



# Interim Activity Report

**HİTİT BİLGİSAYAR HİZMETLERİ ANONİM ŞİRKETİ**

**Period from 01.01.2024 - 31.03.2024**

**INTERIM ACTIVITY REPORT**

Your team.

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**HİTİT BİLGİSAYAR HİZMETLERİ ANONİM ŞİRKETİ BOARD OF DIRECTORS**  
**01.01.2024 - 31.03.2024 INTERIM PERIOD ACTIVITY REPORT**

**1- GENERAL INFORMATION**

Report Period: 01.01.2024 - 31.03.2024

Trade Name : Hitit Bilgisayar Hizmetleri A.Ş.

Trade Registry Number: 315040

Center Address : Reşitpaşa Mah. Katar Cad. No:4/1 Arı Teknokent 2 No:601, Maslak/ Istanbul

Additional Workplace Address : Mirgun Mah. Necippaşa Sok. No:14 Emirgan / Sarıyer / Istanbul

Netherlands Branch Address : Amsterdam Schiphol Airport The Base B Building, Office #101

Evert van de Beekstraat 1 1118CL Schiphol, The Netherlands

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**2-SECTOR IN WHICH THE COMPANY OPERATES**

The Company was founded in 1994 and is a technology company based in Istanbul. The company produces, develops and provides “Crane” branded software solutions to the national and international aviation and travel industry.

The Company provides consultancy and training to its customers regarding the software solutions it develops, as well as after-sales support and maintenance services. The Company’s customers are airlines, travel companies and airports. The Company’s software solutions consist of the following 6 solution groups:

## Crane Solutions

Reservations and Passenger Services (“PSS”)

A series of mission-critical systems used by airlines for reservations, ticketing, check-in, internet and mobile sales, departure control, loyalty programs and customer care.

- Reservation and Ticketing
- Internet Booking Engine
- Mobile Application
- Charter Management System

- Communications Manager
- Departure Control System
- Weight and Balance

- Baggage Reconciliation
- Loyalty Layer
- Customer Care Layer

Operations Planning

- Schedule Planning
- Crew Management
- Operations Control

Travel Solutions

- Online Travel Agency
- Agent Portal

Merchandising / Retailing

- Airline Merchandising

Air Cargo

- Domestic Cargo
- Cargo Reservation Services

Accounting Solutions

- Revenue Accounting
- Cost Accounting
- Business Performance Index

- 1. Passenger Services System:** This is the Company's flagship software solutions group offered to customers under the umbrella of "Crane PSS". This group includes the software solutions that airlines need to fulfill their main activities. These software solutions include functions such as reservations, sales and ticketing, inventory, tariff, fare management, airport and baggage handling, passenger loyalty and customer management, online sales and mobile application solutions.
- 2. Operations Planning:** This solution group includes products that support the basic operational activities of airlines. These software solutions include functions such as long-term schedule planning, flight crew management and assignments, instant status tracking and management of aircraft.
- 3. Travel Solutions:** The solutions under this heading are designed for the use of travel agencies rather than airlines. These software solutions enable a travel agency to create and sell travel packages both for multiple airlines and by combining different products under Virtual Merchandising.
- 4. Merchandising/Retailing:** This category includes software that allows airlines and travel agencies to sell "shopping baskets" consisting of different products other than airline tickets to their passengers. In this way, users can offer many different services and products such as hotels, transfers, tours, insurance, etc. in dynamic packages.
- 5. Air Cargo:** Recently launched by Hitit, this solution group includes cargo tracking and distribution software and accounting solutions suitable for domestic and international use by both airlines and cargo carriers.
- 6. Accounting Solutions:** Airlines have different accounting and settlement needs in addition to those of a normal commercial firm, based on various international aviation rules, industry standards or mutual agreements. The specialized airline revenue and expense accounting solutions under this heading meet this need. Also included are business intelligence solutions that enable airline line managers to monitor key performance indicators such as revenue streams and profitability in real time.

The Company has service contracts with 74 airline and travel industry companies operating in 6 continents and 48 countries. The Company's software solutions cover a wide range of transactions between airlines, passengers and airports.

#### **Hitit Saas Turizm Servisleri A.Ş.**

On 09.11.2021, the Company established a subsidiary, Hitit SAAS Turizm Servisleri Anonim Şirketi, in which the Company owns all of the shares representing its capital, in order to ensure the sales and expansion of tickets, hotels, car rentals, airport transfers, insurance and other non-ticketed travel products and additional services through its agency network in the global market. The Company started its operational activities gradually.

**Hitit Tech Lab-ISB (SMC-Private) Limited**

A software development company in which we own the entire shares representing the capital was established under the name of "HITIT TECH LAB-ISB (SMC-PRIVATE) LIMITED" within NUST, Pakistan's leading university in technology and the only university with a technopark.

**Hitit PK Seyahat Acente Dağıtım Sistemleri A.Ş.**

In order to support agency distribution services in the Pakistani market, to worldwide promote and market Pakistan-based travel content through Hitit ADS and to facilitate the daily travel agencies, corporate travel and similar activities of Hitit ADS users, a joint stock company headquartered in Turkey/Istanbul was established on 05.01.2024 under the name of "Hitit PK Seyahat Acente Dağıtım Sistemleri A.Ş." in which we own the entire shares representing its capital.

**3- CAPITAL AND SHAREHOLDING STRUCTURE OF THE COMPANY****a- Company Capital:**

The Company's shares were offered to the public through shareholder sales and capital increase in 2022 and are traded on Borsa Istanbul A.Ş. Yıldız Market as of 03.03.2022.

The registered capital ceiling of the Company is TRY 300,000,000 (Three hundred million). The issued capital is TRY 127,500,000.00 (One hundred and twenty-seven million five hundred thousand Turkish Liras) and consists of 46,153,846 Group A registered shares, 46,153,846 Group B registered shares and 35,192,308 Group C registered shares, each with a nominal value of TRY 1,00.

**b- Shareholding Structure:**

As of March 31, 2024, the shareholding structure of the Company is as follows

<b>Name/Title of Shareholder</b>	<b>Share Group</b>	<b>Share in Capital</b>	<b>Share in Capital (%)</b>	<b>Proportion of Voting Rights (%)</b>
Fatma Nur Gökman	A (*)	29,572,131	23,19%	29,37%
Dilek Ovacık	A	6,000,000	4,71%	6,04%
Hakan Ünlü	A	5,538,462	4,34%	5,57%
Özkan Dülger	A	5,538,462	4,34%	5,57%
Pegasus Hava Taşımacılığı A.Ş.	B (**)	46,939,893	36,82%	46,62%
Publicly Traded	C	33,911,052	26,597%	6,83%
<i>Dilek OVACIK</i>	C	102,186	0,080%	0,02%
<i>Hakan ÜNLÜ</i>	C	94,326	0,074%	0,02%
<i>Özkan DÜLGER</i>	C	94,326	0,074%	0,02%
<i>Other</i>	C	33,620,214	26,369%	6,77%
<b>Total</b>		<b>127.500.000</b>	<b>100,00%</b>	<b>100,00%</b>

Shares in actual circulation : TRY 33,911,052 - 26.59%

(\*) 495,209 Group C shares are included.

(\*\*) Includes 786,047 Group C shares.

### **c- Information on Privileged Shares**

The Company's capital is divided into a total of 127,500,000 shares, of which 46,153,846 are Class A registered shares with a nominal value of TRY 1 (one) each, 46,153,846 are Class B registered shares with a nominal value of TRY 1 (one) each, and 35,192,308 are Class C registered shares with a nominal value of TRY 1 (one) each. All of the Company shares are registered shares.

Group A and B registered shares are privileged. Group C registered shares do not have any privileges.

- **Privilege in Nominating Candidates to the Board of Directors**

Pursuant to Article 7 of the Company's Articles of Association titled "Board of Directors and its Term", the Company's affairs and management shall be carried out by a Board of Directors consisting of 6 (six) persons to be elected by the General Assembly for a maximum term of 3 years in accordance with the provisions of the Turkish Commercial Code and the Capital Markets Law, and Group (A) and Group (B) shares have been granted privileges over Group (C) shares with respect to "Nomination of Candidates for Election of Members to the Board of Directors".

One (1) of the members of the Board of Directors shall be elected by the General Assembly from among the candidates nominated by the Shareholder or Shareholders holding the majority of the Group (A) Shares, and one (1) from among the candidates nominated by the majority of the Group (B) Shareholders.

In the event that a member nominated by Group (A) and Group (B) shareholders resigns from the Board of Directors for any reason whatsoever, whichever share group's nominated member of the Board of Directors becomes vacant, the new member shall be elected from among the nominees nominated by that share group, in accordance with Article 363 of the TCC, and shall be submitted for the approval of the next General Assembly.

- **Privilege in Nominating the Chairperson of the Board of Directors**

Pursuant to Article 7 of the Articles of Association titled "Board of Directors and its Term", the Chairperson of the Board of Directors is a member of the Board of Directors elected by nomination of Group (A) shareholders. Pursuant to Article 9 of the Articles of Association titled "General Assembly", the Chairperson of the Board of Directors shall preside over the General Assembly Meetings, and in the absence of the Chairperson of the Board of Directors, the General Assembly shall elect the chairperson of the meeting.

- **Privilege in General Manager Selection**

Pursuant to Article 17, paragraph 2 of the Articles of Association titled "General Manager", the General Manager is elected among the candidates nominated by the majority of Group (A) shares.

- **Voting Privilege**

Pursuant to Article 9 of the Articles of Association entitled "General Assembly", Group (A) and Group (B) shareholders have five voting rights for each Group (A) and Group (B) share they hold, and Group (C) shareholders have one voting right for each Group (C) share they hold. When voting, the provisions of the Turkish Commercial Code, Capital Markets Law and other relevant legislation shall be complied with. Pursuant to Article 15 of the Company's Articles of Association titled "Special Board of Privileged Shareholders", the Articles of Association grant certain privileges to (A) and (B) share groups, which are clearly stated in certain articles.

In relation to the privileged shares in the Company, for General Assembly resolutions regarding amendments to the Articles of Association, including the increase in the registered capital ceiling, which require the approval of the special committee of privileged shareholders pursuant to Article 454 of the Turkish Commercial Code, the special committee of privileged shareholders convenes separately for each privileged share group and with the participation of at least 60% of the capital representing the relevant share group, and takes decisions with the affirmative vote of at least 51% of the capital representing the relevant privileged share group. Unless the approval and decision of the Special Assembly of Preference Shareholders convened by the aforementioned shareholders is obtained, no decisions affecting the rights of the preference shareholders in that group may be taken.

The meeting procedures and principles of the Special Board of Privileged Shareholders are subject to the working procedures and principles of the General Assembly determined by these Articles of Association, except for those stated above.

**d- Information on the Company's own shares acquired:** None.

**e- Information on the Company's direct or indirect subsidiaries and their shareholding rates:**

<b><u>Direct Subsidiaries</u></b>	<b><u>Share Ratio</u></b>
Hitit Saas Turizm Servisleri A.Ş.	100
Hitit Tech Lab-ISB (SMC-Private) Limited	100
Hitit PK Seyahat Acente Dağıtım Sistemleri A.Ş.	100
<b><u>Indirect Subsidiaries</u></b>	<b><u>Share Ratio</u></b>
None	-

#### **4- BOARD OF DIRECTORS AND COMMITTEES**

The Board of Directors consists of 6 members.

<b>Name Surname</b>	<b>Current Position</b>	<b>Term of Office / Remaining Term of Office</b>
F. Nur Gökman	Chairperson of the Board of Directors	Elected for 3 years at the General Assembly dated 09.11.2021. Indefinitely as General Manager.
Dilek Ovacık	Vice Chairperson of the Board of Directors	Elected for 3 years at the General Assembly dated 09.11.2021.
Mahmut Barbaros Kubatoğlu	Board Member	Elected for 3 years at the General Assembly dated 09.11.2021.
Ali Uzun**	Board Member	In accordance with Article 363 of the TCC, elected to complete the term of office of the member elected for 3 years at the General Assembly dated 09.11.2021.
Aliye Sultan Alptekin***	Independent Board Member	In accordance with Article 363 of the TCC, elected to complete the term of office of the member elected for 3 years at the General Assembly dated 09.11.2021.
Turgut Gürsoy*	Independent Board Member	In accordance with Article 363 of the TCC, elected to complete the term of office of the member elected for 3 years at the General Assembly dated 09.11.2021.

(\*) *Instead of Ali UZUN, who was elected at the general assembly meeting dated 09.11.2021 and resigned voluntarily, within the framework of the provisions of the capital markets legislation and the articles of association; with the decision of the board of directors dated 05.04.2022 and numbered 2022/10, an election was made for independent board membership with the decision of the board of directors to serve until the end of the term of office of the resigning member, within the framework of the provisions of Article 363 of the TCC, and it was approved at the ordinary general assembly meeting dated 16.05.2022.*

(\*\*) *Instead of Nasuh Nazif ÇETİN, who was elected at the general assembly meeting dated 09.11.2021 and resigned voluntarily, within the framework of the provisions of the capital markets legislation and the articles of association; with the decision of the board of directors dated 12.04.2023 and numbered 2023/08, an election was made for independent board membership with the decision of the board of directors to serve until the end of the term of office of the resigning member within the framework of Article 363 of the TCC, and it was approved at the ordinary general assembly meeting dated 26.04.2023.*

(\*\*\*) *Instead of Atilla Lise, who was elected at the general assembly meeting dated 09.11.2021 and resigned voluntarily, within the framework of the provisions of the capital markets legislation and the articles of association; with the decision of the board of directors dated 05.04.2022 and numbered 2022/10, an election was made for independent board membership with the decision of the board of directors to serve until the end of the term of office of the resigning member within the framework of Article 363 of the TCC and approved at the ordinary general assembly meeting dated 16.05.2022. Aliye Sultan Alptekin has been appointed to the independent board membership vacated due to the resignation of Günseli Tarhan, who resigned from her duty voluntarily as of 02.01.2024 with her petition dated 02.01.2024, to complete the remaining term and to be submitted to the approval of the shareholders at the first general assembly to be held in accordance with Article 363 of the TCC.*

### **Limits of Authorization of the Members of the Board of Directors :**

The Chairperson and Members of the Board of Directors have the powers set forth in the relevant articles of the Turkish Commercial Code and Articles 7 - 8 of the Company's Articles of Association.

### **Board Committees\***

#### **Audit Committee**

Aliye Sultan ALPTEKİN (Committee Chairperson)

Turgut GÜRSOY

#### **Early Detection of Risk Committee**

Turgut GÜRSOY (Committee Chairperson)

Dilek OVACIK

Şükriye Nevra Onursal KARAAĞAÇ

#### **Corporate Governance Committee**

Aliye Sultan ALPTEKİN (Committee Chairperson)

Ali UZUN

Sezer Tuğ ÖZMUTLU

Figen DÖNDER

Hülya YILDIRIM (Investor Relations Manager)



**Fatma Nur Gökman****Chairperson of the Board of Directors-General Manager-Founding Partner-CEO**

Nur Gökman, co-founder and General Manager of Hitit. Graduated from the Departments of Physics and Mathematics of İstanbul University in 1973, started her career as Computer Programmer at Akbank Information Processing Center through the years 1975-1977 following the programming trainings she received in 1974. Then, she worked as Computer Programmer (1977-1983), Project Leader (1983-1989), System Development Manager (1989-1990), IT Vice President (1990-1994) and Training President (1994-1996) chronologically at THY. She is among the founders of Hitit, which is the first in our country in the aviation informatics sector, and which has taken its place among the leading aviation technology enterprises in the world.

**Dilek Ovacık****Board Member - Founding Partner**

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 took office as 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.

**Mahmut Barbaros Kubatoğlu****Board Member**

Mahmut Barbaros Kubatoğlu completed his Undergraduate Study at Shipbuilding and Marine Sciences Faculty at 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 serves 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 as from January 2018.

**Ali Uzun****Board Member**

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. Additionally, he holds positions as the Chairman of the IATA Legal Advisory Council and as a member of the Board of Directors for the Health and Education Foundation.

## **Aliye Sultan ALPTEKIN**

### **Independent Board Member**

Aliye Alptekin has 33 years of work experience. She worked as a manager in corporate companies for 10 years in marketing, 15 years in human resources functions and 8 years as a consultant. She has a total of 18 years of senior management experience as a member of the Management Team and Board of Directors in large organizations.

She worked for Turkish Airlines for 15 years and served in senior management positions such as Marketing Director, Vice President of Human Resources and Business Support. She was also appointed as a board member of Sun Express Airlines, a joint venture between Turkish Airlines and Lufthansa German Airlines. She worked at Coca-Cola İçecek (The Coca-Cola Company's regional bottling company) for 9 years as HR Director and Excom Member responsible for 10 countries in Central Asia, Middle East and Pakistan in addition to Turkey. Since 2012, she has been providing consultancy services to companies in her areas of expertise.

## **Turgut GÜRSOY**

### **Independent Board Member**

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 through 1986-1989.

He established Probil in 1989, and pioneered the entities of Proservis and Pronetwork in 1986 and 1989, respectively.

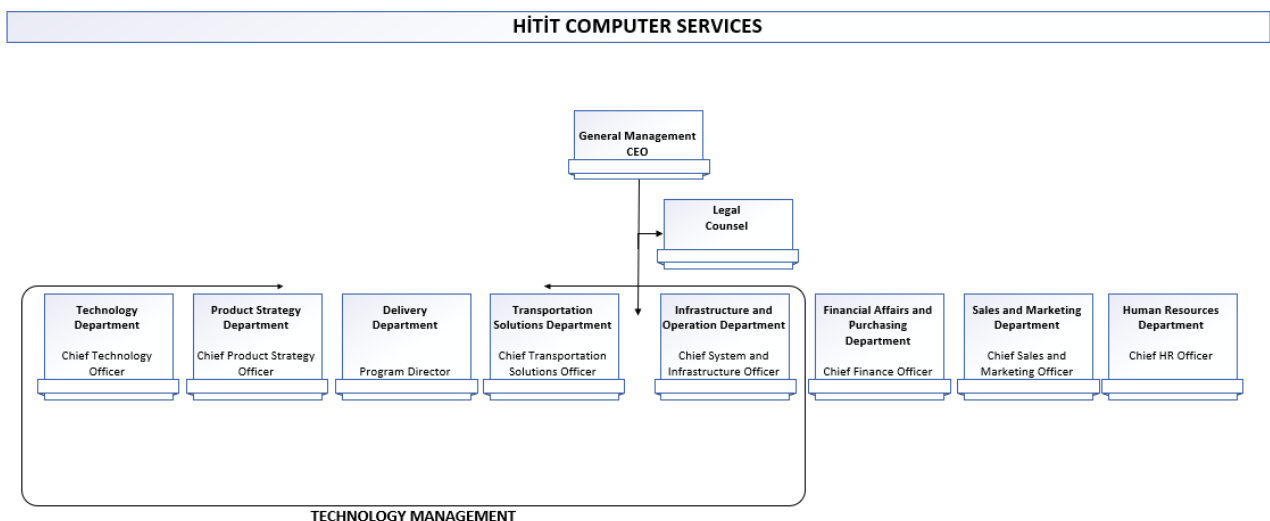
In 2000, he received the first "private equity" investment from EMEA Technology Investment.

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 investor in various companies beside serving as Board Member at Cyberwise, E-Güven and Blesh.

## **5- TOP MANAGEMENT**

### **a-Organization Chart**

As of 31 March 2024, the organizational chart of our Company is as follows:



<b>Name Surname</b>	<b>Mission</b>
F.Nur Gökman	Chairperson of the Board of Directors
Sezer Tuğ Özmütlu	Assistant General Manager - Financial Affairs and Purchasing - CFO
Semra Kandemir	Assistant General Manager - Product Strategy - CSO
Ozgur Cuhadar	Assistant General Manager - Technology - CTO
Semih Sakız	Assistant General Manager - System Infrastructure and Operations - CIOO
Ş. Nevra Onursal Karaağaç	Assistant General Manager - Sales & Marketing - CMO
Atilla Lise	Assistant General Manager - Transportation Solutions
Figen Dönder	Assistant General Manager - Human Resources - CHRO

### **Sezer Tuğ Özmütlu**

#### **Assistant General Manager - Finance and Procurement - CFO**

She graduated from the English Economics Department at İstanbul University in 1992 and received Post-Graduate degree by continuing her study in the Department of International Relations at the same university. Having started her career as Financial Affairs Assistant Manager at Pegasus Hava Taşımacılığı AŞ in 1992, Özmütlu became Revenue Control Director in 2012. She was appointed as Chief Financial Officer / CFO responsible for Financial Affairs and Procurement at Hitit Bilgisayar Hizmetleri AŞ on June 1, 2015. She is a Certified Public Accountant and Financial Advisor. She is a holder of Financial Internal Audit Certificate and a holder of IATA Diploma in the passenger revenues accounting and control besides her other various qualifications in the fields of audit, accounting and finance.

### **Semra Kandemir**

#### **Assistant General Manager - Product Strategy - CSO**

She graduated from the Middle East Technical University in 1992 as Electrical-Electronics Engineer. Following her graduation, she started her business life at Turkish Airlines. She held various offices as System Engineer, Project Manager and System Support Manager at Turkish Airlines through 1992-2009. In 2009, she joined the construction team of İstanbul Sabiha Gökçen Airport and took part in operational IT systems installation and financial system integration, and continued working at Sabiha Gökçen in the position of Chief Information Officer / CIO until 2012. She started her career at Hitit Bilgisayar in 2013 with the title of Information Processing Director at System Infrastructure and Operating Department. She has ITIL and INSEAD Business School (Business Strategy and Financial Performance) certificates. She has been carrying on her career at Hitit as Chief Product Strategy and Aviation Solutions Officer since 2018.

### **Özgür Çuhadar**

#### **Assistant General Manager - Technology – CTO**

Özgür Çuhadar graduated from Computer Engineering at Bilkent University in 2003 and started as Software Engineer at Nexus Bilişim, and moved to Escort Bilgisayar as Computer Programmer in 2004. He started working at Hitit in 2005. Following the duties of Project Manager and Technology Director, he was appointed to the position of Chief Technology Officer / CTO in 2018. Serving at Hitit for about 20 years, Özgür Çuhadar assumed key tasks in development of the Crane PAX

solution and Crane PSS System, contributed in strategical terms to development of the airline support systems such as Revenue and Cost Accounting, Schedule Planning, Operation Control, Crew Management.

### **Semih Sakız**

#### **Assistant General Manager - System Infrastructure and Operations - CIOO**

Semih Sakız graduated from Ege University, Department of Computer Engineering in 1999.

He started his business life in his studentship years, worked at Elit Software as Part Time Java Developer, at Tarihbank as Java Application Programmer, and at Ege University Computer Course as Assistant Student. Following his graduation, he took office at Turkish Airlines (THY) in the same year; he worked as System Programmer, Team Leader and Solution Architect respectively in his first 15 years, and was appointed as Information Processing System Infrastructure Manager. Within THY, he completed the Manager Development Programs at Sabancı University in 2012-2013, participated in Harvard Mentorship Program and took Basic Business Administration classes, and completed the Leadership Academy MBA program. At the end of 2014, he moved to Garanti Teknoloji BBVA as Senior Technology Specialist, then, in 2018, to Yapı Kredi-Uni Credit Group at the level of Director as Solution Architect Consultant. In 2019, he started to work as Director at Hitit in the System Infrastructure and Operating Department, he was appointed to the position of Chief Officer of System Infrastructure and Operation in January 2021.

### **Ş. Nevra Onursal Karaağac**

#### **Assistant General Manager - Sales & Marketing – CMO**

After graduating from Koç High School, she completed her undergraduate education at Carnegie Mellon in Communication Design in 2002, and her post-graduate education at Domus Academy in the field of Interaction Design in 2005. She has INSEAD Business School (Business Strategy and Financial Performance) and Oxford Executive Leadership certificates. She started her career in 2002 as Graphic Designer Intern at Wunderman NYC, served as Art Director at On3 Creative Group in 2003-2004 and at Leo Burnett İstanbul in 2006. She joined Hitit as Creative Director in 2006; after working as Brand Manager and Marketing Director, she was appointed to the position of Chief Officer of Sales and Marketing in 2018.

### **Atilla Lise**

#### **Assistant General Manager - Transportation Solutions**

Graduated from the Department of Computer Engineering of Boğaziçi University in 1987, Atilla Lise started his career at Turkish Airlines (THY). He served as Project Manager at Information Processing Cargo Automation Systems and E-Business Department through 1987-2000, as President (SVP) at Cargo Department through 2000-2010, and as President (SVP) at the Social and Administrative Affairs Department in the period of 2010-2018. In 2014-2015, he joined the Manager Mentor Program at Harvard Business School, and attended the Business Administration & Management Certificate Program. He has PPL (Private Pilot License) Certificate. In November 2018, he took office at Hitit, and he was appointed to the position of Chief Officer of Transportation Solutions as of 05.11.2021.

**Figen Dönder****Assistant General Manager - Human Resources – CHRO**

She completed her undergraduate and post-graduate studies at Marmara University (MU). She graduated from English Teaching at MU Faculty of Education in 1992, and had a Master's with Thesis in English at MU Public Administration, Human Resources Management & Development in 2000. She received CTI Coaching Certificate in 2014.

Before working as Human Resources Specialist, she took part in different sectors and duties such as Citibank in 1994, at Esem Spor Adidas in 1995, at Alman Südmo Group in 1996, and found the opportunity to experience in person the effect of different organizational cultures and job diversity on the employee. She started her Human Resources career in 1997 at Marshall Boya-Akzo Nobel, and carried on her duty as HR Manager in the period of 2000-2003. Through 2003-2008, she served as HR Consultant/Manager at Mecaplast Group Monaco (Automotive), Corus Group England (Steel), Delta Gıda Akfen Holding, Profera Danışmanlık, in order. She took office as HR Manager at Finans Emeklilik in 2010, and worked as HR Vice President in charge of Fund Raising, Recruitment, Orientation and Employee Relations during her tenure at Cigna Finans Emeklilik. She served as HR Consultant/Manager at Artı Danışmanlık in the period of 2014 - 2016. 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 position of Chief Human Resources Officer as of 09.09.2022.

**b)- Number of Personnel:**

As of March 31, 2024, the total number of personnel working in the Group is 395. In addition, when the consultant staff of 41 people is added, the Group provides services with a total of 436 personnel. In the first quarter of 2024, the total number of personnel increased by 8.

The rights and benefits provided by the Company to its personnel include salaries, severance and notice payments, Social Security Institution premiums, private pension, private health insurance, meals, transportation and social activities.

**c)- Information on the transactions carried out by the members of the governing body with the company on their own behalf or on behalf of others within the framework of the authorization granted by the General Assembly of the Company, and their activities within the scope of the prohibition of competition:**

None.

**d)- Financial Rights Provided to the Members of the Governing Body and Senior Executives**

In the 2024 interim accounting period, total remuneration and fringe benefits provided to the Company's Independent Board Members is TRY 149,571. Total remuneration and fringe benefits provided to the Company's Senior Executives amounted to TRY 8,254,499.

**e)- Amendments made to the Articles of Association during the period and the reasons thereof:**

None.

## **6- IMPORTANT DEVELOPMENTS REGARDING THE COMPANY'S ACTIVITIES**

As a result of the sales and marketing activities carried out by the Company in a wider range of customer segments and geographies, the total number of customers reached 74 as of March 31, 2024.

2 new Partner agreements were signed in the 1st Quarter period covering January 1, 2024 - March 31, 2024. As of the same date, 1 Partner's agreement was suspended due to operational and geographical changes.

In addition to these new contracts, as a result of the contracts signed and sales made in the previous periods, the implementation projects of 4 new airlines were completed and the related systems were put into use in the 1st Quarter of 2024. implementation for 7 partners are ongoing.

As a result of both new Partner acquisitions and integration efforts carried out in line with the evolving needs of our existing Partners, our Company's Crane solution platform has become operational in connection with more than 65 banks and payment system infrastructures, more than 700 airports and customs and border systems of 85 different countries worldwide.

In the January - March period, the number of invoiced boarded passengers increased by 17% compared to the same period of the previous year. This increase was driven by new acquisitions as well as increases in the business volume of our existing partners.

### **Current Status of the Company's Social Responsibility and Sustainability Projects:**

**Education:** Hitit is one of the supporters of the project called Leading Faces of Technology, which was initiated by the Women in Technology Association (wTech), of which Hitit is a member, and aims to provide technology education to 100 female and 25 male students on the 100th anniversary of the Republic. In the first quarter of 2024, we took an active role in the launch of this project and completed our matching with the student whose education expenses were covered. In the next quarter, mentoring support will also be provided to the student by a senior manager within the company.

**Environment:** Hitit has measured its corporate operations in accordance with the GHG Protocol standards with an expert institution on the basis of specified criteria and published them publicly on <https://hitit.com/investor-relations/sustainability>. On the other hand, in order to contribute to the sustainability of the gifts received for both employees and corporate purposes, the cooperation with the TEMA Foundation continued and forestation activities were preferred for holiday gift-giving.

### **Sport:**

- **Rackets Up:** Rackets Up, Hitit's CSR project realized in partnership with the Turkish Table Tennis Federation (TMTF), continues to tour Türkiye. The 8th province of the project was adopted as Kırşehir and the Rackets Up Kırşehir Launch was held in Kırşehir on January 3, 2024. The event was attended by Kırşehir Governor Hüdayar Mete Buhara, Nevra Onursal Karaağaç, Hitit's CMO, TMTF President Oktay Çimen, provincial protocol, students and teachers from the schools selected for the project. Within the scope of the project; more than 15,000 students from 56 public schools from Kırşehir center and districts had the opportunity to

receive professional table tennis training. With Rackets Up, which includes not only students but also teachers in the project, 60 teachers in Kirşehir participated in the course organized by the Turkish Table Tennis Federation in January and received a Level 1 Table Tennis Coach certificate. With Kirşehir, the number of schools that will benefit from the project has reached 411, the number of students has reached more than 160 thousand and the number of teachers receiving coaching training has reached 430.

- **Transportation Sponsorship for National Table Tennis Player:** Hitit continues its support in the field of table tennis by supporting our national players in addition to the Rackets Up project. In 2023, Hitit supported our female athletes, and in 2024, Hitit started to cover the transportation costs of a national male table tennis player to access international competitions.

**Gender Equality:** Reflecting the spirit of gender equality with its foundation and values, Hitit has also been making significant contributions to the aviation and technology sector in the field of gender equality for many years with its HR policies. Hitit is one of the signatories of the 25by2025 initiative launched by IATA to ensure gender balance in the aviation industry and participates in the activities of IATA 25by2025 in the first quarter of 2024.

The Company is actively working in the Artificial Intelligence/Digital Transformation and Sectoral Cooperation and Strategy Committee of the Women in Technology Association (wTech).

## **7- RESEARCH AND DEVELOPMENT ACTIVITIES OF THE COMPANY**

The Company continues its activities in the technopolis area within the scope of R&D projects approved by the authorized administrative board within the framework of the Technology Zones Development Law No. 4691.

As of March 31, 2024, the Company carries out research and development activities both to enrich the capabilities of the products in its existing portfolio and to produce complementary or completely new modules, products and services. In addition, investments and developments are also made to strengthen existing products in different markets and to enable them to compete on their own. In addition to these, research and development activities are carried out for the developments foreseen in the sector in order to make airlines' e-commerce structures more flexible, and they are developed to be marketed in addition to the solutions offered.

In this context, the main modules, products and services that are being actively worked on are as follows;

### **New Function / Module Development within the Existing Product and Service Portfolio**

#### ***1.1. New Functional Modules Developed within Crane PSS***

The Company's Passenger Services System, under the umbrella of Crane PSS, is a solution package that includes different sub-products and offers various planning, automation, reporting and tracking functions related to this flow, including an airline's ability to sell reservations and tickets to its passengers for their flights, manage sales channels, offer additional services, perform additional transactions such as baggage at the airport in accordance with the ticket sales made, and accept the passenger to the aircraft.

New functional modules such as revenue management, dynamic pricing, artificial intelligence, rule-based inventory management, loyalty management, value and group management are being

worked on for the products included in Crane PSS software solutions. A strategic cooperation agreement was signed with Tazi Bilişim Teknolojileri A.Ş. for Dynamic Pricing to be carried out with Artificial Intelligence and Deep Learning algorithms. An indefinite corporate license platform was provided for Hitit's development activities and pilot customer partners.

In order to switch to dynamic pricing, integration was made with 2 different suppliers other than our own solution and efforts were made for 2 partners to switch to dynamic pricing with different methodologies. 1 partner switched to dynamic pricing in July 2022 and the other one in August 2022. While it was initially used on domestic routes and certain international routes, it was extended to flights other than connecting flights.

Research and planning activities have started for Revenue Management. The first version is planned to be released in the 4th quarter of 2024. Software source code has been provided for pricing with ATPCO fees. It will be used in the ADS and PSS system in the 3rd quarter of 2024.

Our agency portal screens have been commissioned with new designs. Our additional services dynamic pricing module has been included in our standard version.

Module development work has started to display fare and capacity information in the cache under high load during campaign periods.

The new Customer Database (CDB), on which the loyalty program is built, was developed and the necessary service layer was prepared to integrate the CDB with modules such as the "Internet Search Engine". As part of the renewal of our Loyalty Program product, the first version of the product was released. 2024 was put into use in the first quarter.

Following the completion of the passenger leg, which is one of the three legs (passenger, aircraft and crew) within the scope of Irregular Operation Management, aircraft improvements have been completed and crew improvements are continuing rapidly.

### ***1.2. Offer & Order Management System (OOMS) Enhancements in Line with New IATA Standards and Industry Trends***

In line with IATA's New Distribution Capability (NDC), Airline Retailing Maturity (ARM) and One Order standards, and within the scope of the trends foreseen by our Company to be effective in the aviation industry in the near-medium term future, feasibility and preparatory studies carried out to create an Offer & Order Management System (OOMS) by developing and enriching some of the basic functions within the existing Crane PSS have been completed and the development of the OOMS solution is actively ongoing.

Going beyond the scope of PSS, which was originally designed for the sale of flight tickets and additional services of a single airline, OOMS is an integrative system that will enable both multiple airline flights and all possible travel services such as hotels, transfers, public transportation, activities, etc. to be collected in a single basket, to create special offers with dynamic pricing, to be sold through all distribution channels, both B2B and B2C, and to provide the necessary personalized services at all customer touch points in the travel flow.

Our Company foresees that with the widespread adoption of the aforementioned IATA standards in the near future, PSSs in the sector will start to share their current central positions with OOMS solutions and OOMSs will become more prominent in the medium term. Therefore, OOMS developments are being carried out at an accelerated pace in order to improve the competitive advantages of our innovative and value-added solutions that aim to stay ahead of sectoral trends



and to create synergies with our ADS solutions. While making these developments, we are also taking advantage of the fact that some of the differentiating capabilities in our existing PSS portfolio already constitute a suitable basis for the OOMS vision, thus aiming to move forward quickly.

In Q3 2023, the stage we have reached allowed for a more detailed demonstration of our OOMS solution with screenshots and the content shown at conferences and industry workshops, as well as in one-on-one meetings with some of our key Partners, was very well received.

Beyond 2025, the OOMS process is planned to continue with an “intermediate version” product that will enable our Partner airlines to achieve earlier-term gains. The positive feedback received for the current phase of this plan has contributed to this goal. Phase 1 developments have been completed and testing has started.

### ***1.3. New Functional Modules Developed within Crane TM***

Crane TM is a product that integrates with Hitit’s Passenger Services System Crane PSS and enables airlines to offer a variety of additional services to their passengers through different sales channels, such as hotel reservations, car transfers, guided sightseeing tours.

Developments are being made for Crane TM to enhance and support additional product and service sales and packaging capabilities. It is aimed that airlines using Crane TM will have a continuously enriched portfolio of additional products.

### ***1.4. New Functional Modules Developed within Crane CREW***

The Company’s Crew Planning System, called Crane CREW, is a software solution that enables airlines to plan which cockpit and cabin crews will be assigned to which flights within the framework of their tariff plans and equipment assignments, in compliance with the airline’s own business rules as well as the regulations and restrictions of rule-making bodies such as the Directorate General of Civil Aviation (DGCA) and the International Air Transport Association (IATA), and to notify, execute and monitor these plans.

Within Crane CREW, functional modules such as irregular operation management, training module, workforce planning are being developed.

The first version for irregular operation management has been released (MVP). Proof of Concept studies are underway in a test environment at a partner. The sale of our irregular operation management module within the scope of integrated solution was realized.

The upgrade of the Team Planning system from version 2.0 to 3.0 continued and went live on June 12, 2023. The commissioning of the other phases of the project will continue gradually until the end of the year.

Studies were carried out on the management of leave of absence of flight crews and a demo product (MVP) was developed. In this context, the first customer was acquired. It will be put into use in the 2nd quarter of 2024.

Collaboration and integration studies for Fatigue Management of our product with one of the important actors in this sector are ongoing.

### ***1.5. New Functional Modules Developed within Crane ALM (Allotment Manager -Charter Management System);***

The Company's Charter Management System software solution, called Crane ALM, enables the planning, distribution to the relevant sales partners and channels, sales and tracking of flights defined as "charter" (non-scheduled) flights, such as periodic flights to holiday destinations for tour operators, which are planned and operated on demand in addition to the airline's pre-planned normal flight schedule.

With the new developments for Crane ALM, it is aimed that travel agencies and tour operators other than airlines can also benefit from this solution.

Rule-based dynamic pricing in the Charter Management System (ALM) product was extended to different partners with new features added.

### ***1.6. Works Developed within Crane SP (Tariff Planning) and SLOT (Slot Management) Module***

Crane SP and SLOT is a product used for long and short term tariff planning and flight authorization management of an airline. Its inputs and outputs form the basis of planning and budgeting studies. It has features to ensure that the created tariffs are executed with the shortest ground time and the shortest flights with the minimum costs.

In our Crane SLOT application, an optimization 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. In the slot module, additional message format improvements have been made for the analysis of competitor flight information and preparation for the next flight (turn around).

The writing of the service layer required for the application, which works as a desktop application, to work on mobile and web is ongoing.

### ***1.7. New Functional Modules Developed within the Crane OCC***

Crane OCC is a product that is activated within a short period of time (e.g. 24 hours) before an airline is scheduled to operate a flight and enables the 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 short period of time, such as delays or changes, and with new developments, the solution is enriched and made more compatible with mobile applications.

The new version of our Tail Assigner application has been launched in one of our partners.

The service layer required for the application, which works as a desktop application, to work on mobile and web is still in progress.

The mobile version of our application is called OCC Connect and has been implemented in two of our partners for testing purposes.

### ***1.8. New Functional Modules Developed within Crane OTA ("Online Travel Agency")***

The sales made by airlines through their own sales systems, websites and mobile applications are called direct sales, while the sales made through different sales partners such as travel agencies are called indirect sales. According to the common way of doing business currently prevailing in the market, value-added opportunities such as various additional services, different prices and

campaigns, dynamic content intelligently personalized according to the passenger profile, which are included in the airline's direct sales process, cannot be provided in the indirect sales process.

Agent Portal Plus - Agent Portal ("*Crane APP*") and Crane OTA are Hitit's products for travel agencies and tour operators, in addition to airlines, providing the basic functions required for reservations, ticket and additional services sales and passenger services. In addition to the common functions required by a travel agency, such as the sale of multiple airlines and additional travel products (e.g. hotels, transfers, rental cars, etc.), Hitit continues to regularly develop its indirect sales channels in order to offer a wealth of products and services equivalent to direct sales channels by addressing the deficiencies mentioned in the paragraph above.

The content of service providers, such as airlines, has been made to work with different currencies of each provider and different currencies with each agency, further increasing exchange rate flexibility.

In order to add hotel integrations in CraneOTA, the infrastructure for integrating with hotel aggregator systems has been further developed, and the connection and certification to the Ratehawk hotel bank has been completed and the system has gone live.

### ***1.9. New Functional Modules Developed within Crane CA***

Crane CA is a product under Hitit's Airline Accounting product group that enables airlines to automatically track, report and offset their expenses. With the improvements made, it is aimed to work in full coordination with the Crane SP product and to create more detailed expense forecasts.

Revenue module enhancements of the CA product for use by airport operators and ground handling companies, including services provided at the airport, have been completed.

Our revenue module has been taken into production environment in one of our customers.

First reports on SAF fuel use and monitoring were prepared.

(ACARS) integration was made to receive fuel data, which is the biggest expense item for airlines, directly from the aircraft. Work to support the IATA SIS file format, an important standard for the industry, has been completed.

With regard to our functions within Crane CA, which enable airlines to monitor their carbon emissions according to international industry standards, we have become a member of the 'Sustainability Strategy Group' to guide the industry within the framework of possible cooperation negotiations with IATA. This will be our chance to follow and influence the industry.

### ***1.10. New Functional Modules Developed within Cargo Solutions***

Crane CGO is a product that can be used by airlines in the field of cargo and freight transportation other than passenger transportation, as well as supporting different logistics companies to perform air cargo transportation operations. Similarly, Domestic Cargo - Local Cargo Services ("*Crane DOM*") is a solution for local cargo services, and both modules are currently being analyzed and developed to produce electronic bills of lading that are easy to track, manage and automate in accordance with the latest guidelines established by IATA.

The analysis studies of our cargo solutions project "Cargo Revenue Accounting - *Crane CRA*" have been completed and development and adaptation studies are ongoing.

The integration of our Crane CGO product with the existing Crane CM (Communication Manager) has been completed and put into production.

The ability to perform transactions over the CASS (Cargo Account Settlement System) flow, which is the settlement model of air cargo systems before IATA, has been added to our Crane CGO product.

In parallel with the needs of our new partners, improvements were made in the Crane DOM system for domestic cargo operations, tested and put into production.

Interline invoice submission (Outgoing Invoices) and SPA (Special Prorate Agreement) proration development works were completed in Crane CRA - Cargo Revenue Accounting system.

In addition to the IMP format, which is the air operation message format, XML format has been added to our Crane CGO product and simultaneous use of both message formats has been ensured.

Within the scope of Crane CGO, the acceptance of other airline cargo and related documents and the transfer operations module within the framework of regulatory rules were concluded as two-way (transfer receiving and transfer giving).

Agency-based sales, inventory and reporting processes have been completed in our Crane DOM system.

Development and testing has begun within Crane CGO for the implementation of the new European Air Cargo Customs program ICS2.

Improvements were made to the Crane CRA - Cargo Revenue Accounting system for Interline invoice acceptance (Incoming Invoices) and controls (Rejection Memo).

Cargo CGO - Cargo Customs application was developed to communicate with customs systems via web service and MQ.

Cargo CGO - Improved the processing of responses from the EU customs system ICS2 and continued to work on the software for the messages to be sent to ICS2.

Allotment defined reservation and attendance functions in our Crane CGO product have been completed and put into use.

Cargo CGO - Work to connect to the customs of the United Arab Emirates and Angola has been finalized and the test phase has started.

In Cargo CRA - Cargo Revenue Accounting system, general accounting account codes connection and interface works have been finalized.

The necessary trainings for IATA Cargo-IQ certification have been completed and the inventory study for compatibility with Crane CGO Operation functions has been started. Cargo-IQ certification is an important document in the Air Cargo sector and ensuring the compliance of our system will be an important step.

Cargo CGO Reacc module analysis has been completed.

### **1.11. Major Infrastructure Developments**

2023 The process of renewing and increasing the virtualization environment and infrastructure capacity continues within the scope of development and improvement efforts related to infrastructure.

Efforts are underway to increase cooperation with the world's leading cloud infrastructure providers.

For 2023, ISO 27001, ISO 9001, ISO 20000, ISO 27701, ISO 22301 and ISAE-3402 audits and certification preparations have been initiated and are ongoing. In addition to the existing security and quality certifications, preparations for ISO 27017 certification, an internationally recognized standard to ensure the security of cloud services, have been initiated.

#### **Research Costs**

The Company incurs various research costs for a new product or technology that it intends to develop within the framework of its plans. Research costs incurred in this cycle are recognized in the statement of profit or loss for the relevant period. Investigating options for the development of new or existing product processes is also considered within this scope.

#### **Development Costs:**

Costs incurred in the process of turning research results into projects for new products, systems, structures, etc. and putting them into practice.

#### **Capitalized Development Costs:**

Internally generated intangible assets arising from development activities are capitalized and recognized only when all of the following conditions are met

- It is technically feasible to complete the intangible asset so that it is ready for use or sale,
- The intention to complete, use or sell the intangible asset,
- The intangible asset can be used or sold,
- It is clear how the asset is likely to generate future economic benefits,
- The availability of adequate technical, financial and other resources to complete the development of the intangible asset and to use or sell the asset; and
- The development cost of the asset can be measured reliably during the development process.

The Company capitalizes the salaries of the personnel directly involved in the creation of the asset, taking into account how much time each personnel spends on research and development activities. All of the Company's capitalized projects consist of software projects carried out in ITU Ari Teknokent Technology Development Zone and these projects are amortized over 10 years.

The amounts of total capitalized development costs and related amortization charges for the periods are as follows

<b>(TRY)</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Capitalized Development Costs	103,000,372	202,053,272
Amortization Expensed	(27,915,322)	(72,232,454)

## **8- IN-PERIOD DEVELOPMENTS**

### **05.01.2024**

In order to support agency distribution services in the Pakistani market, to promote and market Pakistan-based travel content worldwide through Hitit ADS, and to facilitate travel agencies, corporate travel and similar daily activities of Hitit ADS users within this framework, the establishment of a joint stock company with a capital of TRY 290,000 (two hundred ninety thousand), in which our Company holds 100% of the capital, has been completed with the title "Hitit PK Seyahat Acente Dağıtım Sistemleri A.Ş." and registered and announced at the Istanbul Trade Registry Office.

### **29.03.2024**

In the activity year 2023, according to the consolidated financial statements prepared as per the Capital Markets Board's Communiqué Numbered: II.14.1 "Communiqué on Principles Regarding Financial Reporting in Capital Markets", the Turkish Accounting Standards/Turkish Financial Reporting Standards ("TAS/IFRS") and the formats determined by the CMB and audited by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş., net profit for the period is TL 132,168,362 and according to the financial statements prepared in accordance with the relevant provisions of the Turkish Commercial Code Numbered 6102 and Tax Procedure Law Numbered 213, the Company has achieved a net profit for the period of TL 377,153,854.46 before inflation adjustment.

By evaluating the conditions stipulated in our Company's Dividend Distribution Policy and considering 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, it was unanimously decided to propose, for the purpose of strengthening the financial structure, not to distribute the distributable profit for the 2023 activity year and to transfer the remaining amount to the retained earnings account after setting aside the general legal reserves. This matter will kindly be submitted to the approval of our shareholders at the Ordinary General Assembly meeting of 2023.

### **29.03.2024**

Considering the assessments made by the Audit Committee of our Company regarding the election of the independent auditor; it was unanimously decided to appoint PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi – registered with the Istanbul Trade Registry with the Trade Registry Number 201465-14900 and resident at Kılıçlı Paşa, Galataport İstanbul, Meclis-i Mebusan Cd. N 8, 34433 Beyoğlu/Istanbul – as our independent auditor in order to audit the financial reports for 2024 as per the principles set out in the Turkish Commercial Code Numbered 6102, Capital Markets Law Numbered 6362 and the relevant legislation and carry out other activities within the scope of the aforementioned legislation. This matter will kindly be submitted to the approval of our shareholders at the Ordinary General Assembly meeting of 2023.

### **29.03.2024**

In its meeting dated 29.03.2024 and numbered 2024/09; It was unanimously decided to hold the Ordinary General Assembly Meeting of our Company for the 2023 activity year at Reşitpaşa Mah. Katar Cad. No:4/1 Arı Teknokent 2 İç Kapı No:601 34469/Maslak/Sarıyer/Istanbul on 25.04.2024 Thursday at 10:00 a.m, to determine the meeting agenda as indicated below, to authorise the Board

for invitation to the Ordinary General Assembly meeting and fulfilment of its requirements within the framework of the relevant legislation and the provisions of the Articles of Association, to submit the information and documents required to be disclosed in relation to the matters to be discussed at the ordinary general assembly meeting in accordance with the CMB Corporate Governance Principles and CMB Communiqués on the website of our company under the title of "Ordinary General Assembly Information Document" and to authorise the board to inform our shareholders with a material event disclosure to be made in this respect.

#### 2023 Ordinary General Assembly Meeting Agenda:

1. Opening and form of the Presidency
2. Authorising the Meeting President to sign the minutes of the General Assembly Meeting
3. Reading and discussing the Annual Report of the Board of Directors for the 2023 activity year
4. Reading the Independent Audit Company Report for the 2023 activity year
5. Reading, discussing and approving the consolidated financial statements for the 2023 activity year
6. Releaseing the Members of the Board of Directors for their activities and transactions for the 2023 activity year
7. Discussing and resolving on the proposal of the Board of Directors not to distribute the profit for the year 2023
8. Submitting the independent members elected by the Board of Directors pursuant to Article 363 of the Turkish Commercial Code in accordance with the capital markets legislation for the approval of the General Assembly due to the vacancy in the membership of the Board of Directors
9. Discussing and resolve the election of the members of the Board of Directors and determination of their terms of office
10. Discussing and resolve the membership fees of the members of the Board of Directors for the 2024 activity year
11. Discussing and resolve the proposal of the Board of Directors regarding the selection of an independent external auditing company for the audit of the accounts and transactions for the year 2024 in accordance with the Turkish Commercial Code and the Capital Markets Law
12. Informing the shareholders about the donations made in the 2023 activity year and discuss and decide on the donation limit for the 01.01.2024 - 31.12.2024 activity year;
13. Within the framework of the regulations of the Capital Markets Board, to inform the shareholders about the guarantees, pledges, mortgages and sureties given by the Company in favour of third parties in 2023 and the income or benefits derived therefrom
14. The Closing

#### **31.03.2024**

Within the scope of the new business relationship announced by our Company on 23.02.2023; AJet Hava Taşımacılığı A.Ş. started to operate its flights with Hitit's Crane PSS Passenger Services System solutions as of March 31, 2024.

## 9 - FINANCIAL STATUS

The financial data in TRY for Q1 2024, Q1 2023 and Q4 2024 in the table below is based on data prepared in accordance with International Financial Reporting Standards ("IFRS").

### a) **The management body's analysis and assessment of the financial position and results of operations, the degree of realization of planned activities, the company's position vis-à-vis the set strategic objectives:**

In line with its budget and business plans, the Company closed the first quarter of 2024 with EBITDA of TRY 70,868,140, up 49% year-on-year, and net profit of TRY 44,884,320, up 25%. Total assets increased by 13% compared to the beginning of the period and reached TRY 1,951,826,094 and in return, shareholders' equity amounted to TRY 1,688,934,637, which increased by 13% compared to the beginning of the period.

The Company's Fixed Asset value increased by 22% compared to the beginning of the period and amounted to TRY 1,645,018,035. Depreciation and amortization amounted to TRY 522,270,133.

### b) **Information on the company's sales, productivity, revenue generation capacity, profitability, debt/equity ratio and other issues that will give an idea about the results of the company's operations in comparison with previous years, and forward-looking expectations:**

Hitit's financial results for the period January 1, 2024 - March 31, 2024 and the rates of change compared to the previous year are stated in the tables below:

<b>Condensed Consolidated Balance Sheet</b>	<b>31 March 2024</b>	<b>31 December 2023</b>	<b>Change %</b>
Current Assets	732.337.800	741.667.188	-1%
Non-Current Assets	1.219.488.294	988.148.408	23%
<b>TOTAL ASSETS</b>	<b>1.951.826.094</b>	<b>1.729.815.596</b>	<b>13%</b>
Current Liabilities	169.158.773	152.015.305	11%
Non-Current Liabilities	93.732.684	80.609.652	16%
Equity	1.688.934.637	1.497.190.639	13%
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>1.951.826.094</b>	<b>1.729.815.596</b>	<b>13%</b>

<b>Condensed Consolidated Income Statement</b>	<b>31 March 2024</b>	<b>31 March 2023</b>	<b>Change %</b>
Revenue	215.827.952	119.571.872	81%
Gross Profit	85.035.592	59.145.163	44%
Operating Profit	30.085.021	29.641.338	1%
Profit before finance expense	48.484.204	33.880.719	43%
Profit before tax	37.715.950	33.994.516	11%
Profit for the period	44.884.320	36.049.344	25%
<b>Earnings per share</b>	<b>0,3520</b>	<b>0,2827</b>	<b>25%</b>

<b>Changes in Financial Position</b>	<b>31 March 2024</b>	<b>31 December 2023</b>	<b>Change %</b>
Financial Liabilities	-	-	0%
Cash and Cash Equivalents	165.344.285	218.438.892	-24%
Financial Investments	226.065.309	246.873.455	-8%
<b>Net Debt Position (*)</b>	<b>( 391.409.594)</b>	<b>( 465.312.347)</b>	<b>-16%</b>

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



**c) Determinations and assessments of the governing body regarding whether the Company's capital is uncovered or whether the Company is insolvent:**

As of March 31, 2024, it has been determined that Hitit's issued capital amounting to TRY 127,500,000 is maintained and Hitit is not insolvent.

**d) Measures to be taken to improve the Company's financial structure, if any:**

In addition to revenue-increasing and cost-cutting measures, existing processes for effective collection follow-up were strengthened. Government incentives arising from the field of activity were effectively monitored and collected. Financial risk management principles are followed as stated in Article 6.a. Within this framework, medium- and long-term credit lines were provided to support working capital in case of need.

As of March 31, 2024, the Company's shareholders' equity is TRY 1,688,934,637.

**e) Information on the dividend distribution policy, and if dividend distribution will not be made, the justification thereof and the proposal on how the undistributed profit will be used:**

Pursuant to Article 12 of the Company's Articles of Association entitled "Dividend Distribution", the Company complies with the provisions of the Turkish Commercial Code and Capital Markets legislation regarding dividend distribution. In accordance with the capital markets legislation, companies whose shares are traded on the stock exchange are not obliged to distribute dividends. Within the framework of the Company's Articles of Association and the Company's dividend distribution policy, the method and time of distribution of the profit decided to be distributed shall be decided by the General Assembly upon the proposal of the Board of Directors.

In accordance with the capital markets legislation, our Company's shares started to be traded on the stock exchange as of 03.03.2022 and the Dividend Distribution Policy adopted by the Board of Directors decision dated 18.04.2022 and numbered 2022/16 was approved at the Ordinary General Assembly meeting for the 2021 accounting period held on 16.05.2022.

"Hitit Bilgisayar Hizmetleri AŞ ("Company") "Dividend Distribution Policy" is determined in accordance with the provisions of the Turkish Commercial Code, capital markets legislation, tax legislation and other relevant legal regulations and the provisions of Article 12 of the Company's articles of association, in line with the proposal of the Board of Directors and the decision taken at the General Assembly.

The Company's articles of association do not contain any privileges granted to shares regarding the right to receive dividends. In dividend distribution, a balanced and consistent policy is followed between the interests of shareholders and the Company in accordance with the Corporate Governance Principles.

In principle, a minimum of 5% of the "net distributable profit for the period" calculated by taking into account the financial statements prepared in accordance with the capital markets legislation, corresponding to 5% of the issued capital may be subject to dividend distribution. This ratio may be reviewed and changed every year during the relevant profit distribution period, depending on national and global economic conditions, the Company's medium and long-term growth and investment strategies and cash requirements. In the event that a dividend distribution is desired to be made from this calculated "net distributable profit for the period" at a rate above 5% of the issued capital, the financial position of the company, other fund needs related to the investments to

be made, the conditions in the sector, the conditions in the economic environment, profitability and cash position are taken into consideration in determining the dividend distribution rate.

Dividend distribution may not be made if there is no "net distributable profit for the period" according to the legal accounting records or if the calculated "net distributable profit for the period" is below 5% of the issued capital.

The Board of Directors takes a separate decision on dividend distribution for each accounting period, and this dividend distribution proposal is disclosed to the public in accordance with the legislation and announced on the Company's website. The General Assembly may accept or reject the proposal. In cases where dividend distribution cannot be made, the Board of Directors submits information on why the profit cannot be distributed and where the undistributed profit will be used for the information of the shareholders at the General Assembly.

Dividends are distributed equally to all existing shares as of the distribution date, regardless of their issue and acquisition dates.

Dividend distribution shall commence on the date to be determined by the General Assembly or the Board of Directors, provided that it is authorized by the General Assembly, at the latest by the end of the year in which the General Assembly meeting is held.

The Company may consider distributing advance dividends or paying dividends in equal or different installments in accordance with the provisions of applicable legislation".

### **2023 dividend distribution proposal of the Board of Directors:**

At the meeting of the Company's Board of Directors dated 29.03.2024 and numbered 2024/07; "In the activity year 2023, according to the consolidated financial statements prepared as per the Capital Markets Board's Communiqué Numbered: II.14.1 "Communiqué on Principles Regarding Financial Reporting in Capital Markets", the Turkish Accounting Standards/Turkish Financial Reporting Standards ("TAS/IFRS") and the formats determined by the CMB and audited by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş., net profit for the period is TL 132,168,362 and according to the financial statements prepared in accordance with the relevant provisions of the Turkish Commercial Code Numbered 6102 and Tax Procedure Law Numbered 213, the Company has achieved a net profit for the period of TL 377,153,854.46 before inflation adjustment.

By evaluating the conditions stipulated in our Company's Dividend Distribution Policy and considering 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, it was unanimously decided to propose, for the purpose of strengthening the financial structure, not to distribute the distributable profit for the 2023 activity year and to transfer the remaining amount to the retained earnings account after setting aside the general legal reserves." Within this framework, the Board of Directors' proposal was approved at the Ordinary General Assembly meeting for the 2023 accounting period held on 25.04.2024.

**Nature and Amount of Capital Market Instruments Issued:** None

**Information on Related Party Transactions:** Information on related party transactions and balances that must be presented to shareholders is included in Article 5 of the consolidated financial statements and footnotes for the period 01.01.2024 - 31.03.2024, which are also announced on the Public Disclosure Platform (KAP).

## **10- RISK MANAGEMENT AND INTERNAL CONTROL**

### **Risk Management**

The Board of Directors establishes risk management and internal control systems to minimize the effects of risks that may affect the Company's stakeholders, particularly shareholders.

With the decision taken at the Board of Directors meeting of the Company's Board of Directors dated 05.04.2022, the Early Detection of Risk Committee was established for the purpose of early detection of risks that may jeopardize the existence, development and continuity of the Company, implementation of necessary measures regarding the identified risks and management of risks in order to comply with Article 378 of the Turkish Commercial Code No. 6102 and the CMB's Corporate Governance Communiqué and to ensure the effective functioning of the committees within the Board of Directors, and its establishment and working principles were disclosed to the public on the corporate website.

The Early Detection of Risk Committee advises and makes recommendations to the Board of Directors on early detection and assessment of risks that may affect the Company, calculation of their impact and probability, management and reporting of these risks, taking necessary measures to mitigate the impact and probability of identified risks and establishing effective internal control systems in this direction.

The Company has established a risk assessment methodology procedure in accordance with the certifications it is subject to within the framework of its activities. This procedure is implemented by the IMS - Integrated Management System team established within the same framework.

For all units within the company, it identifies its assets, threats to these assets, and the probability and impact of these threats. These elements are monitored under the main headings of confidentiality, integrity and accessibility. Once a year, all units update the risk assessment again and new measures are planned as a result of the assessments.

### **Internal Control**

An internal control mechanism has been established within the Financial Affairs and Purchasing department. Processes affecting the Company's revenues and expenses are evaluated in terms of revenue maximization, expense minimization, and compliance with financial and legal regulations; within this framework, financial planning, resource utilization control, receivables, payments and profitability analyses are regularly reported to the senior management and effective information is provided in terms of timing and content.

In addition to registration, control, financial resource planning and reporting functions, the Financial Affairs and Purchasing Department carries out operational support processes such as ensuring the continuity of resources for the Company's operational activities, ensuring compliance with legislation for new structuring and all kinds of contracts, and similar operational support processes, and takes part in the strategic decisions and planning of the company with its work.

The Company is subject to full attestation audit by Ünit Yeminli Mali Müşavirlik and independent audit by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.

In addition, it is subjected to regular ISO27001, ISO9001, ISO 27017, ISO 27701, ISAE-3402, ISO20000 and ISO 22301 audits within the scope of E-ticket / E-invoice Integrator and certifications are regularly renewed.

Compliance with the Personal Data Protection Law (KVKK) has been ensured both nationally and internationally (GDPR). Structures in compliance with PCI DSS (Payment Card Industry Data Security Standard) Payment Card Industry Data Security standards have been established and operated.

## 11- DEVELOPMENTS AFTER THE PERIOD

### 05.04.2024

With the decision of our Board of Directors dated 05.04.2024 and numbered 2024/10; it has been decided to establish a Sustainability Committee and to accept the Duties and Working Principles of the Sustainability Committee and to structure the Sustainability Committee as follows;

#### Sustainability Committee

Ali UZUN (Committee Chairperson / Board Member)

Nevra Onursal KARAAĞAÇ (Member / Assistant General Manager of Sales and Marketing)

Figen DÖNDER (Member / Assistant General Manager of Human Resources)

Gülbin YILMAZ (Member / Legal Counsel)

### 25.04.2024

The following decisions were taken at our company's 2023 Ordinary General Assembly meeting held on April 25, 2024:

1. The Consolidated Financial Statements for calendar year 2023 was approved.
2. The release of member of the Board of Directors with respect to the Company's transactions in 2023 was approved.
3. It was decided that the distributable profit of the 2023 accounting period will not be distributed and the remaining amount after the general legal reserve is set aside will be transferred to extraordinary reserves (account of previous years' profits).
4. For 3 years, it was decided that Aliye Sultan ALPTEKİN, Turgut GÜRSOY were appointed as Independent board members and Fatma Nur GÖKMAN nominated by Group A shareholders, Mahmut Barbaros KUBATOĞLU nominated by Group B shareholders, Dilek OVACIK and Ali UZUN were appointed as board members.
5. It was decided to pay a net monthly salary of 36,000 TL to the independent board members and not to pay any salary to the other board members.
6. PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. was appointed as the Company's independent auditor for 2024.
7. The donation limit for 2024 was determined as 2,750,000 TL.

**29.04.2024**

Nigeria-based Ibom Air commenced utilizing Hitit's systems as of April 26, 2024. The Airline will use Our Company's passenger services, operational, and accounting systems for 5 (five) years.

- 1- Explanations regarding the developments that significantly affected the Company's operations in this period are presented above. For other information, you can access the Annual Report for 2023 from the link below:**

<https://hitit.com/investor-relations/financial-information#quarterly-reports>

- 2- As of December 31, 2023, you can access the Audited Consolidated Financial Statements from the link below:**

<https://hitit.com/investor-relations/financial-information#quarterly->