Hitit's Steady Progress: $7 Million Revenue in Q1 2024

Hitit, one of the world's leading names in the field of airline and travel technologies in Türkiye, saw a 10% increase in sales revenue during the Q1 of 2024, reaching USD$ 7M. The company achieved an EBITDA margin of USD$ 2.3M, representing a 33% margin. With 65% of its revenue coming from international markets and 35% from domestic partners, Hitit is expanding its global presence. Hitit has received an invitation to showcase its Offer and Order Management System (OOMS) at IATA's headquarters in Geneva, highlighting its industry leadership. Additionally, Hitit is actively negotiating distribution agreements through the Agency Distribution System (ADS) with various travel content providers beyond airlines.

9 MAY 2024, İSTANBUL – Hitit has announced its Q1 2024 financial results. According to the statement released to the Public Disclosure Platform (KAP), Hitit increased its sales revenues by 10% in Q1 2024, reaching USD$7M. The company's EBITDA margin, announced at USD$2.3M, stood at 33%. Foreign currency sales accounted for 76% of total sales, with the remaining 24% in TL. International sales contributed 65% to the total revenue, while domestic sales accounted for 35%.

During Q1 2024, Hitit welcomed two new Partners to its portfolio and currently operates with a staff of 436, primarily composed of engineers. Sezer Tuğ Özmutlu, Hitit's CFO, stated, "Our strategy of strengthening our presence in existing markets resulted in gaining two new Partners from countries where we already operate. In this period, we completed technological infrastructure installations for four Partners and are actively engaged in seven ongoing installation projects. We experienced a year over year (YoY) 17% increase in the number of passengers, which is a primary driver of our SaaS revenues. Alongside new acquisitions, the growth in business volumes with our existing Partners significantly contributed to this increase."

Expanding through Cost-saving, Revenue-boosting Investments

Ms. Özmutlu stated that the company invested USD$3.3M in R&D and USD$1.8M in licenses, hardware, and fixtures during Q1 2024, in line with projects under the Teknokent legislation. She noted that these investments are expected to reduce operating costs and increase revenues with new features and products.. The company's cash and cash equivalents amounted to USD$12.1M with no bank loans or financial leasing obligations.

Hitit

Regarding growth strategies, Ms. Özmutlu anticipates a 33% to 38% growth in turnover, an EBITDA margin of 43% to 48%, and a Net Profit margin of 25% to 30% by the end of the year. The Investment/Turnover ratio is projected to be in the range of 30% to 35%.

Taking the Agency Distribution System (ADS) to the world

Nevra Onursal Karaağaç, CMO at Hitit, highlighted that as of the end of March 2024, Hitit's technology and software were utilized in over 700 airports. She mentioned, "Our Partners achieve a sales volume of USD$6.5 billion, thanks to data exchange with customs and tax systems in 85 countries, along with a technological network integrated with over 65 banking and payment systems. This is not only a proud achievement for Hitit but also for our country."

One of the key players in OOMS efforts on a global scale

Mrs. Karaağaç emphasized that Hitit continues its investments determined to strengthen its global standing in the industry. She stated, "We are focused on projects that set us apart in our industry. Projects like the Offer and Order Management System (OOMS) and Agency Distribution System (ADS) hold strategic importance for us. Our aim is to globalize the ADS system. There are exciting developments in both projects that inspire us. We have been invited by IATA to deliver two presentations at its headquarters in Geneva to showcase our work on OOMS to the industry. Regarding ADS, we are in discussions with various travel content providers, aside from airlines, to establish distribution agreements."

Targeting Net Zero

Mrs. Karaağaç emphasized that the company is actively pursuing its sustainability and corporate social responsibility initiatives in areas such as gender equality, environment, education, and health. She stated, "We are enhancing our corporate capacity by integrating environmental, social, and governance (ESG) strategies into our company evaluations, making the transition to a more sustainable economy is one of our primary goals. We have published the Corporate Carbon Footprint Report for 2022 and 2023 and are continuously working to align our operations within the Net Zero target. Alongside ongoing efforts to assess our Scope 1 and Scope 2 data, we are collaborating with our Partners to accurately determine Scope 3 data."

Sustaining support for women and children

''In alignment with the 'UN Sustainable Development Goals,' we remain committed to advancing our initiatives. This year, we will continue our Rackets Up project, which focuses on sports and extends to children in earthquake-prone areas. Our partnerships with relevant NGOs enhance our exemplary status in promoting gender equality, both in Türkiye and globally. We are strengthening our robust human resources structure with a focus on achieving gender balance.''