

# **Çelebi Hava Servisi Anonim Şirketi**

## **Condensed consolidated financial statements for the interim period 1 January – 30 September 2022**

**(Convenience translation into English of interim condensed  
consolidated financial statements originally issued in Turkish)**

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**ÇELEBİ HAVA SERVİSİ ANONİM ŞİRKETİ**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS OF 30 SEPTEMBER 2022**

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

		<i>Not Audited</i>	<i>Audited</i>
	<b>Notes</b>	<b>30 September 2022</b>	<b>31 December 2021</b>
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	1,710,508,974	1,093,962,834
Financial investments		89,629,649	63,208,735
-Restricted cash	5	44,280,899	49,130,668
-Time deposits	5	45,348,750	14,078,067
Trade receivables		622,013,671	380,688,778
-Trade receivables from related parties	8	3,598,778	589,742
-Trade receivables from third parties	8	618,414,893	380,099,036
Other receivables		444,401,091	279,619,410
-Other receivables from related parties	9	114,881,741	60,554,654
-Other receivables from third parties	9	329,519,350	219,064,756
Inventories	10	46,816,245	40,821,021
Prepaid expenses	16	193,740,778	48,588,050
Current tax assets	23	22,381,957	8,197,661
Other current assets	15	27,749,463	14,666,920
<b>Total current assets</b>		<b>3,157,241,828</b>	<b>1,929,753,409</b>
<b>Non-current assets</b>			
Financial investments	5	57,657,349	53,479,264
- Restricted cash	5	57,634,602	53,479,264
-Other financial assets	5	22,747	-
Other receivables		415,451,873	361,676,712
-Other receivables from related parties	9	-	64,295,790
-Other receivables from third parties	9	415,451,873	297,380,922
Investments accounted using equity method	6	19,767,511	20,391,743
Property, plant and equipment	11	1,105,044,858	874,801,839
Right-of-use assets	12	1,176,218,800	1,063,607,040
Intangible assets		1,040,090,408	821,266,380
- Goodwill	13	135,351,137	119,963,138
- Other intangible assets	13	904,739,271	701,303,242
Prepaid expenses	16	36,918,833	26,277,786
Deferred tax asset	23	324,509,399	256,168,334
Other non-current assets	15	85,927,002	57,404,380
<b>Total non-current assets</b>		<b>4,261,586,033</b>	<b>3,535,073,478</b>
<b>Total assets</b>		<b>7,418,827,861</b>	<b>5,464,826,887</b>

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

**ÇELEBİ HAVA SERVİSİ ANONİM ŞİRKETİ**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS OF 30 SEPTEMBER 2022**

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

		<i>Not Audited</i>	<i>Audited</i>
	<b>Notes</b>	<b>30 September 2022</b>	<b>31 December 2021</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Short-term financial liabilities	7	-	170,104,575
Short-term portion of long-term financial liabilities	7	751,248,946	674,004,935
Short-term lease payables	7	243,989,387	199,077,376
Trade payables		422,514,720	293,952,430
- Trade payables to related parties	8	18,415,261	11,780,141
- Trade payables to third parties	8	404,099,459	282,172,289
Payables related to employee benefits	18	202,946,619	102,203,827
Other payables		69,210,031	58,426,581
- Other short-term payables to third parties	9	69,210,031	58,426,581
Deferred income	17	91,149,167	53,572,646
Current profit tax liability	23	224,573,234	49,917,869
Short-term provisions		91,932,129	63,115,169
- Provisions for employment termination benefits	14	83,187,707	54,068,019
- Other short-term provisions	14	8,744,422	9,047,150
Other current liabilities	15	87,150,025	25,182,643
<b>Total current liabilities</b>		<b>2,184,714,258</b>	<b>1,689,558,051</b>
<b>Non-current liabilities</b>			
Long-term financial liabilities	7	543,914,824	634,359,293
Long-term lease payables	7	1,208,007,141	1,063,130,627
Other payables		49,584,943	39,168,652
- Other long-term payables to third parties	9	49,584,943	39,168,652
Deferred income		1,278,483	2,078,680
Long-term provisions		53,392,307	45,879,138
- Provisions for employment termination benefits	14	53,392,307	45,879,138
Deferred tax liability	23	109,220,876	85,460,436
Other non-current liabilities	15	326,538,164	235,346,924
<b>Total non-current liabilities</b>		<b>2,291,936,738</b>	<b>2,105,423,750</b>
<b>Total liabilities</b>		<b>4,476,650,996</b>	<b>3,794,981,801</b>
<b>EQUITY</b>			
<b>Equity attributable to equity holders of the parent</b>		<b>2,478,376,283</b>	<b>1,353,924,062</b>
Paid-in capital	19	24,300,000	24,300,000
Accumulated other comprehensive income or expenses that will not be reclassified subsequently to profit or loss		206,734,310	86,094,176
- Foreign currency translation differences		241,690,766	121,050,632
- Remeasurement gains / (losses) of defined benefit plans		(34,956,456)	(34,956,456)
Accumulated other comprehensive income or expenses that will be reclassified subsequently to profit or loss		863,292,009	613,208,705
- Foreign currency translation differences		863,292,009	613,208,705
Restricted reserves appropriated from profit	19	91,996,776	74,387,905
Prior years' profit		374,299,405	22,479,380
Net profit / (loss) for the period		917,753,783	533,453,896
<b>Non-controlling interests</b>		<b>463,800,582</b>	<b>315,921,024</b>
<b>Total equity</b>		<b>2,942,176,865</b>	<b>1,669,845,086</b>
<b>Total liabilities and equity</b>		<b>7,418,827,861</b>	<b>5,464,826,887</b>

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

ÇELEBİ HAVA SERVİSİ ANONİM ŞİRKETİ

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME  
FOR THE INTERIM PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

				<i>Restated</i>	
		<i>Not Audited</i>		<i>Not Audited</i>	
	Notes	1 January - 30 September 2022	1 July - 30 September 2022	1 January - 30 September 2021	1 July - 30 September 2021
Revenue	20	4,393,650,997	1,912,753,177	1,716,699,052	742,294,006
Cost of sales (-)	20	(2,766,156,514)	(1,119,862,927)	(1,157,866,083)	(440,375,394)
<b>GROSS PROFIT</b>	<b>20</b>	<b>1,627,494,483</b>	<b>792,890,250</b>	<b>558,832,969</b>	<b>301,918,612</b>
General administrative expenses (-)		(419,686,705)	(152,848,966)	(200,263,844)	(67,160,364)
Other operating income		137,936,574	65,638,940	36,699,031	16,496,607
Other operating expenses (-)		(71,228,408)	(23,862,684)	(80,735,568)	(25,391,680)
<b>OPERATING PROFIT</b>		<b>1,274,515,944</b>	<b>681,817,540</b>	<b>314,532,588</b>	<b>225,863,175</b>
Income from investment activities		690,010	250,753	18,134,145	18,048,566
Expenses from investment activities (-)		(5,761)	(2,526)	(5,449,674)	(5,000,452)
Shares of profit/(losses) from of investments valued by equity method		(1,910,106)	-	2,658,502	454,346
<b>OPERATING PROFIT BEFORE FINANCE EXPENSE</b>		<b>1,273,290,087</b>	<b>682,065,767</b>	<b>329,875,561</b>	<b>239,365,635</b>
Financial income	21	124,084,460	39,418,375	88,141,797	12,177,938
Financial expenses (-)	22	(228,237,462)	(76,191,413)	(120,177,976)	(47,093,941)
<b>PROFIT / (LOSS) BEFORE TAX</b>		<b>1,169,137,085</b>	<b>645,292,729</b>	<b>297,839,382</b>	<b>204,449,632</b>
<b>Profit / (loss) from discontinued operations</b>		<b>(4,297,134)</b>	<b>(101,300)</b>	<b>-</b>	<b>-</b>
<b>Tax income / (expense)</b>		<b>(199,307,409)</b>	<b>(87,025,078)</b>	<b>(28,316,226)</b>	<b>(14,399,140)</b>
Current tax expense	23	(212,293,081)	(114,446,277)	(39,302,013)	(13,586,282)
Deferred tax income / (expense)	23	12,985,672	27,421,199	10,985,787	(812,858)
<b>PROFIT / (LOSS) FOR THE PERIOD</b>		<b>965,532,542</b>	<b>558,166,351</b>	<b>269,523,156</b>	<b>190,050,492</b>
<b>Profit / (Loss) for the Period Attributable to:</b>					
Non-controlling interests		47,778,759	17,415,672	21,448,486	8,634,377
Equity holder of the parent		917,753,783	540,750,679	248,074,670	181,416,115
		<b>965,532,542</b>	<b>558,166,351</b>	<b>269,523,156</b>	<b>190,050,492</b>
Earnings / (loss) per share (Kr)	24	0.378	0.223	0.102	0.075

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

**ÇELEBİ HAVA SERVİSİ ANONİM ŞİRKETİ**

**CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME  
FOR THE INTERIM PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022**

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

	<i>Not Audited</i>		<i>Restated Not Audited</i>	
	<b>1 January- 30 September 2022</b>	<b>1 July - 30 September 2022</b>	<b>1 January- 30 September 2021</b>	<b>1 July - 30 September 2021</b>
<b>Net profit / (loss) for the period</b>	<b>965,532,542</b>	<b>558,166,351</b>	<b>269,523,156</b>	<b>190,050,492</b>
<b>Items that will not be reclassified to profit or loss</b>				
-Foreign currency translation differences	120,640,134	27,652,818	(4,073,173)	3,437,956
-Remeasurement losses of defined benefit plans	-	-	(933,431)	(1,087,133)
<b>Items that will be reclassified to profit or loss</b>				
-Foreign currency translation differences	350,184,103	98,694,813	164,961,921	16,704,657
<b>Other comprehensive income</b>	<b>470,824,237</b>	<b>126,347,631</b>	<b>159,955,317</b>	<b>19,055,480</b>
<b>Total comprehensive income / (expense)</b>	<b>1,436,356,779</b>	<b>684,513,982</b>	<b>429,478,473</b>	<b>209,105,972</b>
<b>Distribution of total comprehensive income / (expense):</b>				
Non-controlling interests	147,879,558	49,137,067	103,846,035	13,705,360
Equity holders of the parent	1,288,477,221	635,376,915	325,632,438	195,400,612
	<b>1,436,356,779</b>	<b>684,513,982</b>	<b>429,478,473</b>	<b>209,105,972</b>

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

# ÇELEBİ HAVA SERVİSİ ANONİM ŞİRKETİ

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

		Accumulated other comprehensive income and expenses that will not be reclassified subsequently to profit or loss	Accumulated other comprehensive income and expenses that will be reclassified subsequently to profit or loss			Retained earnings				
	Share capital	Gains/(losses) on remeasurement of defined benefit plans	Foreign currency translation differences	Foreign currency translation differences	Restricted reserves appropriated from profit	Prior years' profit / (losses)	Net profit / (loss) for the period	Equity attributable to equity holders of the parent	Non- controlling interests	Total equity
<b>As of 1 January 2022</b>	<b>24,300,000</b>	<b>(34,956,456)</b>	<b>121,050,632</b>	<b>613,208,705</b>	<b>74,387,905</b>	<b>22,479,380</b>	<b>533,453,896</b>	<b>1,353,924,062</b>	<b>315,921,024</b>	<b>1,669,845,086</b>
Transfers	-	-	-	-	-	533,453,896	(533,453,896)	-	-	-
Dividend payment	-	-	-	-	17,608,871	(181,633,871)	-	(164,025,000)	-	(164,025,000)
<b>Other comprehensive income / (expense)</b>									-	
- Foreign currency translation difference	-	-	120,640,134	250,083,304	-	-	-	370,723,438	100,100,799	470,824,237
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>120,640,134</b>	<b>250,083,304</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>370,723,438</b>	<b>100,100,799</b>	<b>470,824,237</b>
Net profit / (loss) for the period	-	-	-	-	-	-	917,753,783	917,753,783	47,778,759	965,532,542
<b>Total comprehensive income / (expense)</b>	<b>-</b>	<b>-</b>	<b>120,640,134</b>	<b>250,083,304</b>	<b>-</b>	<b>-</b>	<b>917,753,783</b>	<b>1,288,477,221</b>	<b>147,879,558</b>	<b>1,436,356,779</b>
<b>As of 30 September 2022</b>	<b>24,300,000</b>	<b>(34,956,456)</b>	<b>241,690,766</b>	<b>863,292,009</b>	<b>91,996,776</b>	<b>374,299,405</b>	<b>917,753,783</b>	<b>2,478,376,283</b>	<b>463,800,582</b>	<b>2,942,176,865</b>

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

# ÇELEBİ HAVA SERVİSİ ANONİM ŞİRKETİ

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

		Accumulated other comprehensive income and expenses that will not be reclassified subsequently to profit or loss	Accumulated other comprehensive income and expenses that will be reclassified subsequently to profit or loss		Retained earnings					
	Share capital	Losses on remeasureme nt of defined benefit plans	Foreign currency translation differences	Foreign currency translation differences	Restricted reserves appropriated from profit	Prior years' losses	Net profit / (loss) for the period	Equity attributable to equity holders of the parent	Non- controlling interests	Total equity
<b>As of 1 January 2021</b>	<b>24,300,000</b>	<b>(27,110,446 )</b>	<b>-</b>	<b>262,085,889</b>	<b>74,387,905</b>	<b>192,120,125</b>	<b>(169,179,611)</b>	<b>356,603,862</b>	<b>89,693,613</b>	<b>446,297,475</b>
Transfers	-	-	-	-	-	(169,179,611)	169,179,611	-	-	-
Dividend payment	-	-	-	-	-	-	-	-	(7,710,730)	(7,710,730)
Increase due to other changes (*)	-	-	-	-	-	(461,134)	-	(461,134)	-	(461,134)
Increase in subsidiary non-controlling interest	-	-	-	-	-	-	-	-	62,624,406	62,624,406
<b>Other comprehensive income / (expense)</b>										
-Foreign currency translation differences	-	-	(4,073,173)	82,682,211	-	-	-	78,609,038	82,279,710	160,888,748
-Losses on remeasurement of defined benefit plans	-	(1,051,270)	-	-	-	-	-	(1,051,270)	117,839	(933,431)
<b>Total other comprehensive income</b>	<b>-</b>	<b>(1,051,270)</b>	<b>(4,073,173)</b>	<b>82,682,211</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>77,557,768</b>	<b>82,397,549</b>	<b>159,955,317</b>
Net profit for the period	-	-	-	-	-	-	248,074,670	248,074,670	21,448,486	269,523,156
<b>Total comprehensive income / (expense)</b>	<b>-</b>	<b>(1,051,270)</b>	<b>(4,073,173)</b>	<b>82,682,211</b>	<b>-</b>	<b>-</b>	<b>248,074,670</b>	<b>325,632,438</b>	<b>103,846,035</b>	<b>429,478,473</b>
<b>Restated balances as of 30 September 2021</b>	<b>24,300,000</b>	<b>(28,161,716)</b>	<b>(4,073,173)</b>	<b>344,768,100</b>	<b>74,387,905</b>	<b>22,479,380</b>	<b>248,074,670</b>	<b>681,775,166</b>	<b>248,453,324</b>	<b>930,228,490</b>

(\*) The Company affiliated with Celebi Tanzania Aviation Services Limited ("Celebi Tanzania"), residing in Dar es Salaam, Tanzania, with a total capital of 100 million Tanzania Shillings (approximately USD 40 thousand) at the rate of 65% in order to participate in ground handling concession tenders to be opened at the airports in Tanzania. The Company has already started its activities as of 1 February 2021 based on the contract signed with the Tanzania Airport authority.

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



**ÇELEBİ HAVA SERVİSİ ANONİM ŞİRKETİ**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022**

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

		<i>Current Period</i>	<i>Prior Period</i>
		<i>Not Audited</i>	<i>Restated Not Audited</i>
	<i>Notes</i>	<i>1 January – 30 September 2022</i>	<i>1 January – 30 September 2021</i>
<b>A. Cash flows from operating activities</b>		<b>1,262,301,917</b>	<b>400,008,352</b>
<b>Net profit / (loss) for the period</b>		<b>965,532,542</b>	<b>269,523,156</b>
<b>Adjustments for reconciliation of net profit/loss for the period</b>		<b>615,314,289</b>	<b>241,950,682</b>
Adjustments related to depreciation and amortization expenses	11,12,13	261,384,580	131,269,429
Adjustments related to impairment (reversal)		3,411,693	3,432,011
Adjustments related to provisions		37,074,589	23,811,905
- Adjustments related to provisions for employee benefits		37,074,589	23,811,905
Adjustments related to interest income and expenses		116,054,495	72,530,746
- Adjustments related to interest income		(47,020,390)	(22,310,658)
- Adjustments related to interest expenses		163,074,885	94,841,404
Adjustments related to unrealized foreign currency translation differences		(7,441,467)	(1,889,615)
Adjustments related to tax (income) expenses		199,307,409	28,316,226
Adjustments related to undistributed profit of investments that are accounted by the equity method	6	6,207,239	(2,658,502)
Adjustments related to gains/losses on disposal of non-current assets		(684,249)	(12,861,518)
<b>Changes in working capital</b>		<b>(249,298,948)</b>	<b>(54,913,993)</b>
Adjustments related to increase/decrease in trade receivables		(257,564,028)	(114,708,822)
- Decrease/increase in trade receivables from related parties		(3,009,036)	2,975,005
- Decrease/increase in trade receivables from third parties		(254,554,992)	(117,683,827)
Adjustments related to increase/decrease in other receivables related to operations		(270,130,710)	(58,360,814)
Adjustments related to increase/decrease in inventories		(5,995,224)	(656,513)
Decrease (increase) in prepaid expenses		(155,793,775)	(7,874,453)
Adjustments related to increase/decrease in trade payables		128,562,290	51,125,534
- Increase (decrease) in trade payables to related parties		6,635,120	(1,654,890)
- Increase (decrease) in trade payables to third parties		121,927,170	52,780,424
Increase (decrease) in payables related to employee benefits		98,663,312	29,704,036
Adjustments related to increase/decrease in other payables related to operations		212,959,187	45,857,039
<b>Cash flows generated from operations</b>		<b>1,331,547,883</b>	<b>456,559,845</b>
Payments related to provisions for employee benefits	14	(15,296,726)	(19,198,035)
Payments related to other provisions		(2,127,228)	(1,739,096)
Tax returns (payments)		(51,822,012)	(35,614,362)

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

ÇELEBİ HAVA SERVİSİ ANONİM ŞİRKETİ

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022**

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

		<i>Current Period</i>	<i>Prior Period</i>
			<i>Restated</i>
		<i>Not Audited</i>	<i>Not Audited</i>
	<i>Notes</i>	<b>1 January – 30 September 2022</b>	<b>1 January – 30 September 2021</b>
<b>B. Cash flows from investing activities</b>		<b>(179,307,716)</b>	<b>(37,253,351)</b>
Cash inflows from sale of property, plant and equipment and intangible assets		2,741,106	13,389,825
-Cash inflows from sale of property, plant and equipment	11	2,741,106	13,389,825
Cash outflows from purchase of property, plant and equipment and intangible assets		(184,088,593)	(27,878,708)
-Cash outflows from purchase of property, plant and equipment	11	(128,734,253)	(24,716,114)
-Cash outflows from purchase of intangible assets	13	(55,354,340)	(3,162,594)
Dividends received		-	2,886,345
Cash inflows from cash advances and debts given to related parties		35,232,210	19,576,501
Other cash inflows/(outflows)		(33,192,439)	(45,227,314)
<b>C. Cash flows from financing activities</b>		<b>(773,999,845)</b>	<b>(428,741,571)</b>
Lease payments		(127,207,630)	(83,188,376)
Cash inflows from financial liabilities		311,215,093	411,282,557
Cash outflows due to debt payments		(768,774,347)	(666,962,012)
Dividends paid		(164,025,000)	(57,712,500)
Interest paid		(72,228,351)	(54,471,898)
Interest received		47,020,390	22,310,658
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE THE EFFECT OF FOREIGN CURRENCY TRANSLATION DIFFERENCES</b>		<b>308,994,356</b>	<b>(65,986,570)</b>
<b>D. Foreign currency translation differences</b>		<b>305,323,599</b>	<b>81,165,050</b>
<b>Net increase/decrease in cash and cash equivalents</b>		<b>614,317,955</b>	<b>15,178,480</b>
<b>E. Cash and cash equivalents at the beginning of the period</b>	<b>4</b>	<b>1,093,574,832</b>	<b>571,428,818</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>4</b>	<b>1,707,892,787</b>	<b>586,607,298</b>

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

## ÇELEBİ HAVA SERVİSİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

#### NOTE 1 - ORGANIZATION AND OPERATIONS OF THE GROUP

Çelebi Hava Servisi A.Ş. (referred as "the Company" or "Çelebi Hava") established in 1958 was the first private ground handling service company in the Turkish aviation sector. The Company provides ground handling services (representation, traffic, ramp, cargo, flight operations and aircraft maintenance etc.), cargo and warehouse services and fuel supplies to domestic and foreign airlines and private cargo companies. The Company operates in İstanbul, İzmir, Ankara, Adana, Antalya, Dalaman, Bodrum, Çorlu, Bursa Yenişehir, Diyarbakır, Erzurum, Kayseri, Samsun, Trabzon, Van, Malatya, Kars, Mardin, Denizli, Hatay, Kahramanmaraş, Isparta, Erzincan, Çanakkale, Balıkesir Edremit, Iğdır, Kocaeli, Bingöl, Hakkari, Uşak, Rize airports, which are under the control of the State Airports Administration ("DHMI") and İstanbul Sabiha Gökçen airport which is under the control of the Airport Administration and Aviation Industries A.Ş. ("HEAS"). The Company is controlled by Çelebi Havacılık Holding Anonim Şirketi, the parent company which is jointly controlled by Çelebioğlu Family and Zeus Aviation Services Investments B.V.

The Company is registered in Capital Markets Board ("CMB") and has been listed in Borsa İstanbul ("BIST") since 18 November 1996. The percentage of shares which are publicly traded is 10.09% (31 December 2021: 10.09%).

The address of the headquarters of the Company is as follows:

Tayakadın Mahallesi Nuri Demirağ Caddesi No: 39  
Arnavutköy / İstanbul

The average number of employees working for the Group as of the interim period ended on 30 September 2022 is 11,599 (30 September 2021: 9,883).

#### Information on Subsidiaries and Investments Valued with Equity Method:

The nature of the business, their respective geographical segments, and the registered country of the subsidiaries, joint venture and associate of the Group are as follows:

##### - Subsidiaries of the Group are as follows:

<u>Subsidiary</u>	<u>Registered country</u>	<u>Geographical region</u>	<u>Nature of business</u>
CGHH	Hungary	Hungary	Ground handling services
Celebi Delhi Cargo	India	India	Warehouse and cargo services
CASI	India	India	Ground handling services
Celebi Nas	India	India	Ground handling services
Çelebi Kargo	Turkey	Turkey	Warehouse and cargo services
Celebi Cargo	Germany	Germany	Warehouse and cargo services
Celebi GH India Private Limited <sup>(*)</sup>	India	India	Ground handling services
KSU	India	India	Ground handling services
Celebi Tanzania	Tanzania	Tanzania	Ground handling services

<sup>(\*)</sup> As of 30 September 2022, Celebi GH India Private Limited have no operational activity.

In 2006, the company acquired the shares of Budapest Airport Handling, which provides airport ground handling services at Budapest Airport, and its trade name was changed to Celebi Ground Handling Hungary ("CGHH"). The Company currently owns 100% of the capital of CGHH and as of 31 December 2021, the paid-in capital of CGHH is Hungarian Forints 200,000,000.

The Company participated as a co-founder in the Company with capital of Indian Rupee 100,000 under the title Celebi Delhi Cargo Terminal Management India Private Limited ("Celebi Delhi Cargo") to carry out activities relating to the development, modernization and 25-year operation of the existing cargo terminal in the airport ("Brownfield") in New Delhi in India on 6 May 2009 with a shareholding rate of 74%. The paid capital of the Celebi Delhi Cargo is Indian Rupee 1,120,000,000.

## ÇELEBİ HAVA SERVİSİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

#### NOTE 1 - ORGANIZATION AND OPERATIONS OF THE GROUP (cont'd)

##### Information on Subsidiaries and Investments Valued with Equity Method (cont'd):

As a result of the winning the tender for providing ground handling services at Delhi International Airport for a 10 years period, in order to fulfill the requirements to meet the obligations and make the planned investments outlined in the Concession Agreement signed between Celebi GH Delhi and the tender to authority, under the legal legislation in India, the Company has made a premium capital payment amounting to Indian Rupee 1,876,245,120 on its subsidiary of Çelebi Ground Handling Delhi Private Limited ("Celebi GH Delhi"), which was established on 18 November 2009 with a shareholding rate of 74%. The Company currently operates ground handling services in New Delhi, Ahmedabad, Cochin, Bangalore and Hyderabad Airports in India as part of the ongoing concession agreements. On 15 March 2018, the Company's title was changed to Celebi Airport Services India Private Limited ("CASI"). CASI will continue to deliver ground handling services at Delhi International Airport for 10 years subsequent to the termination of the existing concession agreement with the authority given on 9 December 2019.

Çelebi Kargo Depolama ve Dağıtım Hizmetleri A.Ş. ("Çelebi Kargo") was established on 20 November 2008 to carry out transportation, cargo storage and distribution activities. Celebi Cargo GmbH ("Celebi Cargo"), the subsidiary of Çelebi Kargo with a 100% ownership, was established on November 2009 and has share capital amounting to EUR 11,140,000, rented storage and warehouse facilities at International Frankfurt Airport Cargo (Frankfurt Cargo City Süd) and carry out flight cargo storage and handling services.

The Company became a 57.65% partner in KSU Aviation Private Limited ("KSU"), a company established in India on 8 May 2019, to provide "taxiing" services to aircrafts in India. For this purpose, a capital payment of 420 million Indian Rupees (approximately EUR 5.56 million) is made by the Company.

Celebi Nas Airport Services India Private Limited ("Celebi Nas") was established on 12 December 2008 to provide ground handling services for 10 years at Mumbai Chhatrapati Shivaji International Airport (CSIA) in India. The capital share in Celebi Nas is 57% and the paid-in capital of Celebi Nas is INR 552,000,000. In addition, a premium capital payment of INR 228,000,000 was made by the partners of Celebi Nas. With this agreement, Celebi Nas has been granted the concession rights regarding the provision of ventilation and generator services installed on the passenger bridges at the airport passenger terminal until May 2036. Within the scope of the concession agreement signed between Celebi Nas and MIAL, Celebi Nas will continue to provide ground handling services for an additional 10 (ten) years from 1 January 2020 to 31 December 2029, following the expiration of the current concession period at CSIA airport on 31 December 2019.

In order to participate in ground handling concession tenders to be opened at airports in Tanzania, The Company has a 65% shares in Celebi Tanzania Aviation Services Limited ("Celebi Tanzania"), located in Dar es Salaam, Tanzania, with a total capital of 100 million Tanzania Shillings (approximately 40 thousand USD). The Company has already started its activities as of 1 February 2021, in line with the contract signed with the Tanzania Airport authority.

##### - Associate

The associate of the Group accounted using the equity method is as follows:

<u>Associate</u>	<u>Registered country</u>	<u>Geographical region</u>	<u>Nature of business</u>
DASPL	India	India	Ground handling services

Çelebi GH Delhi, a subsidiary of the Group, has participated in establishment of Delhi Aviation Services Private Limited ("DASPL") with a shareholding of 16.66%, DASPL is resident in New Delhi, India and operating in rendering services of air conditioners, water providing systems and generators mounted on passenger boarding bridges with international standards established with a share capital is Indian Rupee 250,000,000. On 14 November 2016, Çelebi GH Delhi has acquired 8.33% of additional shares of DASPL and reached to a shareholding rate of 24.99%. The Group accounts DASPL by using the equity method in its condensed consolidated financial statements. DASPL's operations ended as of 1 April 2022, and the net loss for the period after 31 March 2022 has been indicated under "Profit for the period / (loss) from discontinued operations".

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022**

(Amounts are expressed in Turkish Lira (“TL”) unless otherwise stated.)

**NOTE 1 - ORGANIZATION AND NATURE OPERATIONS OF THE GROUP (cont’d)**

**Information on Subsidiaries and Investments Valued with Equity Method (cont’d):**

As of 30 September 2022, the condensed consolidated financial statements of the Group contains the Company, Celebi Nas, CGHH, Celebi Delhi Cargo, CASI, Çelebi Kargo, DASPL, Celebi Cargo, KSU and Celebi Tanzania (all together will be referred to as “the Group”).

The condensed consolidated financial statements of the Group for the period 1 January – 30 September 2022 have been approved for the issuance by the Board of Directors at the meeting on 9 November 2022 and signed by General Manager Osman Yılmaz and Financial Affairs Director Deniz Bal on behalf of the Board of Directors.

**NOTE 2 – BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**2.1. Basis of Presentation**

**2.1.1 Accounting Standards Applied**

The Group’s condensed consolidated financial statements have been prepared in accordance with the communiqué numbered II-14.1 “Communiqué on the Principles of Financial Reporting In Capital Markets” (“the Communiqué”) announced by the Capital Markets Board (“CMB”) on 13 June 2013 which is published on Official Gazette numbered 28676, and according to Article 5 of the Communiqué, financial statements are prepared in accordance with the Turkish Financial Reporting Standards (“TFRS”) issued by Public Oversight Accounting and Auditing Standards Authority (“POA”) and appendix and interpretations related to them.

The Group has presented its condensed financial statements for the interim period ended on 30 September 2022 according to Turkish Accounting Standards No. 34 Interim Financial Reporting. In addition, interim condensed consolidated financial statements as of 30 September 2022 have been prepared by applying the accounting policies applied during the preparation of the consolidated financial statements for the year ended 31 December 2021. Therefore, these interim condensed consolidated financial statements should be evaluated together with the consolidated financial statements for the year ended 31 December 2021.

The Company and its Subsidiaries registered in Turkey maintain their books of account and prepare their statutory financial statements in accordance with the principles and standards issued by POA, Turkish Commercial Code (“TCC”), tax legislation and the Uniform Chart of Accounts issued by the Ministry of Finance of Turkey (“Ministry of Finance”). Foreign subsidiaries, joint venture and associate maintain their books of account in accordance with the laws and regulations in force in the countries in which they are registered. Adjustments and restatements, required for the fair presentation of the consolidated financial statements in conformity with the Turkish Financial Reporting Standards have been accounted in the statutory financial statements the Company, its subsidiaries, joint venture and associate. Assets and liabilities included in the financial statements of the foreign subsidiaries of the Group have been translated into Turkish Lira using the exchange rates prevailed at the date of the consolidated statement of financial position and income and expenses are translated into Turkish Lira using the average exchange rates for the related period. The difference between using the period-end exchange rates and average exchange rates is accounted as the currency translation differences under equity.

**Adjustment of financial statements during periods of high inflation**

POA made an announcement on 20 January 2022 regarding the application of TAS 29, “Financial Reporting in Hyperinflationary Economies” (IAS 29 Financial Reporting in Hyperinflationary Economies) for entities adopting Turkish Financial Reporting Standards (“TFRS”) for the year ended 31 December 2021. The announcement stated that, entities that apply TFRS should not adjust their financial statements in accordance with TAS 29 - Financial Reporting in Hyperinflationary Economies for the year ended 31 December 2021. As of the date of this report, POA has not made any further announcements regarding the scope and application of TAS 29. As a result, no inflation adjustment was made to the accompanying consolidated financial statements in accordance with TAS 29.

## ÇELEBİ HAVA SERVİSİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

#### NOTE 2 – BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

##### 2.1. Basis of Presentation (cont'd)

##### 2.1.1 Accounting Standards Applied (cont'd)

##### Functional and Presentation Currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates. The condensed consolidated financial statements are presented in TL, which is different from the Group's functional reporting currency. As of 30 September 2022, the functional currency of the Group's entities is shown below.

##### Company

Çelebi Hava

CGHH

Celebi Delhi Cargo

CASI

Celebi Nas

Çelebi Kargo

Celebi Cargo GmbH

Celebi GH India Private Limited

DASPL

KSU

Çelebi Tanzania

##### Currency

Euro (EUR)

Hungarian Forint (HUF)

Indian Rupee (INR)

Indian Rupee (INR)

Indian Rupee (INR)

Turkish Lira (TL)

Euro (EUR)

Indian Rupee (INR)

Indian Rupee (INR)

Indian Rupee (INR)

Tanzanian Shilling (TZS)

##### Going Concern

The Group prepared condensed consolidated financial statements in accordance with the going concern assumption.

##### 2.1.2 New and Amended Turkish Financial Reporting Standards

###### a) Amendments that are mandatorily effective from 2022

Amendments to TFRS 3

Amendments to TAS 16

Amendments to TAS 37

Annual Improvements to TFRS Standards  
2018-2020

Amendments to TFRS 16

*Reference to the Conceptual Framework*

*Property, Plant and Equipment – Proceeds before Intended Use*

*Onerous Contracts – Cost of Fulfilling a Contract*

*Amendments to TFRS 1, TFRS 9 and TAS 41*

*COVID-19 Related Rent Concessions beyond 30 June 2021*

##### **Amendments to TFRS 3 *Reference to the Conceptual Framework***

The amendments update an outdated reference to the Conceptual Framework in TFRS 3 without significantly changing the requirements in the standard.

The amendments are effective for annual periods beginning on or after 1 January 2022. Early application is permitted if an entity also applies all other updated references (published together with the updated *Conceptual Framework*) at the same time or earlier.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022**

(Amounts are expressed in Turkish Lira (“TL”) unless otherwise stated.)

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**NOTE 2 – BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont’d)**

**2.1. Basis of Presentation (cont’d)**

**2.1.2 New and Amended Turkish Financial Reporting Standards (cont’d)**

a) Amendments that are mandatorily effective from 2022 (cont’d)

**Amendments to TAS 16 *Property, Plant and Equipment - Proceeds before Intended Use***

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the cost of producing those items, in profit or loss.

The amendments are effective for annual periods beginning on or after 1 January 2022. Early application is permitted.

**Amendments to TAS 37 *Onerous Contracts – Cost of Fulfilling a Contract***

The amendments specify that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract or an allocation of other costs that relate directly to fulfilling contracts.

The amendments published today are effective for annual periods beginning on or after 1 January 2022. Early application is permitted.

**Annual Improvements to TFRS Standards 2018-2020 Cycle**

Amendments to TFRS 1 *First time adoption of Turkish Financial Reporting Standards*

The amendment permits a subsidiary that applies paragraph D16(a) of TFRS 1 to measure cumulative translation differences using the amounts reported by its parent, based on the parent’s date of transition to TFRSs.

Amendments to TFRS 9 *Financial Instruments*

The amendment clarifies which fees an entity includes in assessing whether to derecognize a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other’s behalf.

Amendments to TAS 41 *Agriculture*

The amendment removes the requirement in paragraph 22 of TAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique. This will ensure consistency with the requirements in TFRS 13.

The amendments to TFRS 1, TFRS 9, and TAS 41 are all effective for annual periods beginning on or after 1 January 2022. Early application is permitted.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022**

(Amounts are expressed in Turkish Lira (“TL”) unless otherwise stated.)

**NOTE 2 – BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont’d)**

**2.1. Basis of Presentation (cont’d)**

**2.1.2 New and Amended Turkish Financial Reporting Standards (cont’d)**

a) Amendments that are mandatorily effective from 2022 (cont’d)

**Amendments to TFRS 16 COVID-19 Related Rent Concessions**

Public Oversight Accounting and Auditing Standards Authority (“POA”) has published Amendments to TFRS 16 *COVID-19 Related Rent Concessions beyond 30 June 2021* that extends, by one year, the June 2020 amendment that provides lessees with an exemption from assessing whether a COVID-19 related rent concession is a lease modification.

On issuance, the practical expedient was limited to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2021. Since lessors continue to grant COVID-19 related rent concessions to lessees and since the effects of the COVID-19 pandemic are ongoing and significant, the POA decided to extend the time period over which the practical expedient is available for use.

The new amendment is effective for lessees for annual reporting periods beginning on or after 1 April 2021. Earlier application is permitted.

The Group did not prefer facilitating practice.

b) New and revised TFRSs in issue but not yet effective

The Group has not yet adopted the following standards and amendments and interpretations to the existing standards:

TFRS 17	<i>Insurance Contracts</i>
Amendments to TAS 1	<i>Classification of Liabilities as Current or Non-Current</i>
Amendments to TFRS 4	<i>Extension of the Temporary Exemption from Applying TFRS 9</i>
Amendments to TAS 1	<i>Disclosure of Accounting Policies</i>
Amendments to TAS 8	<i>Definition of Accounting Estimates</i>
Amendments to TAS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>
Amendments to TFRS 17	<i>Initial Application of TFRS 17 and TFRS 9 – Comparative Information</i>

**TFRS 17 Insurance Contracts**

TFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. TFRS 17 supersedes TFRS 4 *Insurance Contracts* as of 1 January 2023.



**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022**

(Amounts are expressed in Turkish Lira (“TL”) unless otherwise stated.)

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**NOTE 2 – BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont’d)**

**2.1. Basis of Presentation (cont’d)**

**2.1.2 New and Amended Turkish Financial Reporting Standards (cont’d)**

**b) New and revised TFRSs in issue but not yet effective (cont’d)**

***Amendments to TAS 1 Classification of Liabilities as Current or Non-Current***

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

Amendments to TAS 1 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

***Amendments to TFRS 4 Extension of the Temporary Exemption from Applying TFRS 9***

The amendment changes the fixed expiry date for the temporary exemption in TFRS 4 *Insurance Contracts* from applying TFRS 9, so that entities would be required to apply TFRS 9 for annual periods beginning on or after 1 January 2023 with the deferral of the effective date of TFRS 17.

***Amendments to TAS 1 Disclosure of Accounting Policies***

The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies.

Amendments to TAS 1 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

***Amendments to TAS 8 Definition of Accounting Estimates***

With this amendment, the definition of “a change in accounting estimates” has been replaced with the definition of “an accounting estimate”, sample and explanatory paragraphs regarding estimates have been added, and the differences between application of an estimate prospectively and correction of errors retrospectively have been clarified.

Amendments to TAS 8 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

***Amendments to TAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction***

The amendments clarify that the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition.

Amendments to TAS 12 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022**

(Amounts are expressed in Turkish Lira (“TL”) unless otherwise stated.)

**NOTE 2 – BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont’d)**

**2.1. Basis of Presentation (cont’d)**

**2.1.2 New and Amended Turkish Financial Reporting Standards (cont’d)**

**b) New and revised TFRSs in issue but not yet effective (cont’d)**

***Amendments to TFRS 17 Insurance Contracts and Initial Application of TFRS 17 and TFRS 9 – Comparative Information***

Amendments have been made in TFRS 17 in order to reduce the implementation costs, to explain the results and to facilitate the initial application.

The amendment permits entities that first apply TFRS 17 and TFRS 9 at the same time to present comparative information about a financial asset as if the classification and measurement requirements of TFRS 9 had been applied to that financial asset before.

Changes will be applied when TFRS 17 is first applied.

The possible effects of the standards, amendments and improvements on the consolidated financial position and performance of the Group are being evaluated.

**2.1.3 Basis of Consolidation**

- a) The consolidated financial statements include the accounts of the parent company Çelebi Hava, its’ Subsidiaries, its’ Joint Venture and its Associate (collectively referred to as “the Group”) on the basis set out in sections (b), to (f) below. The financial statements of the companies included in the scope of consolidation have been prepared as of the date of the consolidated financial statements and have been prepared in accordance with Turkish Financial Reporting Standards applying uniform accounting policies and presentation. The results of Subsidiaries, Joint Venture and Associate are included or excluded from their effective dates of acquisition or disposal respectively.
- b) The consolidated financial statements include the financial statements of the companies controlled by the Company and its subsidiaries. Control is provided by the Company's fulfillment of the following conditions:
  - Having power over the invested company/asset;
  - Being open to or entitled to variable returns from the invested company/asset and
  - Ability to use power to have an impact on returns.

If a situation or event occurs that may cause any change in at least one of the criteria listed above, the Company reassesses whether it has control over its investment.

In cases where the Company does not have majority voting rights on the investee company/asset, it has control power over the investee company/asset, provided that it has sufficient voting rights to direct/manage the activities of the relevant investment. The Company considers all relevant events and circumstances in assessing whether the majority of votes in the relevant investment is sufficient to gain control, including the following:

- Comparison of the voting rights of the Company with the voting rights of other shareholders;
- Potential voting rights held by the Company and other shareholders;
- Rights arising from other contractual agreements and
- Other events and conditions that may show whether the Company has the power to manage the relevant activities (including the voting at the previous general assembly meetings) in cases where a decision has to be made.

## ÇELEBİ HAVA SERVİSİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

#### NOTE 2 – BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

##### 2.1. Basis of Presentation (cont'd)

##### 2.1.3 Basis of Consolidation (cont'd)

- c) The direct and indirect ownership interests held by the Group in its subsidiaries are provided below, the direct and indirect ownership interest is equal to the proportion of effective interest:

Subsidiary	Ownership interest (%)	
	30 September 2022	31 December 2021
CGHH	100.0	100.0
Celebi Delhi Cargo	74.0	74.0
CASI	99.9	99.9
Celebi Nas	57.0	57.0
Celebi GH India Private Limited	61.0	61.0
Çelebi Kargo	99.9	99.9
Celebi Cargo	99.9	99.9
KSU	57.6	57.6
Celebi Tanzania	65.0	65.0

- d) The Group categorized the sales and purchase of its subsidiaries' shares transactions as transactions between group shareholders except parent company. Therefore, for the addition share purchase from other than parent company, the Group records the difference between cost of purchase and book value of asset of subsidiary's purchased portion under shareholders' equity. For the share sales to other than parent company, the Group records the income or loss as a result of the difference between sales price and book value of asset of subsidiary's sold portion under shareholders' equity.

- e) Joint venture and the associate of the Group are accounted by using the equity method.

Associate	Ownership interest (%)	
	30 September 2022	31 December 2021
DASPL	24.99	24.99

##### 2.2. Change in Accounting Policies

##### 2.2.1 Comparative Information and Restatement of Prior Period Financial Statements

The condensed consolidated financial statements of the Group have been prepared comparatively with the prior period in order to evaluate financial position and performance trends. In order to comply with the presentation of the current period consolidated financial statements, comparative information is reclassified when deemed necessary and significant differences are disclosed.

The Group presented the condensed consolidated statement of financial position as of 30 September 2022 comparatively with the consolidated statement of financial position as of 31 December 2021, presented the condensed consolidated statement of profit or loss, condensed consolidated statement of other comprehensive income, condensed consolidated statement of cash flows and condensed consolidated statement of changes in equity for the interim period ended on 30 September 2022 comparatively with the condensed consolidated profit or loss, condensed consolidated statement of cash flows, condensed consolidated statement of changes in equity and condensed consolidated statement of other comprehensive income for the interim period ended 30 September 2022.

While preparing its financial statements as of 31 December 2021, the Group changed the functional currency from Turkish Lira to Euro and prepared its consolidated financial statements for the period on Euro basis. Based on this change, the financial statements for the nine-months period ending on 30 September 2021 have also been restated. Net profit for the period was TL 269,523,156 after the restatement (30 September 2021: reported in the previous period: TL 154,466,845 net profit for the period).

ÇELEBİ HAVA SERVİSİ ANONİM ŞİRKETİ

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.2. Changes in Accounting Policies (cont'd)

2.2.1 Comparative Information and Restatement of Prior Period Financial Statements (cont'd)

	<i>Prior Period Stated</i>		<i>Restated</i>
	<b>1 January – 30 September 2021</b>	<b>Adjustments</b>	<b>1 January – 30 September 2021</b>
Revenue	1,716,699,052	-	1,716,699,052
Cost of sales (-)	(1,156,251,572)	(1,614,511)	(1,157,866,083)
<b>GROSS PROFIT</b>	<b>560,447,480</b>	<b>(1,614,511)</b>	<b>558,832,969</b>
General administrative expenses (-)	(198,527,086)	(1,736,758)	(200,263,844)
Other operating income	203,689,098	(166,990,067)	36,699,031
Other operating expenses (-)	(240,626,591)	159,891,023	(80,735,568)
<b>OPERATING PROFIT / (LOSS)</b>	<b>324,982,901</b>	<b>(10,450,313)</b>	<b>314,532,588</b>
Income from investing activities	18,134,145	-	18,134,145
Expenses from investing activities (-)	(5,449,674)	-	(5,449,674)
Shares from the profits / (losses) of investments valued using the equity method	2,658,502	-	2,658,502
<b>OPERATING PROFIT / (LOSS) BEFORE FINANCE EXPENSE</b>	<b>340,325,874</b>	<b>(10,450,313)</b>	<b>329,875,561</b>
Finance income	127,125,317	(38,983,520)	88,141,797
Finance expenses (-)	(301,955,018)	181,777,042	(120,177,976)
<b>PROFIT / (LOSS) BEFORE TAX</b>	<b>165,496,173</b>	<b>132,343,209</b>	<b>297,839,382</b>
<b>Tax income / (expense)</b>	<b>(11,029,328)</b>	<b>(17,286,898)</b>	<b>(28,316,226)</b>
Tax expense for the period	(39,302,013)	-	(39,302,013)
Deferred tax income / (expense)	28,272,685	(17,286,898)	10,985,787
<b>PROFIT / (LOSS) FOR THE PERIOD</b>	<b>154,466,845</b>	<b>115,056,311</b>	<b>269,523,156</b>
<b>Distribution of Profit / (Loss) for the Period</b>			
Non-controlling interests	21,448,486	-	21,448,486
Equity holders of the parent	133,018,359	115,056,311	248,074,670
	<b>154,466,845</b>	<b>115,056,311</b>	<b>269,523,156</b>
Earnings/(loss) per share (Kr)	0.055		0.102

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
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**NOTE 2 – BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont'd)**

**2.3. Summary of Significant Accounting Policies**

The condensed consolidated financial statements for the interim period ended on 30 September 2022, have been prepared in compliance with TAS 34, the TFRS standard on interim financial reporting. Furthermore, the condensed consolidated financial statements as of 30 September 2022 have been prepared applying accounting policies which are consistent with the accounting policies used for the preparation of consolidated financial statements for the year ended 31 December 2021. Thus, these interim condensed consolidated financial statements must be evaluated together with the consolidated financial statements for the year ended 31 December 2021.

If changes in accounting estimates relate only for one period, changes are applied only in the current period but if changes in estimates relate more than one period, changes are applied both in the current and following periods prospectively. Significant estimates used in preparing the condensed financial statements for the period ended on 30 September 2022 are consistent with those used in preparing the consolidated financial statements for the year ended 31 December 2021. Significant accounting errors are applied retrospectively, and the prior period financial statements are restated.

**NOTE 3 – SEGMENT REPORTING**

Management determines the operating segments based on the reports analyzed by the key management personnel, and found effective in strategically decision taking. The management evaluates the Group from two perspectives; based on geographical position and operational segments. They are assessing the Group's performance on an operational segment basis as; Ground Handling Services and Cargo and Warehouse Services. Since the Group's income consists primarily of these operational segments, Ground Handling Services and Cargo and Warehouse Services are regarded as reportable operating segment revenues. The management assesses the performance of the operational segments based on a measure of EBITDA after deduction of the impact of TFRS Interpretation ("TFRIC 12"), retirement pay liability and unused vacation provisions from earnings before interest, tax depreciation and amortization.

The operational segment information provided to the board of directors as of 30 September 2022 is as follows:

	Operation Groups			
	Ground Handling	Cargo and Warehouse Services	Consolidation Adjustments	Consolidated
<b>1 January – 30 September 2022</b>				
Revenue	2,761,567,944	1,651,034,479	(18,951,426)	4,393,650,997
Cost of sales	(1,736,713,613)	(1,040,365,066)	10,922,165	(2,766,156,514)
<b>Gross profit</b>	<b>1,024,854,331</b>	<b>610,669,413</b>	<b>(8,029,261)</b>	<b>1,627,494,483</b>
General administrative expenses	(323,812,533)	(104,971,310)	9,097,138	(419,686,705)
Addition: Depreciation and amortization	167,995,182	93,389,398	-	261,384,580
Addition: TFRIC -12 effect shares	-	13,889,724	-	13,889,724
Addition: Provision for employment termination benefit and unused vacation	30,993,303	6,081,286	-	37,074,589
EBITDA effect of investments accounted by using equity method	2,776,072	-	-	2,776,072
<b>EBITDA</b>	<b>902,806,355</b>	<b>619,058,511</b>	<b>1,067,877</b>	<b>1,522,932,743</b>
Lease expenses under TFRS 16	(96,712,610)	(30,495,020)	-	(127,207,630)
<b>EBITDA (Except for TFRS 16)</b>	<b>806,093,745</b>	<b>588,563,491</b>	<b>1,067,877</b>	<b>1,395,725,113</b>

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NOTE 3 – SEGMENT REPORTING (cont'd)

1 July - 30 September 2022	Operation Groups			
	Ground Handling	Cargo and Warehouse Services	Consolidation Adjustments	Consolidated
Revenue	1,302,436,839	617,176,669	(6,860,331)	1,912,753,177
Cost of sales	(782,120,280)	(341,910,122)	4,167,475	(1,119,862,927)
<b>Gross profit</b>	<b>520,316,559</b>	<b>275,266,547</b>	<b>(2,692,856)</b>	<b>792,890,250</b>
General administrative expenses	(117,890,623)	(37,792,902)	2,834,559	(152,848,966)
Addition: Depreciation and amortization	62,207,133	33,135,213	-	95,342,346
Addition: TFRIC-12 effect shares	-	4,545,211	-	4,545,211
Addition: Provision for employment termination benefit and unused vacation	11,872,492	2,802,018	-	14,674,510
EBITDA effect of investments accounted by using equity method	125,532	-	-	125,532
<b>EBITDA</b>	<b>476,631,093</b>	<b>277,956,087</b>	<b>141,703</b>	<b>754,728,883</b>
Lease expenses under TFRS 16	(36,472,342)	(10,898,631)	-	(47,370,973)
<b>EBITDA (Except for TFRS 16)</b>	<b>440,158,751</b>	<b>267,057,456</b>	<b>141,703</b>	<b>707,357,910</b>

1 January - 30 September 2021	Operation Groups			
	Ground Handling	Cargo and Warehouse Services	Consolidation Adjustments	Consolidated
Revenue	946,713,647	773,096,424	(3,111,019)	1,716,699,052
Cost of sales	(596,011,480)	(562,839,619)	985,016	(1,157,866,083)
<b>Gross profit</b>	<b>350,702,167</b>	<b>210,256,805</b>	<b>(2,126,003)</b>	<b>558,832,969</b>
General administrative expenses	(147,452,338)	(55,317,197)	2,505,691	(200,263,844)
Addition: Depreciation and amortization	76,929,318	54,340,111	-	131,269,429
Addition: TFRIC -12 effect shares	-	8,493,038	-	8,493,038
Addition: Provision for employment termination benefit and unused vacation	20,742,978	4,260,041	-	25,003,019
EBITDA effect of investments accounted by using equity method	4,516,291	-	-	4,516,291
<b>EBITDA</b>	<b>305,438,416</b>	<b>222,032,798</b>	<b>379,688</b>	<b>527,850,902</b>
Lease expenses under TFRS 16	(42,908,553)	(16,264,066)	-	(59,172,619)
<b>EBITDA (Except for TFRS 16)</b>	<b>262,529,863</b>	<b>205,768,732</b>	<b>379,688</b>	<b>468,678,283</b>

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NOTE 3 – SEGMENT REPORTING (cont'd)

1 July - 30 September 2021	Operation Groups			
	Ground Handling	Cargo and Warehouse Services	Consolidation Adjustments	Consolidated
Revenue	501,260,822	240,477,052	556,132	742,294,006
Cost of sales	(236,409,468)	(203,545,142)	(420,784)	(440,375,394)
<b>Gross profit</b>	<b>264,851,354</b>	<b>36,931,910</b>	<b>135,348</b>	<b>301,918,612</b>
General administrative expenses	(48,860,322)	(18,278,202)	(21,840)	(67,160,364)
Addition: Depreciation and amortization	27,213,363	17,985,246	-	45,198,609
Addition: TFRIC -12 effect shares	-	3,362,107	-	3,362,107
Addition: Provision for employment termination benefit and unused vacation	9,258,039	1,821,444	-	11,079,483
EBITDA effect of investments accounted by using equity method	1,555,440	-	-	1,555,440
<b>EBITDA</b>	<b>254,017,874</b>	<b>41,822,505</b>	<b>113,508</b>	<b>295,953,887</b>
Lease expenses under TFRS 16	(15,443,312)	(5,576,908)	-	(21,020,220)
<b>EBITDA (Except for TFRS 16)</b>	<b>238,574,562</b>	<b>36,245,597</b>	<b>113,508</b>	<b>274,933,667</b>

The reconciliation of EBITDA with operating profit before tax is as follows:

	1 January – 30 September 2022	1 July – 30 September 2022	1 January – 30 September 2021	1 July – 30 September 2021
EBITDA for reported segments	1,395,725,113	707,357,910	468,678,283	274,933,667
Addition: Depreciation and amortization	(261,384,580)	(95,342,346)	(131,269,429)	(45,198,609)
Addition: TFRIC 12 effect	(13,889,724)	(4,545,211)	(8,493,038)	(3,362,107)
Addition: TFRS 16 effect	127,207,630	47,370,973	59,172,619	21,020,220
Addition: Provisions for employment termination benefit and unused vacation	(37,074,589)	(14,674,510)	(25,003,019)	(11,079,483)
Other operating income	137,936,574	65,638,940	36,699,031	16,496,607
Other operating expenses (-)	(71,228,408)	(23,862,684)	(80,735,568)	(25,391,680)
EBITDA effect of investments accounted by using equity method	(2,776,072)	(125,532)	(4,516,291)	(1,555,440)
<b>Operating profit</b>	<b>1,274,515,944</b>	<b>681,817,540</b>	<b>314,532,588</b>	<b>225,863,175</b>
Income from investment activities	690,010	250,753	18,134,145	18,048,566
Expenses from investment activities (-)	(5,761)	(2,526)	(5,449,674)	(5,000,452)
Financial income	124,084,460	39,418,375	88,141,797	12,177,938
Financial expenses (-)	(228,237,462)	(76,191,413)	(120,177,976)	(47,093,941)
Shares in profit from investments accounted by equity method	(1,910,106)	-	2,658,502	454,346
<b>Profit / (loss) before tax</b>	<b>1,169,137,085</b>	<b>645,292,729</b>	<b>297,839,382</b>	<b>204,449,632</b>

## ÇELEBİ HAVA SERVİSİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022

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#### NOTE 4 - CASH AND CASH EQUIVALENTS

	30 September 2022	31 December 2021
Cash	1,148,692	941,624
Banks	1,709,360,282	1,093,021,210
- time deposit	1,025,035,996	744,666,178
- demand deposit	684,324,286	348,355,032
	<b>1,710,508,974</b>	<b>1,093,962,834</b>

As of 30 September 2022, effective interest rates on TL, EUR, USD and INR denominated time deposits are 17.00%, 1.15%, 2.15%, 4.35% (31 December 2021: TL 8.40%, EUR 2.39%, USD 3.30%, INR 4.75%). As of 30 September 2022, the maturity of denominated time deposits are 1 day for EUR, USD and TL, 50-85 days for INR, respectively (31 December 2021: TL, EUR and USD 1-15 days, INR 20-60 days).

The details of cash and cash equivalents presented in the statements of cash flows as of 30 September 2022 and 2021 are as follows:

	30 September 2022	30 September 2021
Cash on hand and cash at banks	1,710,508,974	587,350,071
Less: Interest accruals	(2,616,187)	(742,773)
	<b>1,707,892,787</b>	<b>586,607,298</b>

#### NOTE 5 - FINANCIAL INVESTMENTS

##### *Restricted bank balances:*

	30 September 2022	31 December 2021
Restricted bank balances (Between 3 months and 365 days) (*)	44,280,899	49,130,668
Restricted bank balances (Longer than 365 days) (*)	57,634,602	53,479,264
	<b>101,915,501</b>	<b>102,609,932</b>

##### *Time deposits:*

	30 September 2022	31 December 2021
Time deposits (Between 3 months and 365 days)	45,348,750	14,078,067
	<b>45,348,750</b>	<b>14,078,067</b>

(\*) Most of the restricted bank balances consist of the collections from customers and the amounts obtained within the framework of project finance within the framework of the concession agreements signed for the operation of the terminals at New Delhi Airport, India, and the related balances are kept blocked in bank accounts with a maturity longer than 3 months.

##### *Other financial assets measured at fair value through profit or loss:*

	Percentage of Shares %	30 September 2022 TL	Percentage of Shares %	31 December 2021 TL
Celebi Ground Handling	61.0%	22,747	-	-



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**NOTE 6 - INVESTMENTS ACCOUNTED BY USING THE EQUITY METHOD**

	Percentage of Shares %	30 September 2022	Percentage of Shares %	31 December 2021
DASPL	24.99%	19,767,511	24.99%	20,391,743
		<b>19,767,511</b>		<b>20,391,743</b>

The movements of investments accounted using the equity method during the nine-month interim periods ended on 30 September are as follows:

	30 September 2022	30 September 2021
<b>As of 1 January</b>	<b>20,391,743</b>	<b>157,711,645</b>
Transfers	(22,747)	(146,706,781)
Shares of profit/loss	(6,207,240)	2,658,502
Foreign currency translation differences	5,605,755	2,143,654
Dividends paid	-	(2,886,345)
<b>As of 30 September</b>	<b>19,767,511</b>	<b>12,920,675</b>

Shares of profit/loss from investments accounted using the equity method:

	1 January - 30 September 2022	1 January - 30 September 2021
DASPL	(6,207,239)	2,658,502
	<b>(6,207,239)</b>	<b>2,658,502</b>

Summary information of financial statements of the investment accounted by using the equity method:

Summary information of financial statements of DASPL is as follows:

	30 September 2022	31 December 2021
Total Assets	84,965,815	93,492,109
Total Liabilities	4,306,759	10,045,060
	1 January - 30 September 2022	1 January - 30 September 2021
Total Sales Income	25,594,785	46,609,693
Profit / (Loss) for the Period	(24,838,893)	10,638,264

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NOTE 7 – SHORT-TERM AND LONG-TERM BORROWINGS

*Short-term borrowings:*

		30 September 2022
	Effective interest rate (%)	Original amount TL
<i>Short-term finance lease obligations:</i>		
INR finance lease obligation		277,640,181 63,154,812
EUR finance lease obligation		9,021,821 163,946,334
TL finance lease obligation		16,001,763 16,001,763
HUF finance lease obligation		20,692,764 886,478
<b>Total short-term finance lease obligations</b>		<b>243,989,387</b>

		30 September 2022
	Effective interest rate (%)	Original amount TL
<i>Short-term portion of long-term borrowings:</i>		
Loan interest accrual – EUR	-	502,748 9,136,029
Loan interest accrual – INR	-	2,989,462 680,013
EUR borrowings	2.75-6.07	32,328,256 587,475,536
TL borrowings	18.27	39,622,576 39,622,576
INR borrowings	5.50-9.45	502,636,796 114,334,792
<b>Total short-term portion of long-term borrowings</b>		<b>751,248,946</b>
<b>Total short-term borrowings:</b>		<b>995,238,333</b>

*Long-term borrowings:*

		30 September 2022
	Effective interest rate (%)	Original amount TL
INR borrowings	5.50-9.45	1,398,675,544 318,156,726
EUR borrowings	2.75-6.07	12,423,267 225,758,098
		<b>543,914,824</b>
<i>Long-term finance lease obligations:</i>		
INR finance lease obligation		573,795,296 130,521,216
EUR finance lease obligation		58,203,128 1,057,678,890
TL finance lease obligation		19,807,035 19,807,035
<b>Total long-term finance lease obligations</b>		<b>1,208,007,141</b>
<b>Total long-term borrowings</b>		<b>1,751,921,965</b>
<b>Total financial liabilities</b>		<b>2,747,160,298</b>

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NOTE 7 – SHORT-TERM AND LONG-TERM BORROWINGS (cont'd)

*Short-term borrowings:*

		31 December 2021	
	Effective interest rate (%)	Original amount	TL
<i>Short-term loans:</i>			
EUR borrowings	3.00-3.95	6,450,000	97,484,655
TL borrowings	20.24-21.00	72,619,920	72,619,920
			<b>170,104,575</b>

*Short-term finance lease obligations:*

INR finance lease obligations		229,230,924	40,028,304
EUR finance lease obligations		9,335,527	141,096,228
TL finance lease obligations		16,991,050	16,991,050
HUF finance lease obligations		24,189,990	961,794
<b>Total short-term finance lease obligations</b>			<b>199,077,376</b>

*Short-term portion of long-term borrowings:*

		31 December 2021	
	Effective interest rate (%)	Original amount	TL
Loan interest accrual – EUR		568,679	8,594,951
Loan interest accrual – INR		3,584,790	625,976
Loan interest accrual -TL		2,332,336	2,332,336
INR borrowings	5.50-8.68	616,115,353	107,586,063
EUR borrowings	1.89-5.75	29,801,131	450,411,311
TL borrowings	9.95-21.00	104,454,298	104,454,298
<b>Total short-term portion of long-term borrowings:</b>			<b>674,004,935</b>
<b>Total short-term borrowings:</b>			<b>1,043,186,886</b>

*Long-term borrowings:*

		31 December 2021	
	Effective interest rate (%)	Original amount	TL
<i>Long-term loans:</i>			
INR borrowings	5.50-8.68	1,286,947,171	224,726,715
EUR borrowings	1.89-5.75	25,092,000	379,237,977
TL borrowings	9.95-21.00	30,394,601	30,394,601
			<b>634,359,293</b>

*Long-term finance lease obligations:*

INR finance lease obligations		663,609,844	115,879,551
EUR finance lease obligations		61,252,779	925,768,383
TL finance lease obligations		21,098,468	21,098,468
HUF finance lease obligations		9,663,607	384,225
<b>Total long-term finance lease obligations</b>			<b>1,063,130,627</b>
<b>Total long-term borrowings</b>			<b>1,697,489,920</b>
<b>Total financial liabilities</b>			<b>2,740,676,806</b>

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#### NOTE 7 – SHORT-TERM AND LONG-TERM BORROWINGS (cont'd)

As of 30 September 2022 and 31 December 2021, the repayment maturities of the Group's borrowings are as follows:

	30 September 2022	31 December 2021
Less than 3 months	184,792,500	337,616,272
Between 3-12 months	810,445,833	705,570,614
Between 1-5 years	1,136,069,233	1,168,656,947
More than 5 years	615,852,732	528,832,973
	<b>2,747,160,298</b>	<b>2,740,676,806</b>

As of 30 September 2022 and 31 December 2021, the repayment schedule of long-term loans is as follows:

	30 September 2022	31 December 2021
Between 1-2 years	252,149,539	428,956,323
Between 2-3 years	152,099,791	103,861,290
Between 3-4 years	80,409,559	73,988,108
4 years and more	59,255,935	27,553,572
	<b>543,914,824</b>	<b>634,359,293</b>

As of 30 September 2022 and 31 December 2021, the repayment maturities of the debts from the lease transactions are as follows:

	30 September 2022	31 December 2021
Up to 1 year	243,989,387	199,077,376
Between 1-5 years	533,483,517	461,618,901
More than 5 years	674,523,624	601,511,726
	<b>1,451,996,528</b>	<b>1,262,208,003</b>

#### NOTE 8 - TRADE RECEIVABLES AND PAYABLES

	30 September 2022	31 December 2021
Trade receivables from third parties	713,926,589	459,371,597
Less: Provision for impairment	(95,511,696)	(79,272,561)
<b>Trade receivables from third parties (net)</b>	<b>618,414,893</b>	<b>380,099,036</b>
Trade receivables from related parties (Note 25)	3,598,778	589,742
<b>Total short-term trade receivables</b>	<b>622,013,671</b>	<b>380,688,778</b>

Movements of provisions for doubtful receivables within accounting periods are as follows:

	30 September 2022	31 December 2021
Opening balance	79,272,561	53,241,619
Additional provision made during the period	3,411,693	6,879,479
Foreign currency translation differences	12,827,442	593,268
Collections and reversed provisions	-	(3,363,181)
<b>Closing balance</b>	<b>95,511,696</b>	<b>57,351,185</b>

# ÇELEBİ HAVA SERVİSİ ANONİM ŞİRKETİ

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

### NOTE 8 - TRADE RECEIVABLES AND PAYABLES (cont'd)

#### Short-term trade payables

	30 September 2022	31 December 2021
Trade payables to third parties	277,014,459	214,331,758
Debt accruals	127,085,000	67,840,531
<b>Total trade payables to third parties</b>	<b>404,099,459</b>	<b>282,172,289</b>
Payables to related parties (Note 25)	18,415,261	11,780,141
<b>Total short-term trade payables</b>	<b>422,514,720</b>	<b>293,952,430</b>

### NOTE 9 - OTHER RECEIVABLES AND PAYABLES

#### Other short-term receivables

	30 September 2022	31 December 2021
Receivables from tax office	15,112,702	28,030,496
Deposits and guarantees given	29,405,571	23,489,205
Other miscellaneous receivables (**)	285,001,077	167,545,055
<b>Other short-term receivables from third parties</b>	<b>329,519,350</b>	<b>219,064,756</b>
Other receivables from related parties (Note 25)	114,881,741	60,554,654
<b>Total short-term other receivables</b>	<b>444,401,091</b>	<b>279,619,410</b>

#### Other long-term receivables

	30 September 2022	31 December 2021
Deposits and guarantees given (*)	415,451,873	297,380,922
<b>Other long-term receivables from third parties</b>	<b>415,451,873</b>	<b>297,380,922</b>
Other receivables from related parties (Note 25)	-	64,295,790
<b>Total long-term other receivables</b>	<b>415,451,873</b>	<b>361,676,712</b>

(\*) As of 30 September 2022, deposits and guarantees given predominantly consists of the deposits given for the subsidiaries of the Group located in India, CASI, Celebi Delhi Cargo and Celebi Nas, amounting to TL 63,093,783 (31 December 2021: TL 37,256,462), TL 120,678,231 (31 December 2021: TL 75,878,570) and TL 231,379,927 (31 December 2021: TL 184,013,060), respectively, to local authorities and companies.

(\*\*) Other miscellaneous receivables consist of INR 1,090,000,000 receivables from Delhi Cargo to GMR Group (31 December 2021: INR 940,000,000).

#### Other short-term payables

	30 September 2022	31 December 2021
Other short-term payables (*)	54,290,573	48,677,439
Deposits and guarantees received	14,919,458	9,749,142
<b>Total short-term other payables</b>	<b>69,210,031</b>	<b>58,426,581</b>

(\*) As of 30 September 2022, TL 24,460,102 (31 December 2021: TL 39,023,634) of other short-term payables are payables of Celebi Delhi Cargo, the Company's subsidiary in India, to its other shareholder Delhi International Airport Private Limited (DIAL) due to the concession contract signed between the parties.

#### Other long-term payables

	30 September 2022	31 December 2021
Deposits and guarantees received	49,584,943	39,168,652

## ÇELEBİ HAVA SERVİSİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022

(Amounts are expressed in Turkish Lira (“TL”) unless otherwise stated.)

#### NOTE 10 – INVENTORIES

	30 September 2022	31 December 2021
Trade goods	4,308,441	10,475,951
Other inventories (*)	42,507,804	30,345,070
	<b>46,816,245</b>	<b>40,821,021</b>

(\*) Other inventories include fuel oil, baggage sticker, boarding passes, miscellaneous periodicals, clothes and spare parts.

## ÇELEBİ HAVA SERVİSİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022

(Amounts are expressed in Turkish Lira (“TL”) unless otherwise stated.)

#### NOTE 11 - PROPERTY, PLANT AND EQUIPMENT

Movements in property, plant and equipment for the period ended on 30 September 2022 are as follows:

	Opening 1 January 2022	Additions	Disposals	Transfers	Foreign currency translation differences	Closing 30 September 2022
<b>Cost</b>						
Plant, machinery and equipment	1,057,610,398	73,955,671	(8,051,851)	11,027,294	272,754,443	1,407,295,955
Motor vehicles	216,485,771	9,899,402	(297,979)	-	29,873,318	255,960,512
Furniture and fixtures	111,376,561	13,255,322	(1,899,921)	(579,207)	22,916,985	145,069,740
Leasehold improvements	380,342,541	8,609,212	-	-	76,175,921	465,127,674
Construction in progress	61,419,347	23,014,646	-	(10,448,087)	19,038,607	93,024,513
	<b>1,827,234,618</b>	<b>128,734,253</b>	<b>(10,249,751)</b>	<b>-</b>	<b>420,759,274</b>	<b>2,366,478,394</b>
<b>Accumulated depreciation</b>						
Plant, machinery and equipment	(656,222,085)	(58,083,690)	6,090,267	(14,509)	(169,646,998)	(877,877,015)
Motor vehicles	(138,059,005)	(10,532,256)	221,220	-	(21,210,974)	(169,581,015)
Furniture and fixtures	(62,554,261)	(10,574,174)	1,881,407	14,509	(12,645,829)	(83,878,348)
Leasehold improvements	(95,597,428)	(14,565,535)	-	-	(19,934,195)	(130,097,158)
	<b>(952,432,779)</b>	<b>(93,755,655)</b>	<b>8,192,894</b>	<b>-</b>	<b>(223,437,996)</b>	<b>(1,261,433,536)</b>
<b>Net book value</b>	<b>874,801,839</b>					<b>1,105,044,858</b>

Depreciation cost for the period ended on 30 September 2022 amounting to TL 89,013,318 was included in cost of sales and TL 4,742,337 was included in operating expenses.

## ÇELEBİ HAVA SERVİSİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022

(Amounts are expressed in Turkish Lira (“TL”) unless otherwise stated.)

#### NOTE 11 - PROPERTY, PLANT AND EQUIPMENT (cont'd)

Movements in property, plant and equipment for the interim period ended on 30 September 2021 are as follows:

	Opening 1 January 2021	CNAS opening (*)	Additions	Disposals	Transfers	Foreign currency translation differences	Closing 30 September 2021
<b>Cost</b>							
Plant, machinery and equipment	484,734,159	127,523,040	15,668,717	(4,640,471)	(1,002,590)	103,272,550	725,555,405
Motor vehicles	130,986,095	3,923,090	6,226,441	(1,073,578)	-	22,449,707	162,511,755
Furniture and fixtures	67,853,295	3,359,524	1,256,491	(698,089)	25,682	10,681,685	82,478,588
Leasehold improvements	221,780,258	410,620	1,564,465	-	1,729,466	32,174,399	257,659,208
Construction in progress	3,392,979	-	-	-	(752,558)	441,561	3,081,982
	<b>908,746,786</b>	<b>135,216,274</b>	<b>24,716,114</b>	<b>(6,412,138)</b>	<b>-</b>	<b>169,019,902</b>	<b>1,231,286,938</b>
<b>Accumulated depreciation</b>							
Plant, machinery and equipment	(255,533,905)	(109,050,309)	(30,922,396)	4,130,329	-	(61,576,059)	(452,952,340)
Motor vehicles	(82,459,525)	(2,465,700)	(4,583,279)	1,068,651	-	(14,276,815)	(102,716,668)
Furniture and fixtures	(34,771,503)	(2,729,991)	(5,602,029)	684,851	-	(5,950,459)	(48,369,131)
Leasehold improvements	(46,814,610)	(410,620)	(8,425,560)	-	-	(7,410,441)	(63,061,231)
	<b>(419,579,543)</b>	<b>(114,656,620)</b>	<b>(49,533,264)</b>	<b>5,883,831</b>	<b>-</b>	<b>(89,213,774)</b>	<b>(667,099,370)</b>
<b>Net book value</b>	<b>489,167,243</b>						<b>564,187,568</b>

(\*) Transfers are related to the full consolidation of Çelebi Nas.

Depreciation expense for the period ended 30 September 2022 in the amount of TL 46,210,043 and TL 3,323,221 are respectively included in cost of sales and operating expenses.



## ÇELEBİ HAVA SERVİSİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022

(Amounts are expressed in Turkish Lira (“TL”) unless otherwise stated.)

#### NOTE 12 – RIGHT-OF-USE ASSETS

Movements in right-of-use assets for the interim period ended on 30 September 2022 are as follows:

	Opening 1 January 2022	Additions	Modifications	Foreign currency translation differences	Closing 30 September 2022
<b>Cost</b>					
Buildings and land	1,338,033,236	607,796	3,138,138	267,992,327	1,609,771,497
Machinery, plant and equipment	71,217,129	-	-	14,410,816	85,627,945
Motor vehicles	31,825,926	1,421,375	298,137	5,901,293	39,446,731
	<b>1,441,076,291</b>	<b>2,029,171</b>	<b>3,436,275</b>	<b>288,304,436</b>	<b>1,734,846,173</b>
<b>Accumulated depreciation</b>					
Buildings and land	(289,166,353)	(100,053,973)	-	(57,862,394)	(447,082,720)
Machinery, plant and equipment	(71,217,129)	-	-	(14,410,816)	(85,627,945)
Motor vehicles	(17,085,769)	(5,524,370)	-	(3,306,569)	(25,916,708)
	<b>(377,469,251)</b>	<b>(105,578,343)</b>	<b>-</b>	<b>(75,579,779)</b>	<b>(558,627,373)</b>
<b>Net book value</b>	<b>1,063,607,040</b>				<b>1,176,218,800</b>

Depreciation expense for the period ended on 30 September 2022 amounting to TL 105,578,343 is included in cost of sales.

## ÇELEBİ HAVA SERVİSİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022

(Amounts are expressed in Turkish Lira (“TL”) unless otherwise stated.)

#### NOTE 12 – RIGHT-OF-USE ASSETS (cont’d)

Movements in right-of-use assets for the interim period ended on 30 September 2021 are as follows:

	Opening 1 January 2021	CNAS opening (*)	Additions	Modifications	Foreign currency translation differences	Closing 30 September 2021
<b>Cost</b>						
Buildings and land	605,089,617	666,525	-	(26,574,160)	87,203,589	666,385,571
Machinery, plant and equipment	46,908,480	-	-	-	6,702,711	53,611,191
Motor vehicles	9,401,947	-	10,622,393	(85,491)	1,587,087	21,525,936
	<b>661,400,044</b>	<b>666,525</b>	<b>10,622,393</b>	<b>(26,659,651)</b>	<b>95,493,387</b>	<b>741,522,698</b>
<b>Accumulated depreciation</b>						
Buildings and land	(99,237,825)	(318,770)	(43,880,106)	-	(17,882,651)	(161,319,352)
Machinery, plant and equipment	(43,747,900)	-	(3,010,060)	-	(6,438,650)	(53,196,610)
Motor vehicles	(7,748,997)	-	(1,535,825)	-	(1,226,145)	(10,510,967)
	<b>(150,734,722)</b>	<b>(318,770)</b>	<b>(48,425,991)</b>	<b>-</b>	<b>(25,547,446)</b>	<b>(225,026,929)</b>
<b>Net book value</b>	<b>510,665,322</b>					<b>516,495,769</b>

(\*) Transfers are related to the full consolidation of Çelebi Nas.

Depreciation expense for the period ended 30 September 2021 in the amount of TL 48,425,991 is included in cost of sales.

## ÇELEBİ HAVA SERVİSİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022

(Amounts are expressed in Turkish Lira (“TL”) unless otherwise stated.)

#### NOTE 13 - INTANGIBLE ASSETS

##### Other Intangible Assets

Movements in other intangible assets for the interim period ended on 30 September 2022 are as follows:

	Opening 1 January 2022	Additions	Disposals	Foreign currency translation differences	Closing 30 September 2022
<b>Cost</b>					
Rights	17,595,437	-	-	3,560,228	21,155,665
Computer software	69,214,586	645,488	(51,996)	14,738,677	84,546,755
Concession rights	410,413,586	2,704,680	-	124,512,547	537,630,813
Build-operate-transfer investments (*)	689,286,987	52,004,172	-	214,314,331	955,605,490
	<b>1,186,510,596</b>	<b>55,354,340</b>	<b>(51,996)</b>	<b>357,125,783</b>	<b>1,598,938,723</b>
<b>Accumulated depreciation</b>					
Rights	(10,229,325)	(1,635,798)	-	(2,195,977)	(14,061,100)
Computer software	(52,133,841)	(4,882,566)	51,996	(10,735,886)	(67,700,297)
Concession rights	(202,933,140)	(14,927,588)	-	(63,063,087)	(280,923,815)
Build-operate-transfer investments (*)	(219,911,048)	(40,604,630)	-	(70,998,562)	(331,514,240)
	<b>(485,207,354)</b>	<b>(62,050,582)</b>	<b>51,996</b>	<b>(146,993,512)</b>	<b>(694,199,452)</b>
<b>Net book value</b>	<b>701,303,242</b>				<b>904,739,271</b>

(\*) It refers to fixed asset expenditures made under the concession agreement signed by Celebi Delhi Cargo with DIAL and accounted for under TFRIC 12.

Amortization expense for the period ended 30 September 2022 in the amount of TL 58,371,883 and TL 3,678,699 are included in cost of sales and operating expenses, respectively.

## ÇELEBİ HAVA SERVİSİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022

(Amounts are expressed in Turkish Lira (“TL”) unless otherwise stated.)

#### NOTE 13 – INTANGIBLE ASSETS (cont’d)

##### Other Intangible Assets (cont’d)

Movement of intangible assets for the interim accounting period ended 30 September 2021 is as follows:

	Opening 1 January 2021	CNAS opening (**)	Additions	Foreign currency translation differences	Closing 30 September 2021
<b>Cost</b>					
Rights	10,390,233	-	-	1,498,657	11,888,890
Computer software	34,912,719	4,859,184	1,578,594	6,271,680	47,622,177
Concession rights	234,176,391	-	1,584,000	44,586,264	280,346,655
Build-operate-transfer investments (*)	186,488,027	212,159,634	-	72,225,904	470,873,565
	<b>465,967,370</b>	<b>217,018,818</b>	<b>3,162,594</b>	<b>124,582,505</b>	<b>810,731,287</b>
<b>Accumulated depreciation</b>					
Rights	(5,410,777)	-	(470,950)	(817,660)	(6,699,387)
Computer software	(24,349,092)	(2,498,565)	(3,090,369)	(4,999,377)	(34,937,403)
Concession rights	(105,930,028)	-	(8,948,974)	(20,862,932)	(135,741,934)
Build-operate-transfer investments (*)	(65,452,916)	(35,990,382)	(20,799,881)	(20,409,887)	(142,653,066)
	<b>(201,142,813)</b>	<b>(38,488,947)</b>	<b>(33,310,174)</b>	<b>(47,089,856)</b>	<b>(320,031,790)</b>
<b>Net book value</b>	<b>264,824,557</b>				<b>490,699,497</b>

(\*) It refers to fixed asset expenditures made under the concession agreement signed by Celebi Delhi Cargo with DIAL and accounted for under TFRIC 12.

(\*\*) Transfers are related to the full consolidation of Çelebi Nas.

Amortization expense for the period ended 30 September 2021 in the amount of TL 31,253,144 and TL 2,057,030 are included in cost of sales and operating expenses, respectively.

## ÇELEBİ HAVA SERVİSİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

#### NOTE 13 – INTANGIBLE ASSETS (cont'd)

##### Goodwill

Goodwill as of 30 September 2022 and 31 December 2021 is as follows:

	30 September 2022	31 December 2021
Goodwill due to acquisition of CGHH	100,093,287	92,897,038
Goodwill due to acquisition of KSU	35,257,850	27,066,100
	<b>135,351,137</b>	<b>119,963,138</b>

As of 30 September 2022, movement of goodwill is as follows:

	30 September 2022	30 September 2021
1 January	119,963,138	57,848,159
Foreign currency translation differences	15,387,999	27,626,108
<b>Goodwill</b>	<b>135,351,137</b>	<b>85,474,267</b>

#### NOTE 14 – PROVISIONS, COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES

##### a) Short-term Provisions

##### Other short-term provisions

	30 September 2022	31 December 2021
Provision for litigation and obligation	8,744,422	9,047,150
	<b>8,744,422</b>	<b>9,047,150</b>

Movements of other short-term provisions for the period 1 January - 30 September 2022 are as follows:

	30 September 2022	30 September 2021
<b>As of 1 January</b>	<b>9,047,150</b>	<b>8,094,479</b>
Addition during the year	2,115,994	991,427
Payments during the year	(2,127,228)	(1,739,096)
Foreign currency translation differences	(291,494)	508,305
<b>As of end of the period</b>	<b>8,744,422</b>	<b>7,855,115</b>

## ÇELEBİ HAVA SERVİSİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022

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#### NOTE 14 – PROVISIONS, COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES (cont'd)

##### a) Short-term Provisions (cont'd)

###### Short-term provisions for employee benefits

	30 September 2022	31 December 2021
Provision for employment termination benefits	52,338,371	35,091,091
Provision for unused vacation	30,849,336	18,976,928
	<b>83,187,707</b>	<b>54,068,019</b>

##### b) Long-term provisions:

###### Long-term provisions for employee benefits

	30 September 2022	31 December 2021
Provision for employment termination benefits	53,392,307	45,879,138
	<b>53,392,307</b>	<b>45,879,138</b>

Provision for employment termination benefits is recorded based on the explanations below. The Group does not have any other defined benefit plans except for the legally mandatory one explained below.

The provision has been calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of employees.

Under the Turkish Labor Law, the Group is required to pay termination benefits to each employee who has completed one year of service, who achieves the retirement age (58 for women and 60 for men), who has charged 25 years of services (20 years for women) and whose employment is terminated without due cause, is called up for military service or who dies.

Since the legislation was changed on 23 May 2002, there are certain transitional provisions relating to length of service prior to retirement. The amount payable at 30 September 2022 consists of one month's salary limited to a maximum of TL 15,371.40 (31 December 2021: TL 10,848.59) for each year of service.

The liability is not funded, as there is no funding requirement.

In accordance with local regulations in India, the Group is required to make employee termination benefit payments to each employee in its subsidiaries, joint ventures and associate, who has completed five year of service, who is called up for military service, who achieves the retirement age, who early retires, or who dies.

Turkish Financial Reporting Standards require actuarial valuation methods to be developed to estimate the enterprise's obligation under defined benefit plans. The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022**

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

**NOTE 14 – PROVISIONS, COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES (cont'd)**

**b) Long-term Provisions (cont'd)**

**Long-term provisions for employee benefits (cont'd)**

Since the Group calculates the reserve for employment termination benefits every six months the maximum amount of TL 15,371.40 which is effective from 1 July 2022 (1 January 2022: TL 10,848.59) has been taken into consideration in the calculations. Movements in the provision for employment termination benefits are as follows:

The provisions for employee benefits for the period between 1 January 2022 and 30 September 2022 are as follows:

	30 September 2022	30 September 2021
<b>As of 1 January</b>	<b>80,970,229</b>	<b>48,913,299</b>
Payments made during the period	(13,523,471)	(17,506,558)
Actuarial (gain) / loss	-	(41,981)
Service cost	21,256,506	17,777,671
Interest cost	4,434,257	2,395,442
Foreign currency translation differences	14,672,637	4,308,057
Transfers	(2,079,480)	956,351
<b>As of end of the period</b>	<b>105,730,678</b>	<b>56,802,281</b>

The provisions for unused vacation rights for the period between 1 January 2022 and 30 September 2022 are as follows:

	30 September 2022	30 September 2021
<b>As of 1 January</b>	<b>18,976,928</b>	<b>11,490,497</b>
Payments of provisions for unused vacation during the period	(1,773,255)	(1,691,477)
Increase in unused vacation rights during the period	22,910,962	8,109,120
Allowance used during the period	(11,527,136)	(3,279,214)
Foreign currency translation differences	2,261,837	1,329,482
Transfers (*)	-	1,785,337
<b>As of end of the period</b>	<b>30,849,336</b>	<b>17,743,745</b>

(\*) Transfers are related to full consolidation of Çelebi Nas.

**c) Contingent assets and liabilities of the Group**

<b>Guarantees received</b>	<b>30 September 2022</b>	<b>31 December 2021</b>
Guarantee letters	60,686,179	44,254,017
Guarantee notes	5,877,608	3,485,511
Guarantee cheques	4,590,223	5,547,267
	<b>71,154,010</b>	<b>53,286,795</b>
<b>Guarantees given</b>	<b>30 September 2022</b>	<b>31 December 2021</b>
Guarantee letters	314,498,792	228,624,438
Collaterals (*)	500,336,436	386,474,891
Pledged shares (*)	92,805,940	75,155,051
	<b>907,641,168</b>	<b>690,254,380</b>

(\*) Collaterals and pledged shares amounting to TL 593,142,376 consist of collaterals given to the Group's subsidiaries and joint venture partners (31 December 2021: TL 461,629,942) (Note 25).

## ÇELEBİ HAVA SERVİSİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

#### NOTE 14 – PROVISIONS, COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES (cont'd)

The litigations and claims those generate contingent assets and liabilities to the Group as of 30 September 2022 are as follows:

As of 30 September 2022, the Group has contingent liabilities amounting to TL 52,164,099 (31 December 2021: TL 39,894,723) due to the legal cases and enforcement proceedings in progress against the Group.

The details of collaterals, pledges and mortgages of the Group at 30 September 2022 and 31 December 2021 are as follows:

	30 September 2022		31 December 2021	
	Amount	TL Equivalent	Amount	TL Equivalent
<b>CPGM given by the Group</b>				
<b>A. CPGM given on behalf of the Group's legal personality</b>		<b>314,498,792</b>		<b>228,624,438</b>
TL	22,702,874	22,702,874	17,872,135	17,872,135
EUR	5,976,500	108,606,153	6,281,434	94,936,965
USD	3,150,500	58,448,391	2,210,500	29,516,807
INR	454,087,950	103,291,386	380,201,002	66,390,699
HUF	500,700,000	21,449,988	500,700,000	19,907,832
<b>B. CPGM given on behalf of fully consolidated subsidiaries</b>		<b>593,142,376</b>		<b>461,629,942</b>
EUR	2,050,000	37,253,010	2,050,000	30,983,495
INR	2,443,792,000	555,889,366	2,466,192,000	430,646,447
		<b>907,641,168</b>		<b>690,254,380</b>

#### NOTE 15 – OTHER ASSETS AND LIABILITIES

##### Other Current Assets

	30 September 2022	31 December 2021
Deferred VAT	22,817,973	13,652,974
Advances given to personnel	1,862,483	1,013,946
Other	3,069,007	-
	<b>27,749,463</b>	<b>14,666,920</b>

##### Other Non-current Assets

	30 September 2022	31 December 2021
Prepaid taxes and funds (*)	85,927,002	57,404,380
	<b>85,927,002</b>	<b>57,404,380</b>

(\*) The related amount as of 30 September 2022 consists of prepaid taxes and funds, which can be offset in more than 1 year period.



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**NOTE 15 – OTHER ASSETS AND LIABILITIES (cont'd)****Other Current Liabilities**

	<b>30 September 2022</b>	<b>31 December 2021</b>
Airline tax (*)	66,364,636	-
Taxes and funds payable	18,419,721	22,188,928
Maintenance obligation liability	2,295,505	1,762,171
Other miscellaneous payables and liabilities	70,163	1,231,544
	<b>87,150,025</b>	<b>25,182,643</b>

(\*) It is related to the air tax that came into effect in Hungary as of 1 July 2022.

**Other Non-current Liabilities**

	<b>30 September 2022</b>	<b>31 December 2021</b>
Maintenance obligation liability	326,538,164	235,346,924
	<b>326,538,164</b>	<b>235,346,924</b>

**NOTE 16 – PREPAID EXPENSES****Short-term prepaid expenses**

	<b>30 September 2022</b>	<b>31 December 2021</b>
Order advances given	141,557,514	16,911,868
Prepaid expenses	52,183,264	31,676,182
	<b>193,740,778</b>	<b>48,588,050</b>

**Long-term prepaid expenses**

	<b>30 September 2022</b>	<b>31 December 2021</b>
Prepaid expenses	30,945,523	14,590,077
Advances given for fixed assets	5,973,310	11,687,709
	<b>36,918,833</b>	<b>26,277,786</b>

**NOTE 17 – DEFERRED INCOME****Short-term deferred income**

	<b>30 September 2022</b>	<b>31 December 2021</b>
Advances received	90,985,751	53,489,033
Prepaid expenses	163,416	83,613
	<b>91,149,167</b>	<b>53,572,646</b>

**Long-term deferred income**

	<b>30 September 2022</b>	<b>31 December 2021</b>
Prepaid expenses	1,278,483	2,078,680
	<b>1,278,483</b>	<b>2,078,680</b>

**NOTE 18 – PAYABLES FOR EMPLOYEE BENEFITS**

	<b>30 September 2022</b>	<b>31 December 2021</b>
Bonus payable accruals	95,414,594	47,547,721
Wages and salaries payables	78,398,010	39,651,307
Social security withholdings payable	29,134,015	15,004,799
	<b>202,946,619</b>	<b>102,203,827</b>

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### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022

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#### NOTE 19 - EQUITY

##### Share Capital

As of 30 September 2022, the authorized share capital of the Group is TL 24,300,000 comprising of TL 2,430,000,000 registered shares with a face value each of 1 Kr (31 December 2021: 2,430,000,000 shares).

The Group's shareholders and their shares in the capital as of 30 September 2022 and 31 December 2021 are as follows:

Shareholders	30 September 2022		31 December 2021	
	Amount	Share %	Amount	Share %
Çelebi Havacılık Holding A.Ş. (ÇHH)	21,848,528	89.91	21,848,528	89.91
Other	2,451,472	10.09	2,451,472	10.09
	<b>24,300,000</b>	<b>100.0</b>	<b>24,300,000</b>	<b>100.00</b>

##### Restricted Reserves Appropriated from Profit

The legal reserves consist of first and second reserves, appropriated in accordance with the Turkish Commercial Code. The Turkish Commercial Code stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Company's paid-in capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the paid-in capital. Under the Turkish Commercial Code, the legal reserves can be used only to offset losses and are not available for any other usage unless they exceed 50% of paid-in capital.

In accordance with the communique numbered II-14,1 "Communiqué on the Principles of Financial Reporting In Capital Markets" ("the Communiqué") published in Official Gazette dated 13 September 2013 numbered 28676, the "Paid-in capital", "Restricted reserves appropriated from profit" and "Share premiums" should be stated at their amounts in the legal records. The differences arising in the valuations during the application of the communiqué (such as differences arising from inflation adjustment) must be associated:

- If the difference is arising from the valuation of "Paid-in Capital" and not yet been transferred to capital should be classified under the "Inflation Adjustment to Share Capital";
- If the difference is arising from valuation of "Restricted Reserves Appropriated from Profit" and "Share Premium" and the amount has not been subject to dividend distribution or capital increase, it shall be classified under "Prior Years' Profit/Losses".

Other equity items shall be carried at the amounts calculated based on TFRS. Inflation adjustment to share capital have no other use other than being transferred to share capital.

As of 30 September 2022, the amount of restricted reserves is TL 91,996,776 (31 December 2021: TL 74,387,905).

Listed companies distribute dividend in accordance with the Communiqué No. II-19.1 issued by the CMB which is effective from 1 February 2015. Companies distribute dividends in accordance with their dividend payment policies settled and dividend payment decision taken in general assembly and also in conformity with relevant legislations. The communiqué does not constitute a minimum dividend rate. Companies distribute dividend in accordance with the method defined in their dividend policy or articles of incorporation. In addition, dividend can be distributed by fixed or variable instalments and advance dividend can be paid in accordance with profit on interim financial statement of the Company.

In accordance with the Turkish Commercial Code, unless the required reserves and the dividend for shareholders as determined in the article of association or in the dividend distribution policy of the Company are set aside, no decision may be made to set aside other reserves, to transfer profits to the subsequent year or to distribute dividends.

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**NOTE 20 – REVENUE AND COST OF SALES**

	<b>1 January - 30 September 2022</b>	<b>1 July - 30 September 2022</b>	<b>1 January - 30 September 2021</b>	<b>1 July - 30 September 2021</b>
Ground handling services	2,824,605,883	1,346,219,107	960,683,703	510,986,786
Revenue from cargo and warehouse services	1,631,872,484	607,235,796	765,306,746	233,230,060
Rental revenue not related to aviation	103,284,076	38,797,033	46,685,124	16,202,812
Revenue in the context of TFRIC 12	2,704,680	134,640	1,584,000	1,584,000
Less: Returns and discounts	(168,816,126)	(79,633,399)	(57,560,521)	(19,709,652)
<b>Revenue</b>	<b>4,393,650,997</b>	<b>1,912,753,177</b>	<b>1,716,699,052</b>	<b>742,294,006</b>
<b>Cost of sales</b>	<b>(2,766,156,514)</b>	<b>(1,119,862,927)</b>	<b>(1,157,866,083)</b>	<b>(440,375,394)</b>
<b>Gross profit</b>	<b>1,627,494,483</b>	<b>792,890,250</b>	<b>558,832,969</b>	<b>301,918,612</b>

**NOTE 21 - FINANCE INCOME**

	<b>1 January - 30 September 2022</b>	<b>1 July - 30 September 2022</b>	<b>1 January - 30 September 2021</b>	<b>1 July - 30 September 2021</b>
Foreign exchange gains	43,627,676	6,470,572	49,633,710	(1,704,255)
Interest income	47,020,390	24,152,215	22,310,658	7,625,507
Other finance income	33,436,394	8,795,588	16,197,429	6,256,686
	<b>124,084,460</b>	<b>39,418,375</b>	<b>88,141,797</b>	<b>12,177,938</b>

**NOTE 22 - FINANCE EXPENSES**

	<b>1 January - 30 September 2022</b>	<b>1 July - 30 September 2022</b>	<b>1 January - 30 September 2021</b>	<b>1 July - 30 September 2021</b>
Foreign exchange losses	(44,978,776)	(14,377,270)	(12,949,733)	(8,370,260)
Interest expenses	(82,044,393)	(26,295,514)	(72,117,258)	(25,415,816)
Finance expenses incurred within the scope of TFRS 16 (*)	(81,030,475)	(32,459,608)	(22,324,218)	(7,901,733)
Other finance expenses	(20,183,818)	(3,059,021)	(12,786,767)	(5,406,132)
	<b>(228,237,462)</b>	<b>(76,191,413)</b>	<b>(120,177,976)</b>	<b>(47,093,941)</b>

(\*) Consists of expenses that are not realized within the scope of TFRS 16 and do not generate cash outflow.

## ÇELEBİ HAVA SERVİSİ ANONİM ŞİRKETİ

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022

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#### NOTE 23 - TAX ASSETS AND LIABILITIES

	30 September 2022	31 December 2021
Current period corporate tax payable	224,573,234	49,917,869
Less prepaid corporate tax	(22,381,957)	(8,197,661)
<b>Current profit tax liability, net (*)</b>	<b>202,191,277</b>	<b>41,720,208</b>
Deferred tax assets	324,509,399	256,168,334
Deferred tax liabilities	(109,220,876)	(85,460,436)
<b>Deferred tax assets – net</b>	<b>215,288,523</b>	<b>170,707,898</b>

(\*) Current income tax assets and current income tax liabilities from the different subsidiaries of the Group have been separately presented in the consolidated statement of financial position.

#### Income Tax

Turkish tax legislation does not permit a parent company, its subsidiaries, to file a tax return on its consolidated financial statements. Therefore, the tax liabilities of the Group's consolidated financial statements are calculated separately for all companies included in the scope of consolidation.

In Turkey, the corporate tax rate is 23% (31 December 2021: 25%). The corporate tax rate is applied to the net corporate income to be deducted from deduction of exemptions and reductions in tax laws and an addition of expenses not subject to deduction according to tax legislation. According to the Law No. 7352 Amending the Tax Procedure Law and the Corporate Tax Law published in the Official Gazette dated 29 January 2022 and numbered 31734, the application of inflation adjustment in the TPL financial statements was postponed to 31 December 2023.

Effective from 1 January 2018, the corporate tax rate in Hungarian will be implemented as 9%.

Corporate tax in India for fiscal year 2022 is 25.17% (2021: 34.6% -25.17%), The corporate tax rate is applicable on the total income of companies after adjusting for certain disallowable expenses, income tax exemptions (affiliation privilege, investment allowance exemption, etc.) and income tax deductions (like research and development expenses).

In Germany, the corporate tax rate is 31.925% for fiscal year 2022 (2021: 31.925%). The corporate tax rate is applicable on the total income of companies after adjusting for certain disallowable expenses, income tax exemptions (affiliation privilege, investment allowance exemption, etc.) and income tax deductions (like research and development expenses).

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### NOTE 23 - TAX ASSETS AND LIABILITIES (cont'd)

#### Income Tax (cont'd)

For the periods ended on 30 September 2022 and 2021, tax expenses of the Group are as follows:

	1 January - 30 September 2022	1 July - 30 September 2022	1 January - 30 September 2021	1 July - 30 September 2021
- Current period corporate tax	(212,293,081)	(114,446,277)	(39,302,013)	(13,586,282)
- Deferred tax income	12,985,672	27,421,199	10,985,787	(812,858)
<b>Current tax income (expense) – net</b>	<b>(199,307,409)</b>	<b>(87,025,078)</b>	<b>(28,316,226)</b>	<b>(14,399,140)</b>

#### Deferred Taxes

The Group considers the differences arising from different valuation of the financial statements prepared in accordance with TFRS in the calculation of deferred tax assets and liabilities. The differences mainly arise due to the different accounting of income and expenses in line with Tax Laws and TFRS in different periods. In accordance with the method of liabilities based on subsequent differences, the rates for deferred revenue asset and liabilities are 20%-25%, 9%, 31.925% and 25.17% for Turkey, Hungary, Germany and India, respectively.

The analysis of cumulative temporary differences and the related deferred tax assets and liabilities in respect of items for which deferred income tax has been provided as at 30 September 2022 and 31 December 2021 using the enacted tax rates are as follows:

	Total temporary differences		Deferred tax assets (liabilities)	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
<b>Deferred tax assets</b>				
Personnel bonus accrual	(10,995,891)	(7,127,065)	2,529,055	1,639,225
Accrued sales commissions	(75,686,904)	(22,159,939)	17,407,988	5,096,786
Provision for employment termination benefits	(37,705,670)	(35,006,953)	7,628,733	7,061,027
TFRS 16 adjustments	(412,624,121)	(329,821,517)	76,870,495	64,264,030
Provision for unused vacation liability	(17,390,539)	(8,529,739)	3,999,824	1,961,840
Provision for litigation and indemnity	(7,715,787)	(6,641,030)	1,774,629	1,527,437
Adjustments related to property, plant and equipment and intangible assets	(328,709,344)	(246,589,798)	82,783,212	62,367,605
Investment incentives	(150,338,002)	(175,460,540)	30,067,599	35,092,107
Deferred tax income calculated over unused previous years' losses	(220,981,633)	(178,385,549)	70,265,042	57,078,802
Other	(131,817,486)	(88,535,944)	31,182,822	20,079,475
<b>Deferred tax assets</b>			<b>324,509,399</b>	<b>256,168,334</b>

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NOTE 23 - TAX ASSETS AND LIABILITIES (cont'd)

Deferred Tax (cont'd)

	Total temporary differences		Deferred tax assets (liabilities)	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
<b>Deferred tax liabilities</b>				
Adjustments related to property, plant and equipment and intangible assets	511,492,285	391,512,286	(102,698,088)	(79,162,260)
Other	28,590,061	27,636,357	(6,522,788)	(6,298,176)
<b>Deferred tax liabilities</b>			<b>(109,220,876)</b>	<b>(85,460,436)</b>
<b>Deferred tax assets, net</b>			<b>215,288,523</b>	<b>170,707,898</b>

Deferred tax movement table is as follows:

	30 September 2022	30 September 2021
<b>1 January</b>	<b>127,190,064</b>	<b>127,190,064</b>
Foreign currency translation differences	31,594,953	11,482,555
Deferred tax income / (expenses) for the current period	12,985,672	10,985,787
Remeasurement gain/losses of defined benefit plans	-	(7,464)
Transfers (*)	-	(3,285,288)
<b>30 September</b>	<b>215,288,523</b>	<b>146,365,654</b>

(\*) Regarding the inclusion of Çelebi Nas in full consolidation.

NOTE 24 - EARNINGS PER SHARE

Earnings per share disclosed in the consolidated statements of income are determined by dividing the net income by the weighted average number of shares that have been outstanding during the year.

Companies can increase their capital by distributing shares ("Bonus Shares") to existing shareholders from retained earnings in proportion of their shares. When earnings per share are calculated, these bonus shares are considered as issued shares. Therefore, weighted average of shares used in earnings per share calculation are obtained by retrospective application of the issuance of the shares as free of charge.

Earnings per share are determined by dividing net profit attributable to shareholders by the weighted average number of issued ordinary shares as below:

	1 January - 30 September 2022	1 July - 30 September 2022	1 January - 30 September 2021	1 July - 30 September 2021
<b>Net profit / (loss) attributable to the parent</b>	<b>917,753,783</b>	<b>540,750,679</b>	<b>248,074,670</b>	<b>181,416,115</b>
Weighted average number of shares with 1 KR face value each	2,430,000,000	2,430,000,000	2,430,000,000	2,430,000,000
<b>Earnings per share (Kr)</b>	<b>0.378</b>	<b>0.223</b>	<b>0.102</b>	<b>0.075</b>

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#### NOTE 25 - RELATED PARTY DISCLOSURES

Details of amounts due from and due to related parties as of reporting periods and a summary of transactions with related parties during the period are as follows:

##### i) Balances with related parties

###### Short-term receivables from related parties

	30 September 2022	31 December 2021
Çelebi Havacılık Holding <sup>(1)</sup>	3,576,038	577,289
Other	22,740	12,453
	<b>3,598,778</b>	<b>589,742</b>

###### Other receivables from related parties

	30 September 2022	31 December 2021
Çelebi Havacılık Holding <sup>(1) (*)</sup>	114,881,741	124,850,444
	<b>114,881,741</b>	<b>124,850,444</b>

###### Payables to related parties

	30 September 2022	31 December 2021
Çelebi Havacılık Holding <sup>(1) (**)</sup>	18,389,343	7,255,171
DASPL <sup>(4)</sup>	25,918	4,521,662
CGSA	-	3,308
	<b>18,415,261</b>	<b>11,780,141</b>

- (1) Parent company
- (2) Subsidiary of the parent
- (3) Joint venture of the Group
- (4) Associate of the Group
- (5) Other related party

(\*) The related amount consists of EUR 10,260,532 remaining from intra-group loan receivables from ÇGHH, amounting to EUR 20,000,000, with a maturity of 30 June 2023 and an interest rate of 3.95%. TL 42,380,305 of the total amount has a maturity of less than one year.

(\*\*) As of 30 September 2022, the related amount consists of legal, financial, human resources, management, corporate communication, procurement, information technologies and business development services provided to the Group by ÇHH along with business development projects run by ÇHH on behalf and on account of the Group and expense projections.

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### NOTE 25 - RELATED PARTY DISCLOSURES (cont'd)

#### ii) Significant transactions with related parties

	1 January - 30 September 2022	1 July - 30 September 2022	1 January - 30 September 2021	1 July - 30 September 2021
<b>Miscellaneous sales to related parties</b>				
Çelebi Havacılık Holding <sup>(1)</sup>	5,614,880	218,582	3,716,525	1,219,733
	<b>5,614,880</b>	<b>218,582</b>	<b>3,716,525</b>	<b>1,219,733</b>

	1 January - 30 September 2022	1 July - 30 September 2022	1 January - 30 September 2021	1 July - 30 September 2021
<b>Contribution to holding expenses (*)</b>				
Çelebi Havacılık Holding <sup>(1)</sup>	137,917,805	45,531,922	68,735,789	22,945,168

(\*) Contribution paid to ÇHH includes services received from ÇHH to Çelebi Hava such as legal, financial, human resource, management, business development, corporate communication, procurement, IT consultancy.

	1 January - 30 September 2022	1 July - 30 September 2022	1 January - 30 September 2021	1 July - 30 September 2021
<b>Other purchases from related parties</b>				
DASPL <sup>(3)</sup>	9,305,961	463,254	6,791,853	154,360
Çelebi Havacılık Holding <sup>(1) (*)</sup>	24,087,340	13,561,189	5,237,713	1,792,043
Other	-	-	2,296	-
	<b>33,393,301</b>	<b>14,024,443</b>	<b>12,031,862</b>	<b>1,946,403</b>

(1) Parent company

(2) Subsidiary of the parent

(3) Associate of the Group

(4) Other related party

(\*) Other purchases consist of car rental, organization fees and other expenses. The purchases made from ÇHH, which are classified under other purchases from related companies, consist of expenses directly related to the Company, related to the business development projects and tenders carried out by ÇHH on behalf of the Company.



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### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022

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#### NOTE 25 - RELATED PARTY DISCLOSURES (cont'd)

As of 30 September 2022 and 31 December 2021, collaterals given in favour of the subsidiaries and joint venture of the Group for the loans borrowed by them are as follows:

30 September 2022	EUR	INR	Total TL
Celebi Nas <sup>(1)</sup>	-	94,392,000	21,471,348
Celebi Delhi Cargo <sup>(2)</sup>	-	313,600,000	71,334,592
CASI <sup>(3)</sup>	-	2,035,800,000	463,083,426
Celebi Cargo GmbH <sup>(4)</sup>	2,050,000	-	37,253,010
	<b>2,050,000</b>	<b>2,443,792,000</b>	<b>593,142,376</b>

31 December 2021	EUR	INR	Total TL
Celebi Nas <sup>(1)</sup>	-	94,392,000	16,482,731
Celebi Delhi Cargo <sup>(2)</sup>	-	336,000,000	58,672,320
CASI <sup>(3)</sup>	-	2,035,800,000	355,491,396
Celebi Cargo GmbH <sup>(4)</sup>	2,050,000	-	30,983,495
	<b>2,050,000</b>	<b>2,466,192,000</b>	<b>461,629,942</b>

- (1) Within the scope of the long-term project finance and working capital loan agreement signed between Celebi Nas and a bank resident in India amounting to INR 2,345,000,000 cash and INR 845,000,000 non-cash, 30% of the 57% shares of Celebi Nas owned by the Company has been pledged in favor of the lender bank to fulfill financial obligations arising from the agreement. As of 30 September 2022, the risk of the cash loan in the respective bank is amounting INR 601,416,555.
- (2) Guarantee at an equivalent amount to the loan amount is given to aforementioned banks for the financial liabilities sourcing from agreements concluded with related banks regarding long term cash project loan at an amount of cash INR 1,200,000,000 and non-cash INR 100,000,000 concluded between Celebi Delhi Cargo and an India resident bank and 28% portion of the owned by the Company are pledged on behalf of the bank. As of 30 September 2022, the risk of the cash loan in the respective bank is amounting INR 450,391,834.
- (3) Celebi Airport Services has a borrowing amounting to INR 1,284,800,000 cash and INR 751,000,000 non-cash within the scope of the long-term project finance and working capital loan agreement signed between the Company and a bank resident in India. As of 30 September 2022, the risk of the cash loan in the respective bank is amounting to INR 195,098,434.
- (4) As of 30 September 2022, the cash credit risk amount at the relevant banks for the financial liabilities arising from the EUR 2,000,000 cash and EUR 50,000 non-cash loan agreements signed between Celebi Cargo GmbH and the banks residing in Germany is EUR 2,000,000.

#### Key management compensation:

The Group has determined key management personnel as members of board of directors, general manager and vice general managers. Compensation amounts have been classified as follow:

	1 January - 30 September 2022	1 July - 30 September 2022	1 January - 30 September 2021	1 July - 30 September 2021
Short-term employee benefits to key management	56,357,477	14,199,975	20,132,049	5,192,594

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
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(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

**NOTE 26 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS***Currency risk*

The Group is exposed to foreign exchange rate risk through operations done using multiple currencies. The main principle in the management of this foreign currency risk is maintaining foreign exchange position in a way to be affected least by the fluctuations in foreign exchange rates.

For this reason, the proportion of the positions of these currencies among each other or against Turkish Lira to shareholders' equity is aimed to be controlled under certain limits. Derivative financial instruments are also used, when necessary. In this context, the Group's primary method is utilizing forward foreign currency transactions.

As of 30 September 2022, other things being constant, if the TL was to depreciate/appreciate by 10% against the USD, net profit arising from foreign exchange gains/losses resulting over net foreign currency position in this currency would decrease/increase net income by TL 17,255,674 (31 December 2021: TL 18,667,730).

As of 30 September 2022, other things being constant, if the TL was to depreciate/appreciate by 10% against the Euro, net profit arising from foreign exchange gains/losses resulting over net foreign currency position in this currency would increase/decrease net income by TL 7,637,523 (31 December 2021: TL 7,945,935).

As of 30 September 2022, other things being constant, if the TL was to depreciate/appreciate by 10% against the GBP, net profit arising from foreign exchange gains/losses resulting over net foreign currency position in this currency would increase/decrease by TL 148,250 (31 December 2021: TL 129,049).

As of 30 September 2022, if the Turkish Lira exchange rate was 10% lower/higher and all other variables remained constant, net profit arising from foreign exchange gains/losses resulting over net foreign currency position in this currency would increase/decrease by TL 18,978,512 (31 December 2021: TL 27,707,551).

Foreign currency denominated assets and liabilities of the Group as of 30 September 2022 and 31 December 2021 are as follows:

	<b>30 September 2022</b>	<b>31 December 2021</b>
Assets denominated in foreign currency	706,935,636	570,324,424
Liabilities denominated in foreign currency (-)	(802,021,755)	(582,553,765)
<b>Net foreign currency position</b>	<b>(95,086,119)</b>	<b>(12,229,341)</b>

(\*) TL 660,059,870 of foreign currency liabilities consists of discounted rental fees in accordance with TFRS 16, which entered into force as of 1 January 2019.

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(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

**NOTE 26 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)**

The table below summarizes TL equivalent of the Group's foreign currency denominated assets and liabilities as of 30 September 2022 and 31 December 2021:

<b>30 September 2022</b>	<b>TL Equivalent</b>	<b>USD</b>	<b>EUR</b>	<b>GBP</b>	<b>Turkish Lira</b>
1. Trade Receivables	164,527,149	3,623,692	4,609,746	-	13,530,826
2. Monetary Financial Assets (Including Cash, Bank accounts)	372,736,226	7,015,746	9,867,615	6,746	63,123,564
3. Other	169,226,169	468,210	6,321,840	-	45,658,149
<b>4. Current Assets (1+2+3)</b>	<b>706,489,544</b>	<b>11,107,648</b>	<b>20,799,201</b>	<b>6,746</b>	<b>122,312,539</b>
5. Other	446,092	-	-	-	446,092
<b>6. Non-Current Assets (5)</b>	<b>446,092</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>446,092</b>
<b>7. Total Assets (4+6)</b>	<b>706,935,636</b>	<b>11,107,648</b>	<b>20,799,201</b>	<b>6,746</b>	<b>122,758,631</b>
8. Trade Payables	113,892,348	1,445,278	1,138,321	1,843	66,355,479
9. Financial Liabilities	232,395,499	-	9,728,431	-	55,608,505
10. Other Monetary Liabilities	178,025,238	361,173	7,239	76,560	169,609,230
<b>11. Current Liabilities (8+9+10)</b>	<b>524,313,085</b>	<b>1,806,451</b>	<b>10,873,991</b>	<b>78,403</b>	<b>291,573,214</b>
12. Financial Liabilities	276,545,167	-	14,128,071	-	19,807,035
13. Other Monetary Liabilities	1,163,503	-	-	-	1,163,503
<b>14. Non-Current Liabilities (12+13)</b>	<b>277,708,670</b>	<b>-</b>	<b>14,128,071</b>	<b>-</b>	<b>20,970,538</b>
<b>15. Total Liabilities (11+14)</b>	<b>802,021,755</b>	<b>1,806,451</b>	<b>25,002,062</b>	<b>78,403</b>	<b>312,543,752</b>
<b>16. Net Foreign Currency Asset/Liability Position (7-15)</b>	<b>(95,086,119)</b>	<b>9,301,197</b>	<b>(4,202,861)</b>	<b>(71,657)</b>	<b>(189,785,121)</b>
<b>17. Net Monetary Foreign Currency Asset/(Liability) Position (7-15)</b>	<b>(95,086,119)</b>	<b>9,301,197</b>	<b>(4,202,861)</b>	<b>(71,657)</b>	<b>(189,785,121)</b>

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FOR THE PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022**

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

**NOTE 26 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)**

<b>31 December 2021</b>	<b>TL Equivalent</b>	<b>USD</b>	<b>EUR</b>	<b>GBP</b>	<b>Turkish Lira</b>
1. Trade Receivables	137,019,592	3,836,510	4,563,435	-	16,819,374
2. Monetary Financial Assets	266,437,990	11,261,246	7,238,104	1,202	6,648,884
3. Other	102,567,815	540,375	4,006,554	-	34,797,531
<b>4. Current Assets (1+2+3)</b>	<b>506,025,397</b>	<b>15,638,131</b>	<b>15,808,093</b>	<b>1,202</b>	<b>58,265,789</b>
5. Other	64,299,027	-	4,254,083	-	3,242
<b>6. Non-Current Assets (5)</b>	<b>64,299,027</b>	<b>-</b>	<b>4,254,083</b>	<b>-</b>	<b>3,242</b>
<b>7. Total Assets (4+6)</b>	<b>570,324,424</b>	<b>15,638,131</b>	<b>20,062,176</b>	<b>1,202</b>	<b>58,269,031</b>
8. Trade Payables	59,509,488	1,151,294	-	7,985	43,992,047
9. Financial Liabilities	275,644,512	-	5,243,313	-	196,397,604
10. Other Monetary Liabilities	50,712,797	506,660	13,293	64,671	42,578,473
<b>11. Current Liabilities (8+9+10)</b>	<b>385,866,797</b>	<b>1,657,954</b>	<b>5,256,606</b>	<b>72,656</b>	<b>282,968,124</b>
12. Financial Liabilities	195,803,624	-	9,548,201	-	51,493,069
13. Other Monetary Liabilities	883,344	-	-	-	883,344
<b>14. Non-Current Liabilities (12+13)</b>	<b>196,686,968</b>	<b>-</b>	<b>9,548,201</b>	<b>-</b>	<b>52,376,413</b>
<b>15. Total Liabilities (11+14)</b>	<b>582,553,765</b>	<b>1,657,954</b>	<b>14,804,807</b>	<b>72,656</b>	<b>335,344,537</b>
<b>16. Net Foreign Currency Asset/(Liability) Position (7-15)</b>	<b>(12,229,341)</b>	<b>13,980,177</b>	<b>5,257,369</b>	<b>(71,454)</b>	<b>(277,075,506)</b>
<b>17. Net Monetary Foreign Currency Asset/(Liability) Position (7-15)</b>	<b>(12,229,341)</b>	<b>13,980,177</b>	<b>5,257,369</b>	<b>(71,454)</b>	<b>(277,075,506)</b>

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### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF 1 JANUARY – 30 SEPTEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

#### NOTE 26 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

##### Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other shareholders and to maintain an optimal capital structure to reduce the cost of capital.

The shareholders' of the Company, in order to maintain or modify capital structure, can change the amount of dividends paid to shareholders, return capital to shareholders, issue new shares and sell assets to decrease financing needs consistent with the regulations of the CMB.

Consistent with others in the industry, the Group monitors capital on the basis of the debt/equity ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total liabilities less cash and cash equivalents and deferred tax liability. Total capital is calculated as equity, as shown in the balance sheet, plus net debt.

The ratio of net debt / (equity+net debt) at 30 September 2022 and 31 December 2021 is as follows:

	30 September 2022	31 December 2021
Total financial liabilities	2,747,160,298	2,740,676,806
Less: Cash and cash equivalents	(1,710,508,974)	(1,093,574,834)
Less: Time deposits	(45,348,750)	(14,078,067)
Less: Restricted bank balances	(101,915,501)	(102,609,932)
Net debt (*)	889,387,073	1,530,413,973
Net debt (Excluding TFRS 16 effect)	(562,609,455)	267,817,972
Shareholder's equity	2,942,176,865	1,669,845,086
Capital invested	3,831,563,938	3,200,259,058
Net debt/capital invested	0.23	0.48

(\*) As of 30 September 2022, TL 1,451,996,528 of the net debt consists of the lease amounts discounted in accordance with TFRS 16 effective as of 1 January 2019 (31 December 2021: TL 735,140,113).

#### NOTE 27 - EVENTS AFTER THE BALANCE SHEET DATE

None.