380	1.380
Inflation Adjustment on Share Capital	1.124	1.124
Treasury Shares	(655)	
Items That Will Not Be Reclassified to		
Profit or Loss		
-Actuarial Losses on Retirement Pay Obligation	(8.073)	(4.273)
-Foreign Currency Translation Differences	195.569	96.441
Items That Are or May Be Reclassified to		
Profit or Loss		
-Foreign Currency Translation Differences	29.215	10.555
-Fair Value Gains on Hedging Instruments		
Entered into for Cash Flow Hedges	8.282	9.653
-Gains/(Losses) on Remeasuring FVOCI	615	(260)
Restricted Profit Reserves	714	59
Previous Years Profit	66.088	19.311
Net Profit for the Period	162.998	47.432
Equity of the Parent	457.257	181.422
Non-Controlling Interests	(145)	5
TOTAL EQUITY	457.112	181.427
TOTAL LIABILITIES AND EQUITY	1.050.091	578.571

TÜRK HAVA YOLLARI ANONİM ORTAKLIĞI AND ITS SUBSIDIARIES
Consolidated Statement of Profit or Loss and Other Comprehensive Income For the Year Ended
31 December 2023
 (All amounts are expressed in Million Turkish Lira (TL) unless otherwise stated.)

	Audited	Audited
	1 January- 31 December 2023	1 January- 31 December 2022
PROFIT OR LOSS		
Revenue	504.398	311.169
Cost of Sales (-)	(384.952)	(235.528)
GROSS PROFIT	119.446	75.641
General Administrative Expenses (-)	(10.622)	(4.701)
Marketing Expenses (-)	(41.901)	(23.209)
Other Operating Income	12.471	2.407
Other Operating Expenses (-)	(7.969)	(1.327)
OPERATING PROFIT BEFORE INVESTMENT ACTIVITIES	71.425	48.811
Income from Investment Activities	24.191	5.509
Expenses from Investment Activities	(1.669)	(333)
Share of Investments' Profit/(Loss) Accounted by Using The Equity Method	6.716	2.180
OPERATING PROFIT	100.663	56.167
Financial Income	12.003	12.516
Financial Expenses (-)	(21.430)	(17.280)
Monetary Gain	46	-
PROFIT/(LOSS) BEFORE TAX	91.282	51.403
Tax (Expense)/Income	71.716	(3.971)
Current Tax (Expense) / Income	(1.740)	(570)
Deferred Tax Income / (Expense)	73.456	(3.401)
<i>Deferred Tax Expense</i>	(18.238)	(3.401)
<i>Effect of Deferred Tax Income From Inflation Adjustment</i>	91.694	-
NET PROFIT/(LOSS) FOR THE PERIOD	162.998	47.432
Attributable to:		
Non-controlling interest	(5)	3
Equity holders of the parent	163.003	47.429
OTHER COMPREHENSIVE INCOME		
Items That May Be Reclassified Subsequently To Profit or Loss		
Currency Translation Adjustment	18.164	10.663
Gains/(Losses) on Remeasuring FVOCI	18.660	3.201
Related Tax of Remeasuring FVOCI	1.108	(212)
Fair Value (Losses)/Gains on Hedging Instruments Entered into for Cash Flow Hedges	(233)	43
Fair Value Gains/(Losses) Hedging Instruments of Investment Accounted by Using the Equity Method Entered into for Cash Flow Hedges	(2.049)	9.607
Related Tax of Other Comprehensive Income	314	(69)
Items That Will Not Be Reclassified Subsequently To Profit or Loss		
Currency Translation Adjustment	364	(1.907)
Actuarial Losses on Retirement Pay Obligation	99.128	36.010
Related Tax of Other Comprehensive Income	(4.810)	(4.153)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD	1.010	830
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	113.492	43.350
Basic Profit Per Share (Kr)	118,11	34,37
Diluted Profit Per Share (Kr)	118,11	34,37

TÜRK HAVA YOLLARI ANONİM ORTAKLIĞI AND ITS SUBSIDIARIES
Consolidated Statement of Changes in Equity For the Year Ended 31 December 2023
 (All amounts are expressed in Million Turkish Lira (TL) unless otherwise stated.)

			Items That Will Not Be Reclassified Subsequently To Profit or Loss		Items That May Be Reclassified Subsequently To Profit or Loss			Retained Earnings						
Share Capital	Inflation Adjustment on Share Capital	Treasury Shares	Actuarial Losses	Foreign Currency Translation Differences	Foreign Currency Translation Differences	Entered Into For Cash Flow Hedges	Fair Value Gains on Hedging Instruments	(Losses)/Gains on Remeasuring FVOCI	Restricted Profit Reserves	Previous Years Profit	Net Profit for The Period	Equity Holders of the Parent	Non-controlling Interests	Total Equity
As of 1 January 2023	1,380	1,124	-	(4,273)	96,441	10,555	9,653	(260)	59	19,311	47,432	181,422	5	181,427
Transfers	-	-	-	-	-	-	-	-	655	46,777	(47,432)	-	-	-
Total comprehensive income	-	-	-	(3,800)	99,128	18,660	(1,371)	875	-	-	162,998	276,490	-	276,490
Transactions with non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(150)	(150)
Increase through treasury share transactions	-	-	(655)	-	-	-	-	-	-	-	-	(655)	-	(655)
As of 31 December 2023	1,380	1,124	(655)	(8,073)	195,569	29,215	8,282	615	714	66,088	162,998	457,257	(145)	457,112

			Items That Will Not Be Reclassified Subsequently To Profit or Loss		Items That May Be Reclassified Subsequently To Profit or Loss			Retained Earnings						
Share Capital	Inflation Adjustment on Share Capital	Treasury Shares	Actuarial Losses	Foreign Currency Translation Differences	Foreign Currency Translation Differences	Entered Into For Cash Flow Hedges	Fair Value Gains on Hedging Instruments	Losses on Remeasuring FVOCI	Restricted Profit Reserves	Previous Years Profit	Net Profit for The Period	Equity Holders of the Parent	Non-controlling Interests	Total Equity
As of 1 January 2022	1,380	1,124	-	(950)	60,431	7,354	2,022	(91)	238	10,918	8,214	90,640	10	90,650
Transfers	-	-	-	-	-	-	-	-	-	8,214	(8,214)	-	-	-
Total comprehensive income	-	-	-	(3,323)	36,010	3,201	7,631	(169)	-	-	47,432	90,782	-	90,782
Transactions with non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(5)	(5)
As of 31 December 2022	1,380	1,124	-	(4,273)	96,441	10,555	9,653	(260)	238	19,132	47,432	181,422	5	181,427

TÜRK HAVA YOLLARI ANONİM ORTAKLIĞI AND ITS SUBSIDIARIES
Consolidated Statement of Cash Flows For the Year Ended 31 December 2023
 (All amounts are expressed in Million Turkish Lira (TL) unless otherwise stated.)

	Audited	Audited
	1 January- 31 December 2023	1 January- 31 December 2022
Net Profit for the period	162.998	47.432
Adjustments to Reconcile Profit/(Loss)		
Adjustments for Depreciation and Amortisation Expense	48.474	30.953
Adjustments for Impairment of Goodwill	-	399
Adjustments for Provisions Related with Employee Benefits	1.402	732
Adjustments for Provisions for Other Accruals	58	3
Adjustments for Reversal of Probable Risks	(23)	180
Adjustments for Interest Income	(16.444)	(3.643)
Adjustments for Interest Expense	13.466	5.779
Adjustments For Unrealised Foreign Exchange Gains	12.801	11.639
Adjustments for Fair Value Gains on Derivative Financial Instruments	(1.698)	4.107
Adjustments for Fair Value Gains	(2.165)	(222)
Adjustments for Undistributed Gains of Associates	(6.716)	(2.180)
Adjustments for Tax Expense	(72.366)	3.186
Adjustments for Losses/(Gains) Arised From Sale of Tangible Assets	883	39
Adjustments for Losses Arised from Sale of Other Non-Current Assets	1.093	993
Operating Profit Before Changes in Working Capital	141.763	99.397
Increase in Trade Receivables from Related Parties	(437)	(128)
Decrease/(Increase) in Trade Receivables from Non Related Parties	3.760	(966)
Decrease/(Increase) in Other Receivables from Related Parties	71	(116)
Increase in Other Receivables from Third Parties	(10.692)	(3.068)
Adjustments for Increase in Inventories	(953)	(1.050)
Adjustments for Increase in Prepaid Expenses	(10.464)	(2.254)
Increase in Trade Payables to Related Parties	322	1.706
Increase in Trade Payables to Non Related Parties	1.773	3.331
Adjustments for Increase in Payables Due to Employee Benefits	5.567	1.279
(Decrease)/Increase in Other Operating Payables to Related Parties	(221)	137
Increase/(Decrease) in Other Operating Payables to Non-Related Parties	2.330	(948)
Increase in Deferred Income	12.570	19.064
(Decrease)/Increase in Other Assets Related with Operations	(605)	361
Cash Flows From Operations	144.784	116.745
Payments for Provisions Related with Employee Benefits	(312)	(123)
Income Taxes Received	560	390
Net Cash From Operating Activities	145.032	117.012
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		
Cash outflows due to share acquisition or capital increase in affiliates and/or joint ventures	-	(318)
Cash Receipts Proceed From Sales of Property, Plant, Equipment and Intangible Assets	1.041	1.368
Cash Payments From Purchasing of Property, Plant, Equipment, Equipment and Intangible Assets	(25.590)	(16.642)
Payments From Purchasing of Other Short and Long-term Assets	(115.421)	(11.547)
Other Cash Advances and Loans	(4.320)	(1.526)
Dividends Received	1.084	369
Interest Received	12.819	1.536
Net Cash Used In Investing Activities	(130.387)	(26.760)
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES		
Payments to Acquire Entity's Shares	(655)	-
Proceeds From Loans	57.392	30.271
Repayments of Loans	(81.828)	(49.090)
Payments of Lease Liabilities	(39.882)	(27.553)
Interest Paid	(9.374)	(5.346)
Interest Received	3.784	1.841
Other Cash Outflows	-	(128)
Net Cash Used in Financing Activities	(70.563)	(50.005)
Net Change in Cash and Cash Equivalents	(55.918)	40.247
CASH AND CASH EQUIVALENTS		
AT THE BEGINNING OF THE PERIOD	75.859	35.612
CASH AND CASH EQUIVALENTS		
AT THE END OF THE PERIOD	19.941	75.859