



With its investments growing, Hitit saw a 36% increase in sales revenues in 2023, reaching \$25.6 million in dollar terms.

Hitit, one of the world's leading companies in airline and travel technologies, continued its growth in 2023. With a 36% increase in revenue to US\$25.6 million, 79% of Hitit's revenue came from foreign currency.

The company achieved an EBITDA margin of 40% and a net profit margin of 23%, alongside the 36% increase in total sales revenues. With 12 new partners added last year, Hitit's portfolio now includes 73 airlines and travel companies in 49 countries as of the end of 2023.

5 March 2024, Istanbul – Hitit, a global leader in airline and travel technologies, released its 2023 annual report. According to the report, Hitit closed 2023 with 73 partners across 49 countries on six continents. The company saw a remarkable 36% increase in revenues, soaring from US\$18.8 million to US\$25.6 million. In 2023, Hitit achieved an EBITDA margin of 40% and a net profit margin of 23%. A significant portion of Hitit's revenue, 79%, came from foreign currency, while 21% was in TL. Adding 12 new partners to its portfolio last year, Hitit now serves a total of 73 partners, leading to a 42% increase in passengers processed. As of the end of 2023, Hitit operates with a total staff of 428, primarily engineers. Expanding its service network, Hitit opened an office in Amsterdam in April 2023, following the earlier launch of its Pakistan office.

Investments Continue Unabated

Sezer Tuğ Özmütlu, CFO at Hitit, highlighted that 2023 marked a year of substantial revenue growth for the company in both dollar and TL terms. She stated: "We saw a 36% increase in dollar terms and an impressive 96% increase in TL terms, bringing our revenues to US\$25.6 million (609 million TL). 2023 EBITDA margin was 40%, up by USD 2.1 million to USD 10.1 million. In TL terms, EBITDA increased by 81 percent to TL 240.7 million. The company's net profit surged by 126% compared to the previous year, totaling TL 132.2 million. Our total assets also saw a



significant increase, up by 70% from the beginning of the period to TL 1.7 billion, while shareholders' equity grew by 73% to TL 1.5 billion. The value of our Fixed Assets increased by 106% from the beginning of the period, reaching 1.3 billion TL. Additionally, TL 437.5 million was allocated for depreciation and amortization.

The successful public offering we conducted in March 2022 provided significant momentum, and the trust of our investors has been crucial to the company's growth. At Hitit, we have successfully executed and continue to execute the investment plans outlined during our IPO process.

The Revival of Air Travel in 2023

Pointing out that 2023 was the year in which the effects of the pandemic on the air travel industry were finally left behind and profitability was achieved once again, Özmutlu continued: "The sector, after having lost 140 billion dollars in 2020, managed to reach profitability again in 2023 and close the year with an operating profit of 41 billion dollars. Gross industrial revenues have reached 107% when compared to 2019. In total, the sector-wide net profit of airlines corresponds to an average of US\$ 5.44 per passenger carried. Considering that this figure was US\$8.06 on a five-year 2015-2019 average before the pandemic, it is quite clear why the industry attaches great importance to both cost-cutting and revenue-enhancing activities. In this context, the crucial role of technological trends and digitalization is one of the key drivers of Hitit's growth through these recent years. As a result of all these developments, 2023 has been a year in which their travel industry healed its wounds and accelerated its recovery."

Opening up the Agency Distribution System (ADS) to the world

Highlighting the impressive 42% investment/turnover ratio achieved by Hitit in 2023, Nevra Onursal Karaağaç, CMO at Hitit, shared insights into the company's investment focus for the year: "Our primary investment areas for 2023 were infrastructure improvements and the Agency Distribution System (ADS). We are committed to enhancing our product and service network to cater to new markets. Specifically, we will expand our regional organizations to better support our operations, with a particular emphasis on the ADS solution. The development of our 'multi-cloud' architecture is slated for significant progress and implementation across many of our Partners, allowing synchronized operations across multiple cloud systems.

As a company with a global footprint spanning six continents, we are keen on expanding into new countries and regions while concurrently growing our market share in both numbers and volumes in our current markets.



Growing Service Portfolio

Karaağaç highlighted that in 2023 had been an important year for Hitit to extend its business relationships with existing Partners, emphasizing the renewal of contracts with Pakistan International Airlines and FlyArystan from Kazakhstan in this context. Also counting among the most significant achievements of 2023 the growth of ADS with multiple new agreements and the Ajet migration project, which made waves throughout the industry, Karaağaç continued as follows: "All through 2023, Hitit's expansion continued across six continents accompanied by an increase in business volumes and Partners in Türkiye. During the year, Hitit won the tender for AJet's "Passenger Services System" and also entered into a "Distribution Services Contract" with Turkish Airlines. This partnership enables the sale and management of Turkish Airlines flights as well as additional products and services through authorized agencies using Crane APP in line with the latest IATA standards. Given Turkish Airlines's distinction as "the airline flying to the most countries in the world," this partnership significantly strengthens Hitit's global agency network."

Towards the Net Zero

Underlining Hitit's ongoing commitment to sustainability and corporate social responsibility in 2023, Karaağaç highlighted the company's achievements in gender equality, environmental initiatives, education, and healthcare, resulting in numerous awards: "We are strengthening our corporate capacity by integrating environmental, social, and governance (ESG) strategies into our company evaluations, making the transition to a sustainable economy one of our primary objectives. Our efforts to align our operations with the Net Zero target remain steadfast. In addition to actively working on evaluating our Scope 1 and Scope 2 data, we are also collaborating with our Partners to accurately determine Scope 3 data."

Continuing our support for women and children.

Aligned with the "UN Sustainable Development Goals," our efforts in pursuit of these objectives persisted throughout the year. As we continued to advance our Rackets Up project for sports, we also devised special initiatives for children in earthquake-stricken regions. Partnering with the relevant NGOs, we further solidified our exemplary standing in gender equality in Türkiye and the entire globe. Our already strong human resources framework was further refined with a focus on gender balance.