

TÜRK HAVA YOLLARI ANONİM ORTAKLIĞI AND ITS SUBSIDIARIES
Consolidated Balance Sheet as at 31 December 2021
(All amounts are expressed in Million Turkish Lira (TL) unless otherwise stated.)

	Audited	Audited
	31 December 2021	31 December 2020
ASSETS		
Current Assets		
Cash and Cash Equivalents	35.679	13.293
Financial Investments	69	131
Trade Receivables		
-Related Parties	315	129
-Third Parties	12.008	4.543
Other Receivables		
-Related Parties	76	45
-Third Parties	10.541	8.037
Derivative Financial Instruments	782	14
Inventories	3.481	2.236
Prepaid Expenses	1.526	1.034
Current Income Tax Assets	260	280
Other Current Assets	1.060	917
TOTAL CURRENT ASSETS	65.797	30.659
Non-Current Assets		
Financial Investments	1.171	548
Other Receivables		
-Third Parties	11.544	8.809
Investments Accounted by Using Equity Method	3.164	1.881
Property and Equipment	58.195	30.431
Right of Use Assets	201.381	108.465
Intangible Assets		
- Other Intangible Assets	1.088	653
- Goodwill	166	91
Prepaid Expenses	11.188	5.862
Deferred Tax Assets	14	3
TOTAL NON-CURRENT ASSETS	287.911	156.743
TOTAL ASSETS	353.708	187.402

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Consolidated Balance Sheet as at 31 December 2021

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

	Audited	Audited
	31 December 2021	31 December 2020
LIABILITIES		
Current Liabilities		
Short Term Borrowings		
-Related Parties		
-Bank Borrowings	-	101
-Third Parties		
-Bank Borrowings	11.792	11.108
Short-Term Portion of Long-Term Borrowings		
-Related Parties		
-Bank Borrowings	7.350	3.216
-Third Parties		
-Bank Borrowings	11.914	5.491
-Lease Liabilities	22.305	12.684
Other Financial Liabilities	103	126
Trade Payables		
-Related Parties	2.231	1.036
-Third Parties	9.665	5.286
Payables Related to Employee Benefits	1.407	658
Other Payables		
-Related Parties	68	-
-Third Parties	2.259	645
Derivative Financial Instruments	378	470
Deferred Income	16.877	4.511
Current Tax Provision	211	-
Short-Term Provisions		
-Provisions for Employee Benefits	234	118
-Other Provisions	105	75
Other Current Liabilities	3.544	1.854
TOTAL CURRENT LIABILITIES	90.443	47.379
Non- Current Liabilities		
Long-Term Borrowings		
-Related Parties		
-Bank Borrowings	15.152	10.288
-Third Parties		
-Bank Borrowings	16.000	9.389
-Lease Liabilities	114.495	70.317
Other Payables		
-Third Parties	730	162
Deferred Income	1.224	799
Long-Term Provisions		
-Provisions for Employee Benefits	1.506	984
-Other Provisions	619	359
Deferred Tax Liability	22.889	8.214
TOTAL NON-CURRENT LIABILITIES	172.615	100.512
Equity		
Share Capital	1.380	1.380
Inflation Adjustment on Share Capital	1.124	1.124
Items That Will Not Be Reclassified to Profit or Loss		
-Actuarial (Losses) on Retirement Pay Obligation	(950)	(352)
Items That Are or May Be Reclassified to Profit or Loss		
-Foreign Currency Translation Differences	67.785	29.483
-Fair Value Gains on Hedging Instruments		
Entered into for Cash Flow Hedges	2.022	(3.301)
-Gains/(Losses) on Remeasuring FVOCI	(91)	12
Restricted Profit Reserves	238	211
Previous Years Profit	10.918	16.533
Net Profit/(Loss) for the Period	8.214	(5.588)
Equity of the Parent	90.640	39.502
Non-Controlling Interests	10	9
TOTAL EQUITY	90.650	39.511
TOTAL LIABILITIES AND EQUITY	353.708	187.402

TÜRK HAVA YOLLARI ANONİM ORTAKLIĞI AND ITS SUBSIDIARIES
Consolidated Statement of Profit or Loss and
Other Comprehensive Income For the Year Ended 31 December 2021
(All amounts are expressed in Million Turkish Lira (TL) unless otherwise stated.)

	Audited	Audited
	1 January- 31 December 2021	1 January- 31 December 2020
<u>PROFIT OR LOSS</u>		
Revenue	97.378	46.448
Cost of Sales (-)	(75.233)	(43.765)
GROSS PROFIT	22.145	2.683
General Administrative Expenses (-)	(2.123)	(1.518)
Marketing Expenses (-)	(7.573)	(4.542)
Other Operating Income	1.386	2.391
Other Operating Expenses (-)	(288)	(396)
OPERATING PROFIT/(LOSS) BEFORE INVESTMENT ACTIVITIES	13.547	(1.382)
Income from Investment Activities	1.823	1.344
Expenses from Investment Activities	(52)	(83)
Share of Investments' Profit/(Loss) Accounted by Using The Equity Method	743	(578)
OPERATING PROFIT/(LOSS)	16.061	(699)
Financial Income	790	504
Financial Expenses (-)	(7.660)	(5.906)
PROFIT/(LOSS) BEFORE TAX	9.191	(6.101)
Tax (Expense)/Income	(977)	513
Current Tax Expense	(242)	(1)
Deferred Tax (Expense)/Income	(735)	514
NET PROFIT/(LOSS) FOR THE PERIOD	8.214	(5.588)
Non-controlling interest	1	-
Equity holders of the parent	8.213	(5.588)
<u>OTHER COMPREHENSIVE INCOME</u>		
Items That May Be Reclassified Subsequently To Profit or Loss	43.522	4.424
Currency Translation Adjustment	38.302	8.726
Losses on Remeasuring FVOCI	(129)	20
Related Tax of Remeasuring FVOCI	26	(4)
Fair Value Gains/(Losses) on Hedging Instruments Entered into for Cash Flow Hedges	6.539	(5.325)
Fair Value Gains/(Losses) Hedging Instruments of Investment Accounted by Using the Equity Method Entered into for Cash Flow Hedges	115	(73)
Related Tax of Other Comprehensive (Expense)/Income	(1.331)	1.080
Items That Will Not Be Reclassified Subsequently To Profit or Loss	(598)	(126)
Actuarial Losses on Retirement Pay Obligation	(748)	(158)
Related Tax of Other Comprehensive Income	150	32
OTHER COMPREHENSIVE INCOME FOR THE PERIOD	42.924	4.298
TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE PERIOD	51.138	(1.290)
Basic Profit/(Loss) Per Share (Kr)	5,95	(4,05)
Diluted Profit/(Loss) Per Share (Kr)	5,95	(4,05)

TÜRK HAVA YOLLARI ANONİM ORTAKLIĞI AND ITS SUBSIDIARIES
Consolidated Statement of Changes in Equity
For the Year Ended 31 December 2021
(All amounts are expressed in Million Turkish Lira (TL) unless otherwise stated.)

			Items That Will Not Be Reclassified Subsequently To Profit or Loss	Items That May Be Reclassified Subsequently To Profit or Loss				Retained Earnings				
Share Capital	Inflation Adjustment on Share Capital	Actuarial (Losses) Retirement Pay Obligation	Foreign Currency Translation Differences	Fair Value Losses on Hedging Instruments Entered Into For Cash Flow Hedges	Gains / (Losses) on Remeasuring FVOCI	Restricted Profit Reserves	Previous Years Profit	Net Profit/(Loss) for The Year	Equity Holders of the Parent	Non-controlling Interests	Total Equity	
As of 1 January 2021	1.380	1.124	(352)	29.483	(3.301)	12	211	16.533	(5.588)	39.502	9	39.511
Transfers	-	-	-	-	-	-	-	(5.588)	5.588	-	-	-
Total comprehensive income	-	-	(598)	38.302	5.323	(103)	27	(27)	8.214	51.138	-	51.138
Transactions with non-controlling interests	-	-	-	-	-	-	-	-	-	-	1	1
As of 31 December 2021	1.380	1.124	(950)	67.785	2.022	(91)	238	10.918	8.214	90.640	10	90.650

TÜRK HAVA YOLLARI ANONİM ORTAKLIĞI AND ITS SUBSIDIARIES
Consolidated Statement of Changes in Equity
For the Year Ended 31 December 2021
(All amounts are expressed in Million Turkish Lira (TL) unless otherwise stated.)

		Items That Will Not Be Reclassified Subsequently To Profit or Loss	Items That May Be Reclassified Subsequently To Profit or Loss				Retained Earnings			Equity Holders of the Parent	Non-controlling Interests	Total Equity
	Share Capital	Inflation Adjustment on Share Capital	Actuarial Losses Retirement Pay Obligation	Foreign Currency Translation Differences	Fair Value Gains/(Losses) on Hedging Instruments Entered Into For Cash Flow Hedges	Losses on Remeasuring FVOCI	Restricted Profit Reserves	Previous Years Profit	Net Profit/(Loss) for The Year			
As of 1 January 2020	1.380	1.124	(226)	20.757	1.017	(4)	184	12.024	4.536	40.792	3	40.795
Transfers	-	-	-	-	-	-	-	4.536	(4.536)	-	-	-
Total comprehensive income	-	-	(126)	8.726	(4.318)	16	27	(27)	(5.588)	(1.290)	-	(1.290)
Transactions with non-controlling interests	-	-	-	-	-	-	-	-	-	-	6	6
As of 31 December 2020	1.380	1.124	(352)	29.483	(3.301)	12	211	16.533	(5.588)	39.502	9	39.511

TÜRK HAVA YOLLARI ANONİM ORTAKLIĞI AND ITS SUBSIDIARIES

Consolidated Statement of Cash Flows

For the Year Ended 31 December 2021

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

	Audited	Audited
	1 January -	1 January -
	31 December 2021	31 December 2020
Net Profit/(Loss) for the period	8.214	(5.588)
Adjustments to Reconcile Profit / (Loss)		
Adjustments for Depreciation and Amortisation Expense	15.473	11.638
Adjustments for Provisions Related with Employee Benefits	246	36
Adjustments for Provisions for Other Accruals	31	(1)
Adjustments for Reversal of Probable Risks	(87)	152
Adjustments for Interest Income	(664)	(544)
Adjustments for Interest Expense	3.027	1.977
Adjustments For Unrealised Foreign Exchange Gains	9.762	5.702
Adjustments for Fair Value Gains on Derivative Financial Instruments	(196)	113
Adjustments for Undistributed (Gains)/Losses of Associates	(743)	578
Adjustments for Tax Expense/(Income)	946	(514)
Adjustments for Gains Arised From Sale of Tangible Assets	(17)	(23)
Adjustments for Losses Arised from Sale of Other Non-Current Assets	469	273
Operating Profit Before Changes in Working Capital	36.461	13.799
Increase in Trade Receivables from Related Parties	(54)	(117)
Increase in Trade Receivables from Non Related Parties	(2.497)	(562)
(Increase)/Decrease in Other Related Party Receivables Related with Operations	-	121
Decrease/(Increase) in Other Non-Related Party Receivables Related with Operations	7.185	(1.545)
Adjustments for Decrease/(Increase) in Inventories	385	(102)
Adjustments for (Increase)/Decrease in Prepaid Expenses	(128)	517
Increase/(Decrease) in Trade Payables to Related Parties	230	(213)
Increase/(Decrease) in Trade Payables to Non Related Parties	33	(1.664)
Adjustments for Increase/(Decrease) in Payables Due to Employee Benefits	139	(490)
Increase in Other Operating Payables to Related Parties	45	-
Increase/(Decrease) in Other Operating Payables to Non-Related Parties	1.194	(911)
Increase/(Decrease) in Deferred Income	5.898	(3.316)
Decrease in Other Assets Related with Operations	547	161
Cash Flows From Operations	49.438	5.678
Payments for Provisions Related with Employee Benefits	(56)	(98)
Income Taxes (Paid)/Received	(20)	23
Net Cash From Operating Activities	49.362	5.603
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		
Cash Receipts Proceed From Sales of Property, Plant and Equipment	727	96
Cash Payments From Purchasing of Property, Plant and Equipment	(7.538)	(8.000)
Cash (Payments)/Receipts From (Purchasing)/Sales of Other Long-term Assets	(5)	2.661
Other Cash Advances and Loans	1.869	2.057
Dividends Received	247	18
Interest Received	70	66
Net Cash Flows / (Used In) Investing Activities	(4.630)	(3.102)
CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES		
Proceeds From Loans	24.714	28.576
Repayments of Loans	(28.771)	(17.928)
Payments of Lease Liabilities	(15.917)	(10.877)
Interest Paid	(2.882)	(1.710)
Interest Received	594	392
Other Cash Outflows	(84)	11
Net Cash Used in Financing Activities	(22.346)	(1.536)
Net Change in Cash and Cash Equivalents	22.386	965
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	13.293	12.328
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	35.679	13.293