TAV Havalimanları Holding A.Ş.
and its Subsidiaries

Consolidated Financial Statements
As at and for the Year Ended 31 December 2024

Deloitte.

DRT Bağımsız Denetim ve
Serbest Muhasebeci
Mali Müşavirlik A.Ş.
Maslak no1 Plaza
Eski Büyükdere Caddesi
Maslak Mahallesi No:1
Maslak, Sarıyer 34485
İstanbul, Türkiye

Tel : +90 (212) 366 6000
Fax : +90 (212) 366 6020
www.deloitte.com.tr

Mersis No: 0291001097600016
Ticari Sicil No : 304099

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of TAV Havalimanları Holding A.Ş.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of TAV Havalimanları Holding A.Ş. ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (*IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Deloitte.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the matter was addressed during audit
Recoverability of Airport Operation Rights and Goodwill The consolidated statement of financial position as of 31 December 2024 includes airport operation right of 1,453,070 thousand EUR and goodwill of 223,440 thousand EUR that comprises 30% of total consolidated assets. Details of airport operation right for each concession agreement and goodwill is disclosed in Note 13 and Note 14. Since management's assessment of value in use (VIU) and impairment of airport operation rights and goodwill requires estimations and judgements, which are disclosed in Note 1 and Note 2.d, this matter is considered as a key audit matter.	We performed the following auditing procedures in relation to the impairment tests of recoverability of airport operation rights and goodwill: • Evaluating management forecasts and future plans based on macroeconomic information, • Evaluating the reasonableness of cash flow estimates for each CGU, • Through involvement of valuation specialists, testing the reasonableness of the discount rates, estimations, assumptions and the mathematical accuracy of the models used, • Testing of the setup of the discounted cash flow models and their mathematical accuracy, • Assessing management's sensitivity analysis for key assumptions, • Evaluating whether there is a significant indicator of impairment in the recoverable value of the rights and goodwill arising from concession agreements, • Understanding and evaluating accounting policies for airport operation rights and goodwill, We also evaluated the correctness and compliance with IFRS of the related disclosures in the consolidated financial statements.

Responsibilities of Management and Those Charged With Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Deloitte.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Cont'd)

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

Burç Seven
Partner

İstanbul, 18 February 2025

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro are expressed in thousands unless otherwise indicated.)

	Notes	31 December 2024	31 December 2023
ASSETS			
Property and equipment	12	961,428	677,686
Intangible assets	13	35,573	21,603
Airport operation right	14	1,453,070	1,573,369
Right of use assets	15	122,758	68,356
Equity-accounted investments	36	725,507	754,398
Goodwill	13	223,440	216,411
Derivative financial instruments	32	57,252	42,191
Non-current due from related parties	35	134,529	86,039
Other non-current assets	19	243,498	237,186
Deferred tax assets	17	54,948	44,187
Total non-current assets		**4,012,003**	**3,721,426**
Current assets			
Inventories	18	44,713	33,805
Financial assets	16	65,348	80,888
Trade receivables	20	127,103	114,256
Due from related parties	35	18,707	16,256
Other receivables and current assets	19	153,353	146,823
Cash and cash equivalents	21	352,571	538,911
Restricted bank balances	22	88,610	99,768
		850,405	**1,030,707**
Assets classified as held for sale		691	965
Total current assets		**851,096**	**1,031,672**
TOTAL ASSETS		**4,863,099**	**4,753,098**

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

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro are expressed in thousands unless otherwise indicated.)

EQUITY	**Notes**	**31 December 2024**	**31 December 2023**
Share capital	23	162,384	162,384
Share premium		220,286	220,286
Legal reserves	23	121,975	121,975
Other reserves		(75,663)	(74,304)
Purchase of shares of entities under common control		40,064	40,064
Cash flow hedge reserves		31,972	40,387
Translation reserves		(69,207)	(85,924)
Retained earnings		1,175,861	986,349
Total equity attributable to equity holders of the Company		**1,607,672**	**1,411,217**
Non-controlling interests	23, 36	15,183	15,223
Total Equity		**1,622,855**	**1,426,440**
LIABILITIES			
Loans and borrowings	25	1,386,526	1,254,486
Reserve for employee severance indemnity	26	38,830	23,253
Due to related parties	35	300,000	465,375
Derivative financial instruments	32	-	10,511
Deferred income	29	16,603	14,563
Other payables	27	594,937	589,016
Liabilities from equity-accounted investments	28	6,509	4,093
Deferred tax liabilities	17	88,261	77,140
Total non-current liabilities		**2,431,666**	**2,438,437**
Bank overdrafts	21	-	342
Loans and borrowings	25	461,866	532,033
Trade payables	31	74,254	55,059
Due to related parties	35	13,125	319
Current tax liabilities	11	4,808	12,106
Other payables	27	230,530	263,824
Provisions	30	13,023	9,631
Deferred income	29	10,774	14,538
		808,380	**887,852**
Liabilities classified as held for sale		198	369
Total current liabilities		**808,578**	**888,221**
Total Liabilities		**3,240,244**	**3,326,658**
TOTAL EQUITY AND LIABILITIES		**4,863,099**	**4,753,098**

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

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro are expressed in thousands unless otherwise indicated.)

	Notes	2024	2023
Operating revenue	6	1,660,000	1,309,687
Other operating income		19,151	2,066
Cost of catering inventory sold		(53,878)	(45,019)
Cost of fuel sold		(246,516)	(221,937)
Cost of services rendered		(172,126)	(126,074)
Personnel expenses	7	(469,066)	(333,982)
Concession and rent expenses		(2,029)	(1,855)
Depreciation, amortisation and impairment expenses	9	(205,670)	(137,673)
Other operating expenses	8	(246,091)	(198,177)
Share of profit of equity-accounted investees, net of tax	36	59,371	150,951
Operating profit		**343,146**	**397,987**
Finance income	10	83,579	86,787
Finance costs	10	(195,495)	(199,063)
Net finance cost		**(111,916)**	**(112,276)**
Net monetary position gains		**8,613**	**4,811**
Profit before income tax		**239,843**	**290,522**
Tax expense	11	(42,738)	(31,788)
Profit for the year		**197,105**	**258,734**
Net results from discontinued activities		(107)	(230)
Profit for the period after discontinued operations		**196,998**	**258,504**
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Defined benefit obligation actuarial differences	11, 26	(12,676)	(5,826)
Defined benefit obligation actuarial differences from equity accounted investees		(2,801)	(14,090)
Tax on defined benefit obligation actuarial differences	11, 17	3,094	2,472
Tax on defined benefit obligation actuarial differences from equity accounted investees	11	693	3,570
Total items that will not be reclassified to profit or loss		**(11,690)**	**(13,874)**
Effective portion of changes in fair value of cash flow hedges	10	(17,140)	(24,696)
Effective portion of changes in fair value of cash flow hedges from equity accounted investees	10	(858)	511
Portion of cash flow hedges charged to profit or loss	10	15,326	13,419
Foreign currency translation differences for foreign operations	10	22,336	(25,125)
Foreign currency translation differences for foreign operations from equity accounted investees		(5,311)	(22,820)
Tax on cash flow hedge reserves	10, 11, 17	(5,605)	4,268
Tax on cash flow hedge reserves, equity accounted investments	11	(138)	-
Total items that are or may be reclassified subsequently to profit or loss		**8,610**	**(54,443)**
Other comprehensive income for the year, net of tax		**(3,080)**	**(68,317)**
Total comprehensive income for the year		**193,918**	**190,187**

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro are expressed in thousands unless otherwise indicated.)

	Notes	2024	2023
Profit attributable to:			
Owners of the Company		182,994	249,149
Non-controlling interest	36	14,004	9,355
Profit for the period after discontinued operations		**196,998**	**258,504**
Total comprehensive income attributable to:			
Owners of the Company		179,606	181,284
Non-controlling interest	23	14,312	8,903
Total comprehensive income for the year		**193,918**	**190,187**
Weighted average number of shares outstanding		**363,281,250**	**363,281,250**
Basic and diluted loss per share for continued operations	24	0.50	0.69

TAV Havalimanları Holding A.Ş. and its Subsidiaries
Consolidated Statement of Changes in Equity
For the Year Ended 31 December 2024
(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro are expressed in thousands unless otherwise indicated.)

	Attributable to the owners of the Company										
	Share Capital	**Share Premium**	**Legal Reserves**	**Other Reserves**	**Purchase of Shares of Entities Under Common Control**	**Cash flow Hedge Reserve**	**Translation Reserves**	**Retained Earnings**	**Total**	**Non-Controlling Interests**	**Total Equity**
Balance at 1 January 2023	**162,384**	**220,286**	**121,975**	**(74,341)**	**40,064**	**46,885**	**(38,431)**	**725,838**	**1,204,660**	**19,998**	**1,224,658**
Total comprehensive income for the year											
Profit for the period	-	-	-	-	-	-	-	249,149	249,149	9,355	258,504
Other comprehensive income											
Effective portion of changes in fair value of cash hedges, net of tax	-	-	-	-	-	(6,498)	-	-	(6,498)	-	(6,498)
Defined benefit obligation actuarial differences, net of tax	-	-	-	-	-	-	-	(13,874)	(13,874)	-	(13,874)
Foreign currency translation differences for foreign operations	-	-	-	-	-	-	(47,493)	-	(47,493)	(452)	(47,945)
Total other comprehensive income	-	-	-	-	-	(6,498)	(47,493)	(13,874)	(67,865)	(452)	(68,317)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**(6,498)**	**(47,493)**	**235,275**	**181,284**	**8,903**	**190,187**
Transactions with owners of the Company, recognised directly in equity											
Contributions by and distributions to owners of the Company											
Dividend distributions (Note 23,36)	-	-	-	-	-	-	-	-	-	(13,678)	(13,678)
Effect of IAS 29 indexation	-	-	-	-	-	-	-	25,236	25,236	-	25,236
Other changes in equity	-	-	-	37	-	-	-	-	37	-	37
Total transactions with owners of the Company	-	-	-	37	-	-	-	25,236	25,273	(13,678)	11,595
Balance at 31 December 2023	**162,384**	**220,286**	**121,975**	**(74,304)**	**40,064**	**40,387**	**(85,924)**	**986,349**	**1,411,217**	**15,223**	**1,426,440**
Balance at 1 January 2024	**162,384**	**220,286**	**121,975**	**(74,304)**	**40,064**	**40,387**	**(85,924)**	**986,349**	**1,411,217**	**15,223**	**1,426,440**
Total comprehensive income for the year											
Profit for the period	-	-	-	-	-	-	-	182,994	182,994	14,004	196,998
Other comprehensive income											
Effective portion of changes in fair value of cash hedges, net of tax	-	-	-	-	-	(8,415)	-	-	(8,415)	-	(8,415)
Defined benefit obligation actuarial differences, net of tax	-	-	-	-	-	-	-	(11,690)	(11,690)	-	(11,690)
Foreign currency translation differences for foreign operations	-	-	-	-	-	-	16,717	-	16,717	308	17,025
Total other comprehensive income	-	-	-	-	-	(8,415)	16,717	(11,690)	(3,388)	308	(3,080)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**(8,415)**	**16,717**	**171,304**	**179,606**	**14,312**	**193,918**
Transactions with owners of the Company, recognised directly in equity											
Contributions by and distributions to owners of the Company											
Dividend distributions (Note 23,36)	-	-	-	-	-	-	-	-	-	(14,352)	(14,352)
Effect of IAS 29 indexation	-	-	-	-	-	-	-	18,208	18,208	-	18,208
Other changes in equity	-	-	-	**(1,359)**	-	-	-	-	(1,359)	-	(1,359)
Total transactions with owners of the Company	-	-	-	(1,359)	-	-	-	**18,208**	**16,849**	**(14,352)**	**2,497**
Balance at 31 December 2024	**162,384**	**220,286**	**121,975**	**(75,663)**	**40,064**	**31,972**	**(69,207)**	**1,175,861**	**1,607,672**	**15,183**	**1,622,855**

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

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro are expressed in thousands unless otherwise indicated.)

	Notes	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year		**197,105**	**258,734**
Loss from discontinued operations		**(107)**	**(230)**
Adjustments for:			
Amortisation and impairment of airport operation right	14	127,891	79,816
Depreciation and impairment of property and equipment and right of use assets	12, 15	72,409	54,469
Amortisation of intangible assets	13	5,370	3,388
Concession and rent expenses		2,029	1,855
Provision for employee severance indemnity	26	7,052	4,467
Provision (reversed) / set for doubtful receivables	33	(16,186)	6,253
Provision set for unused vacation		3,310	2,648
Discount on receivables, payables and financial liabilities, net		(8,800)	(5,475)
Loss on sale of property and equipment		37	119
Other finance income		(9,366)	(35,477)
Interest income		(58,826)	(35,369)
Interest expense on financial liabilities	10	131,962	118,328
Tax expense	11	42,738	31,788
Unwinding of discount from concession receivable and payable		33,792	37,813
Share of profit of equity-accounted investments, net of tax	36	(59,371)	(150,951)
Unrealised foreign exchange differences on statement of financial position items		(9,808)	(30,581)
Cash flows from operating activities		**461,231**	**341,595**
Change in current trade receivables		7,067	(2,658)
Change in inventories		(9,849)	(3,773)
Change in due from related parties		(3,021)	3,888
Change in other receivables and other assets		(2,343)	(104,975)
Change in trade payables		19,198	(15,356)
Change in due to related parties		(1,226)	(416)
Change in other payables and provisions		(96,171)	(95,975)
Cash provided from operations		**374,886**	**122,330**
Income taxes paid	11	(57,227)	(54,052)
Retirement benefits paid	26	(1,774)	(2,272)
Net cash provided from operating activities		**315,885**	**66,006**

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro are expressed in thousands unless otherwise indicated.)

	Notes	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, equipment and intangible assets		5,590	1,976
Acquisition of property and equipment		(252,443)	(212,429)
Effect of acquisition of subsidiary, net of cash acquired		(3,582)	-
Sale of joint venture		-	124,617
Proceeds from / (purchase of) exchange rate protected deposit		15,580	(35,611)
Acquisition of intangible assets	13	(3,119)	(1,992)
Change in due from related parties		(22,271)	25,901
Acquisition of non-consolidated investments		-	(433)
Dividends from equity-accounted investments	36	94,056	65,311
Net cash used in investing activities		**(166,189)**	**(32,660)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	25	347,400	730,238
Repayment of borrowings	25	(387,402)	(349,946)
Lease payments	15, 25	(22,497)	(11,702)
Dividends paid	36	(14,352)	(13,678)
Interest received		43,080	23,934
Interest paid	25	(127,633)	(106,847)
Change in due to related parties		(177,030)	(22,808)
Change in restricted bank balances		12,400	5,801
Net cash (used in) / provided from financing activities		**(326,034)**	**254,992**
NET MONETARY POSITION GAINS		**(9,660)**	**(7,406)**
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		**(185,998)**	**280,932**
CASH AND CASH EQUIVALENTS AT 1 JANUARY	21	**538,569**	**257,637**
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	21	**352,571**	**538,569**

Notes to the consolidated financial statements

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

1. REPORTING ENTITY

TAV Havalimanları Holding A.Ş. ("TAV", "TAV Holding" or "the Company") was established in 1997 under the name of Tepe Akfen Vie Yatırım Yapım ve İşletme A.Ş. in Türkiye for the purpose of reconstructing the İstanbul Atatürk Airport (International Lines Building) and operating it for a limited period of 66 months. On 7 August 2006, the Company's name has been changed to TAV Havalimanları Holding A.Ş.. The address of the Company's registered office is Vadi İstanbul Bulvar, Ayazağa Mah. Azerbaycan Cad. Sarıyer, İstanbul, Türkiye.

The Company is listed in Borsa İstanbul since 23 February 2007 and the Company's shares are traded as "TAVHL".
The consolidated financial statements of the Company as at and for the year ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities") and the Group's interests in joint ventures. The Company's subsidiaries as at 31 December 2024 and 2023 are as follows:

			31 December 2024		31 December 2023	
Name of Subsidiary	**Principal Activity**	**Place of operation**	**Ownership interest %**	**Voting power held %**	**Ownership interest %**	**Voting power held %**
TAV İstanbul Terminal İşletmeciliği A.Ş ("TAV İstanbul")	İstanbul Airport Terminal Services	Türkiye	100.00	100.00	100.00	100.00
TAV Esenboğa Yatırım Yapım ve İşletme A.Ş. ("TAV Esenboğa")	Ankara Airport Terminal Services	Türkiye	100.00	100.00	100.00	100.00
TAV Ankara Yatırım Yapım ve İşletme A.Ş. ("TAV Ankara") (*)	Ankara Airport Terminal Services	Türkiye	100.00	100.00	100.00	100.00
TAV Ege Terminal Yatırım Yapım ve İşletme A.Ş. ("TAV Ege")	İzmir Airport Terminal Services	Türkiye	100.00	100.00	100.00	100.00
TAV Milas Bodrum Terminal İşletmeciliği A.Ş. ("TAV Milas Bodrum")	Bodrum Airport Terminal Services	Türkiye	100.00	100.00	100.00	100.00
TAV Tunisie SA (" TAV Tunisia")	Airport Operator	Tunisia	100.00	100.00	100.00	100.00
TAV Urban Georgia LLC ("TAV Tbilisi")	Airport Operator	Georgia	80.00	80.00	80.00	80.00
TAV Batumi Operations LLC ("TAV Batumi")	Airport Management Service Provider	Georgia	76.00	100.00	76.00	100.00
Batumi Airport LLC	Airport Operator	Georgia	76.00	100.00	76.00	100.00
TAV Macedonia Dooel Petrovec ("TAV Macedonia")	Airport Operator	Macedonia	100.00	100.00	100.00	100.00
TAV Gazipaşa Alanya Havalimanı İşletmeciliği A.Ş. ("TAV Gazipaşa")	Airport Operator	Türkiye	100.00	100.00	100.00	100.00
SIA TAV Latvia ("TAV Latvia")	Commercial Area Operator	Latvia	100.00	100.00	100.00	100.00

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

1. REPORTING ENTITY (continued)

			31 December 2024		31 December 2023	
Name of Subsidiary	**Principal Activity**	**Place of operation**	**Ownership interest %**	**Voting power held %**	**Ownership interest %**	**Voting power held %**
Havaş Havaalanları Yer Hizmetleri A.Ş. ("HAVAŞ")	Ground Handling Services	Türkiye	100.00	100.00	100.00	100.00
Havaş Georgia LLC ("HAVAŞ Georgia")	Ground Handling Services	Georgia	100.00	100.00	100.00	100.00
Havaş Macedonia LLC ("HAVAŞ Macedonia")	Ground Handling Services	Macedonia	100.00	100.00	100.00	100.00
Havaş Latvia SIA ("HAVAŞ Latvia")	Ground Handling Services	Latvia	100.00	100.00	100.00	100.00
Havas Adriatic D.O.O. ("HAVAŞ Adriatic")	Ground Handling Services	Croatia	100.00	100.00	100.00	100.00
Havaş Kazakhstan L.L.P. ("Havaş Kazakhstan")	Ground Handling Services	Kazakhstan	100.00	100.00	100.00	100.00
MZLZ-Zemaljske usluge d.o.o ("HAVAŞ MZLZ")	Group Handling Services	Croatia	100.00	100.00	100.00	100.00
BTA Havalimanları Yiyecek ve İçecek Hizmetleri A.Ş. ("BTA")	Food and Beverage Services	Türkiye	100.00	100.00	100.00	100.00
BTA Georgia LLC ("BTA Georgia")	Food and Beverage Services	Georgia	100.00	100.00	100.00	100.00
BTA Tunisie SARL ("BTA Tunisia")	Food and Beverage Services	Tunisia	100.00	100.00	100.00	100.00
BTA Macedonia Dooel Petrovec ("BTA Macedonia")	Food and Beverage Services	Macedonia	100.00	100.00	100.00	100.00
BTA Unlu Mamülleri Pasta Üretim Turizm Gıda Yiyecek İçecek Hizmetleri San. ve Tic. A.Ş. ("Cakes & Bakes")	Food and Beverage Services	Türkiye	100.00	100.00	100.00	100.00
BTA Tedarik Dağıtım ve Ticaret A.Ş. ("BTA Tedarik")(*)	Food and Beverage Services	Türkiye	-	-	100.00	100.00
BTA Denizyolları ve Limanları Yiyecek ve İçecek Hizmetleri Tic. A.Ş. ("BTA Denizyolları")	Food and Beverage Services	Türkiye	100.00	100.00	100.00	100.00
SIA Cakes and Bakes Latvia ("BTA Latvia")	Food and Beverage Services	Latvia	100.00	100.00	100.00	100.00
BTA Uluslararası Yiyecek İçecek Hizmetleri Sanayi ve Ticaret A.Ş ("BTA Uluslararası Yiyecek")	Food and Beverage Services	Türkiye	100.00	100.00	100.00	100.00
MZLZ-Ugostiteljstvo D.o.o ("BTA MZLZ")	Food and Beverage Services	Croatia	100.00	100.00	100.00	100.00
TAV İşletme Hizmetleri A.Ş. ("TAV İşletme")	Operations & Maintenance ("O&M"), Lounge Services	Türkiye	100.00	100.00	100.00	100.00
TAV Georgia Operation Services LLC ("TAV İşletme Georgia")	Lounge Services	Georgia	99.99	99.99	99.99	99.99
TAV Tunisie Operation Services SARL ("TAV İşletme Tunisia")	Lounge Services	Tunisia	99.99	99.99	99.99	99.99
TAV Tunisie Operation Services Plus SARL ("TAV İşletme Tunisia Plus")	Lounge Services	Tunisia	99.99	99.99	99.99	99.99
TAV Macedonia Operation Services Dooel ("TAV İşletme Macedonia")	Lounge Services	Macedonia	99.99	99.99	99.99	99.99
TAV Germany Operation Services GmbH ("TAV İşletme Germany")	Lounge Services	Germany	100.00	100.00	100.00	100.00

(*) In liquidation process

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

1. REPORTING ENTITY (continued)

			31 December 2024		31 December 2023	
Name of Subsidiary	**Principal Activity**	**Place of operation**	**Ownership interest %**	**Voting power held %**	**Ownership interest %**	**Voting power held %**
TAV Operation Services Saudi Arabia LLC. ("TAV İşletme Saudi")	Lounge Services	Saudi Arabia	100.00	100.00	100.00	100.00
TAV Latvia Operation Services SIA ("TAV İşletme Latvia")	Lounge Services	Latvia	100.00	100.00	100.00	100.00
TAV Gayrimenkul A.Ş. ("TAV Real Estate") (*)	Real Estate	Türkiye	-	-	100.00	100.00
Kazakhstan Operation Services LLP ("TAV İşletme Kazakistan")	Lounge Services	Kazakhstan	100.00	100.00	100.00	100.00
TAV Africa Operation Services Ltd. ("TAV İşletme Kenya")	Lounge Services	Kenya	100.00	100.00	100.00	100.00
TAV USA Operation Services Co. ("TAV İşletme America")	Holding	United States	100.00	100.00	100.00	100.00
TAV Washington Operation Services Ltd. ("TAV İşletme Washington")	Lounge Services	United States	100.00	100.00	100.00	100.00
TAV Madagascar Operation Services S.A ("TAV İşletme Madagascar")	Lounge Services	Madagascar	100.00	100.00	100.00	100.00
TAV New York Operation Services ("TAV İşletme New York")	Lounge Services	United States	100.00	100.00	100.00	100.00
Gestio I Servies Trade Center S.A. ("GIS Spain")	Lounge Services	Spain	100.00	100.00	100.00	100.00
GIS Premium France SAS ("GIS France")	Lounge Services	France	100.00	100.00	100.00	100.00
GIS Premium Deutschland Gmbh ("GIS Germany")	Lounge Services	Germany	100.00	100.00	100.00	100.00
GIS Premium Italy SRL ("GIS Italy")	Lounge Services	Italy	100.00	100.00	100.00	100.00
GIS Premium Mexico SAdCV ("GIS Mexico")	Lounge Services	Mexico	100.00	100.00	100.00	100.00
TAV OS Dulles Operations LLC ("TAV İşletme Dulles")	Lounge Services	United States	100.00	100.00	100.00	100.00
TAV Havacılık A.Ş. ("TAV Havacılık")(**)	Airline Taxi Services	Türkiye	-	-	100.00	100.00
TAV Bilişim Hizmetleri A.Ş. ("TAV Bilişim")	Software and System Services	Türkiye	100.00	100.00	100.00	100.00
TAV Information and Technologies Saudi Ltd. Company ("TAV IT Saudi")	Software and System Services	Saudi Arabia	100.00	100.00	100.00	100.00
Avito Technologies B.V. ("TAV IT Netherlands")	Software and System Services	Netherlands	100.00	100.00	100.00	100.00
Avito Technologies W.L.L. ("TAV IT Qatar")	Software and System Services	Qatar	49.00	100.00	49.00	100.00
TAV Technologies FZ-LLC ("TAV IT Dubai")	Software and System Services	United Arab Emirates	100.00	100.00	100.00	100.00
TAV Özel Güvenlik Hizmetleri A.Ş. ("TAV Güvenlik")	Security Services	Türkiye	100.00	100.00	100.00	100.00
TAV Akademi Eğitim ve Danışmanlık Hizmetleri A.Ş. ("TAV Akademi")	Education Services	Türkiye	100.00	100.00	100.00	100.00
Aviator Netherlands B.V. ("Aviator Netherlands")	Holding	Netherlands	100.00	100.00	100.00	100.00
PMIA Aviator B.V. ("PMIA Aviator BV")	Holding	Netherlands	99.99	99.99	99.99	99.99

(*) In December 2024, TAV Gayrimenkul A.Ş. ("TAV Real Estate") is merged under TAV Havalimanları Holding A.Ş. ("TAV Holding").
(**) Shares of TAV Havacılık is sold in March 2024.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

1. REPORTING ENTITY (continued)

Name of Subsidiary	Principal Activity	Place of operation	31 December 2024 Ownership interest %	31 December 2024 Voting power held %	31 December 2023 Ownership interest %	31 December 2023 Voting power held %
TAV Uluslararası Yatırım A.Ş. ("TAV Uluslararası Yatırım")	Airport Operator	Türkiye	100.00	100.00	100.00	100.00
Aerosec Özel Güvenlik Hizmetleri A.Ş. ("Aerosec Security")	Security Services	Türkiye	100.00	100.00	100.00	100.00
Paris Lounge Network SAS ("Paris Lounge Network")	Lounge Services	France	100.00	100.00	51.00	51.00
Aeroser Entegre Yönetim ve Destek Hizmetleri A.Ş. ("Aeroser") (*)	Security Services	Türkiye	100.00	100.00	-	-
TAV Technologies SPA ("TAV Technologies SPA") (*)	Software and System Services	Chile	100.00	100.00	-	-
Almaty International Airport JSC ("AIA")	Airport Operator	Kazakhstan	85.00	85.00	85.00	85.00
Venus Trading LLP ("VT")	Fuel Services	Kazakhstan	85.00	85.00	85.00	85.00
Almaty Catering Services LLP ("ACS")	Food and Beverage Services	Kazakhstan	85.00	85.00	85.00	85.00
Almaty FBO LLP ("FBO")	Fuel Services	Kazakhstan	85.00	85.00	85.00	85.00
TAV Kazakhstan LLP ("TAV Kazakhstan")	Holding	Kazakhstan	85.00	85.00	85.00	85.00
TAV Holdco B.V. ("Holdco")	Holding	Netherlands	100.00	100.00	100.00	100.00
Almaty Airport Investment Holding B.V. ("AAIH")	Holding	Netherlands	85.00	85.00	85.00	85.00

(*) Established in 2024.

The joint ventures of the Company as at 31 December 2024 and 2023 are as follows:

Name of Joint venture	Principal Activity	Place of operation	31 December 2024 Ownership interest %	31 December 2024 Voting power held %	31 December 2023 Ownership interest %	31 December 2023 Voting power held %
ATU Turizm İşletmeciliği A.Ş. ("ATU")	Duty Free Services	Türkiye	50.00	50.00	50.00	50.00
ATU Georgia Operation Services LLC ("ATU Georgia")	Duty Free Services	Macedonia	50.00	50.00	50.00	50.00
ATU Tunisie SARL ("ATU Tunisia")	Duty Free Services	Tunisia	50.00	50.00	50.00	50.00
ATU Macedonia Dooel ("ATU Macedonia")	Duty Free Services	Macedonia	50.00	50.00	50.00	50.00
AS Riga Airport Commercial Development ("ATU Latvia")	Duty Free Services	Latvia	50.00	50.00	50.00	50.00
Tunisia Duty Free S.A. ("ATU Tunisia Duty Free")	Duty Free Services	Tunisia	14.98	39.98	14.98	39.98
Saudi ATU Trading Limited Co. ("ATU Medinah")	Duty Free Services	Saudi Arabia	50.00	50.00	50.00	50.00
ATU Mağazacılık İşletmeleri A.Ş. ("ATU Mağazacılık")	Duty Free Services	Türkiye	50.00	50.00	50.00	50.00
ATU Uluslararası Mağaza Yiyecek ve İçecek İşletmeciliği A.Ş. ("ATU Uluslararası Mağazacılık")	Duty Free Services	Türkiye	50.07	50.07	50.07	50.07

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

1. REPORTING ENTITY (continued)

Name of Joint venture	Principal Activity	Place of operation	31 December 2024 Ownership interest %	31 December 2024 Voting power held %	31 December 2023 Ownership interest %	31 December 2023 Voting power held %
TAV Gözen Havacılık İşletme ve Ticaret A.Ş. ("TAV Gözen")	Operating Special Hangar	Türkiye	32.40	32.40	32.40	32.40
TGS Yer Hizmetleri A.Ş. ("TGS")	Ground Handling	Türkiye	50.00	50.00	50.00	50.00
Saudi HAVAŞ Ground Handling Services Limited ("Saudi HAVAŞ") (*)	Ground Handling	Saudi Arabia	66.66	66.66	66.66	66.66
Saudi BTA Airports Food and Beverages Serv.Ltd. ("BTA Medinah") (*)	Food and Beverage Services	Saudi Arabia	66.66	66.66	66.66	66.66
Tibah Airports Development Company CJSC ("Tibah Development")	Airport Operator	Saudi Arabia	26.00	26.00	26.00	26.00
Tibah Airports Operation Limited ("Tibah Operation")	Airport Operator	Saudi Arabia	51.00	51.00	51.00	51.00
Primeclass Pasifico JSV. ("TAV İşletme Chile")	Lounge Services	Chile	50.00	50.00	50.00	50.00
TAV-GD Bermuda Operation Services ("TAV OS Bermuda")	Lounge Services	Bermuda	40.00	40.00	40.00	40.00
ATU Duty Free Kazakhstan LLP ("ATU Kazakhstan") (**)	Duty Free Services	Kazakhstan	50.00	50.00	-	-
Madinah Airport Hotel Company ("Medinah Hotel")	Hotel Management	Saudi Arabia	33.33	33.33	33.33	33.33
Fraport TAV Antalya Terminal İşletmeciliği A.Ş. ("TAV Antalya")	Antalya Airport Terminal	Türkiye	49.00	50.00	49.00	50.00
Primeclass Santiago SPA ("TAV İşletme SASA")	Lounge Services	Chile	50.00	50.00	50.00	50.00
Fraport TAV Antalya Yatırım Yapım ve İşletme A.Ş. ("TAV Antalya Yatırım")	Antalya Airport Terminal	Türkiye	51.00	50.00	51.00	50.00
WAI-TAV Airport Service Co Ltd ("TAV İşletme Narita") (**)	Lounge Services	Japan	50.00	50.00	-	-
ATU Antalya Mağaza İşletmeciliği A.Ş. ("ATU Antalya") (**)	Duty Free Services	Türkiye	50.00	50.00	-	-
BFA Antalya Havalimanı Yiyecek ve İçecek Hizmetleri A.Ş. ("BFA Antalya") (**)	Food and Beverage Services	Türkiye	60.00	60.00	-	-

(*) The mentioned entities are consolidated using the equity method as the Board decisions of these entities are taken with the joint agreement of all three shareholders.

(**) Established in 2024.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

1. REPORTING ENTITY (continued)

The associates of the Company as at 31 December 2024 and 2023 are as follows:

			31 December 2024		31 December 2023	
Name of Associates	**Principal Activity**	**Place of operation**	**Ownership interest %**	**Voting power held %**	**Ownership interest %**	**Voting power held %**
ZAIC-A Limited ("ZAIC-A") (*)	Holding	United Kingdom	15.81	15.81	15.00	15.00
Medunarodna Zračna Luka Zagreb d.d. ("MZLZ") (*)	Airport Operator	Croatia	15.00	15.00	15.00	15.00
Upraviteli Zračne Luke Zagreb d.o.o ("MZLZ Operation") (*)	Airport Operator	Croatia	15.00	15.00	15.00	15.00
AMS Airport Management Services d.o.o ("AMS") (*)	Airport Operator	Croatia	40.00	40.00	40.00	40.00

(*) TAV Holding has significant influence in the management of the mentioned entities, thus these entities are consolidated using the equity method.

Description of Operations

The Group and its joint ventures' core businesses are related to the construction of terminal buildings, management and operation of terminals or airports. TAV Esenboğa entered into Build-Operate-Transfer ("BOT") agreements with Devlet Hava Meydanları İşletmesi Genel Müdürlüğü (General Directorate of State Airports Authority) ("DHMİ"), TAV Tbilisi with JSC Tbilisi International Airport ("JSC"), TAV Batumi with Georgian Ministry of Economic Development ("GMED"), TAV Tunisia with Tunisian Airport Authority (Office De L'Aviation Civil Et Des Aeroports) ("OACA"), Ministry of Transportation ("MOT"), TAV Macedonia with Macedonian Ministry of Transportation and Communication ("MOTC"). Tibah Development entered into Build-Transfer-Operate ("BTO") agreement with General Authority of Civil Aviation ("GACA"). TAV Ege, TAV Milas Bodrum, TAV Gazipaşa, TAV Ankara, TAV Antalya and TAV Antalya Yatırım entered into concession agreement with DHMİ and Medunarodna Zracna Luka Zagreb D.D. ("MZLZ") with Ministry of Maritime Affairs, Transport and Infrastructure of The Republic of Croatia ("MMTI"). Under these agreements, the Group agrees to build or renovate or manage an airport or terminal within a specified period of time and in exchange receives the right to operate the airport and terminal for a pre-established period of time. At the end of the contracts, the Group will transfer the ownership of the terminal buildings or airports back to the related public authority, DHMİ, JSC, GMED, OACA, MOT, MOTC, GACA and MMTI accordingly. Group also signs separate contracts related with the airport operations. On 3 June 2005, TAV İstanbul signed a rent agreement to operate Atatürk International Airport Terminal ("AIAT") and Atatürk Domestic Airport Terminal ("ADAT") for 15.5 years until year 2021. According to the concession agreement dated 16 December 2011, TAV Ege started renting and operating the international terminal of İzmir Adnan Menderes Airport at 10 January 2015. The Group indirectly acquired %85 of AIA through its holding companies in 2021.

1. REPORTING ENTITY (continued)

BOT, BTO and Concession Agreements

The airport terminals operated by the Group and its joint ventures are as follows:

Ankara Esenboğa International Airport

A BOT agreement was executed between TAV Esenboğa and DHMİ on 18 August 2004 for regulating the reconstruction, investment and operations of the Ankara Esenboğa International Airport (international and domestic terminals) for the period until May 2023. According to the Agreement, TAV Esenboğa was required to complete the construction within 36 months after the agreement date and would then have the right to operate the facilities of the Ankara Esenboğa International Airport Terminal for a period of 15 years and 8 months. TAV Esenboğa is providing terminal, car park and passenger boarding services since the beginning of operations on 16 October 2006.

State Airports Authority (DHMI) has declared to the Group in its formal letter that, the applications that the Group had made as per Group's operating contracts due to the Force Majeure conditions created by pandemic related travel restrictions have been evaluated and the operating period of TAV Esenboğa has been extended for two years.

The Group has won the tender on 20 December 2022, held by State Airports Authority (DHMI) for additional investments to increase capacity of Ankara Esenboga Airport and concessioning of the operating rights of the existing international terminal, CIP terminal, general aviation terminal, domestic terminal and their auxiliaries.

As per tender specifications, the Group has the concession right to operate Ankara Esenboga Airport for 25 years between the dates 24 May 2025 and 23 May 2050. EUR 475,000 (VAT excluded) will be paid as total concession rent to DHMI. 25% of the total concession (EUR 118,750) has been fully paid on 27 April 2023.

İzmir Adnan Menderes International Airport

A BOT agreement was executed between TAV İzmir Terminal İşletmeciliği A.Ş. ("TAV İzmir") and DHMİ on 20 May 2005 for regulating the reconstruction, investment and operations of İzmir Adnan Menderes Airport International Terminal. According to the Agreement, TAV İzmir was required to complete the construction within 24 months after the agreement date and would then have the right to operate the facilities of İzmir Adnan Menderes Airport International Terminal for a period of 6 years, 7 months and 29 days. An addendum to the Agreement was signed on 21 August 2006. Under the terms of the addendum, in return for additional works, the operation period of TAV İzmir was extended by 11 months 17 days through January 2015. TAV İzmir has been providing terminal, car park and passenger boarding services since the beginning of operations on 13 September 2006.

A concession agreement was executed between TAV Ege and DHMİ with an effective date of 16 December 2011 for taking-over the operation of the domestic terminal of İzmir Adnan Menderes Airport until 31 December 2032 and renting the international terminal on January 2015 and operating it until 31 December 2032. TAV Ege is obliged to construct a new domestic terminal with its ancillary buildings and to pay EUR 610,000 plus VAT (18%) to DHMİ in yearly equal installments, of which EUR 30,500 plus VAT has been prepaid at the beginning of the concession period under the terms of the concession agreement.

According to the concession agreement dated 16 December 2011, TAV Ege started renting and operating İzmir Adnan Menderes Airport International Terminal at 10 January 2015. As at 23 November 2015 TAV İzmir was closed as a legal entity and all assets and liabilities were transferred to TAV Ege.

State Airports Authority (DHMI) has declared to the Group in its formal letter that, the applications that the Group had made as per Group's operating contracts due to the Force Majeure conditions created by pandemic related travel restrictions have been evaluated and the operating period of TAV Ege has been extended for two years.

1. REPORTING ENTITY (continued)

BOT, BTO and Concession Agreements (continued)

Milas Bodrum Airport

On 21 March 2014, the Company has been awarded the tender held by DHMİ for the operation rights of the Milas Bodrum Airport whose scope includes operation of existing Domestic and International Terminals with ancillary facilities, until 31 December 2035. While Domestic Terminal is handed over within signing of the Concession Agreement, operation of International Terminal commenced on 22 October 2015 following the expiry of the existing contract. The total concession amount is EUR 717,000 plus VAT.

State Airports Authority (DHMI) has declared to the Group in its formal letter that, the applications that the Group had made as per Group's operating contracts due to the Force Majeure conditions created by pandemic related travel restrictions have been evaluated and the operating period of TAV Bodrum has been extended for two years.

Tbilisi International Airport

A BOT agreement was executed between TAV Tbilisi and JSC on 6 September 2005 for the operations of Tbilisi International Airport (both international, domestic terminals and parking-apron-taxi ways). The BOT agreement undertakes the design, engineering, financing, construction, testing, commissioning and maintenance of the new terminal for Tbilisi International Airport, for an initially agreed term of 10 years and 6 months from the commencement date of the new terminal operations. Subsequently, this period was extended by another 9.5 years until February 2027, in exchange for an obligation by TAV Tbilisi to invest an additional amount for the construction of the terminal (including construction of additional runways, extension of apron etc.) for Batumi Airport, TAV Tbilisi is providing a wide range of airport activities such as terminal, car-park, cargo, ground handling, aircraft parking, apron and runway services – excluding air traffic control – in New Tbilisi International Airport since the beginning of operations on 8 February 2007.

Batumi International Airport

On 9 August 2007, TAV Batumi Operations signed an agreement with the Georgian Ministry of Economic Development to transfer the management rights of all shares of the Batumi Airport LLC to TAV Batumi for 20 years. According to such share management agreement, all airport operations (excluding only the air traffic control and aviation security services) of the Batumi International Airport will be carried out by TAV Batumi until August 2027. Georgian Government is responsible for providing air traffic control and security services.

Tunisia Monastir and Enfidha International Airports

A BOT agreement was executed between TAV Tunisia and OACA on 18 May 2007, for the operation of existing Monastir Habib Bourguiba Airport and new Enfidha Airport (International, domestic terminals and parking-apron-taxi-ways). Through the BOT agreement TAV Tunisia undertakes the operation of the existing Monastir Habib Bourguiba Airport and design, engineering, financing, construction, testing, commissioning and maintenance of the new Enfidha Airport. The operations of Monastir Habib Bourguiba Airport and Enfidha Airport were undertaken in January 2008 and December 2009, respectively. The concession periods of both airports will end in May 2047. The operations of the Monastir and Enfidha Airports cover a wide range of airport activities such as terminal, car-park, cargo, ground handling, aircraft parking, apron and runway services excluding air traffic control services.

1. REPORTING ENTITY (continued)

BOT, BTO and Concession Agreements (continued)

Alanya-Gazipaşa Airport

Relating to the transfer of the operational rights of Alanya-Gazipaşa Airport via a lease, the concession agreement between TAV Gazipaşa and DHMİ was signed on 4 January 2008. The operation period of Alanya-Gazipaşa Airport, which currently has 1,500,000 annual passenger capacity, is 25 years until May 2034, and the operation of the airport covers activities within airside and landside facilities and area of runway, apron and taxiway. TAV Gazipaşa shall make an annual rent payment of USD 50 plus VAT as a fixed amount, until the end of the operation period; as well as a share of 65% of the net profit for the period to DHMİ.

State Airports Authority (DHMI) has declared to the Group in its formal letter that, the applications that the Group had made as per Group's operating contracts due to the Force Majeure conditions created by pandemic related travel restrictions have been evaluated and the operating period of TAV Gazipaşa has been extended for two years.

Macedonia Skopje, Ohrid and Shtip Airports

On 24 September 2008, the 20-year BOT agreement for the construction and operation of Alexander the Great Airport in Skopje, renovation and operation of the St. Paul the Apostle Airport in Ohrid, and the construction and optional operation of the New Cargo Airport in Shtip airports was signed between TAV Macedonia and MOTC. The operation of the airports shall cover all airport activities with the exception of air traffic control, and modernization activities are contemplated to include the technical infrastructure. The effective date of the concession contract for Alexander the Great Airport and St. Paul the Apostle Airport is 1 March 2010 and final date of Concession Agreement is 1 March 2030. The renovation of the St. Paul the Apostle Airport in Ohrid and the construction of Alexander the Great Airport in Skopje were completed and the airports started their operations in March 2011 and September 2011, respectively.

In 2020, an amendment was signed between TAV Macedonia and the Government of the Republic of North Macedonia regarding cancelation of concession payments of 2020 and 2021 and approval of an investment schedule to be undertaken by TAV Macedonia. Additionally, the Government of the Republic of North Macedonia extended the concession period of Alexander the Great Airport in Skopje by 104 days and St. Paul the Apostle Airport in Ohrid by 107 days. Construction of the New Cargo Airport in Shtip was also canceled in the signed amendment. The Group has successfully completed force majeure compensation discussions with the Ministry of Transport and Communication of North Macedonia, to compensate for the negative effects of the COVID-19 pandemic. TAV Macedonia DOOEL and the Ministry of Transport and Communication of North Macedonia have signed an agreement in regards to these discussions.

As per this agreement, the concession periods of Skopje and Ohrid airports that Group operates in North Macedonia have each been extended for two years and thus the concession expiry date for these airports which was June 2030, has been updated to June 2032.

1. REPORTING ENTITY (continued)

BOT, BTO and Concession Agreements (continued)

Medinah International Airport

A BTO agreement was executed between Tibah Development and GACA on 29 October 2011, for the operation and development of existing Medinah International Airport. Through the BTO agreement Tibah Development undertook the operation of the existing Medinah International Airport as well as the design, engineering, financing, construction, testing, commissioning and maintenance of a new passenger Terminal and the required additional infrastructure. TAV Holding owns 26.00% of Tibah Development. The operations were undertaken in June 2012. The concession period will end in June 2037. The operations of the Medinah International Airport cover a wide range of airport activities such as terminal, car-park, cargo, ground handling, aircraft parking, apron and runway services and slot allocation. Tibah Development has subcontracted the operation of Medinah International Airport to Tibah Operation, of which 51% belongs to TAV Holding. The construction of Medinah International Airport were completed and the airport started its operations in April 2015.

As a result of discussions held between Tibah Development and GACA, the time that will pass between February 2020 and the end of the calendar year during which Madinah Airport reaches 8.1 million passengers, has been defined as the force majeure period which will be added to the operating period of Madinah Airport. The concession rent payments due to GACA during the force majeure period have been deferred and will be paid mostly after the end of the force majeure period. Madinah Airport reached 8.1 million passengers in 2023. Consequently, concession period has been extended until 2041.

Zagreb International Airport

A Concession Agreement was executed between ZAIC-A limited and Republic of Croatia on 11 April 2012 for the financing, design and construction and operation of a new passenger terminal and related infrastructure at Zagreb Airport. TAV Holding signed a letter of intent to become 15% shareholder in the “Consortium” for the concession of Zagreb International Airport. Aviator Netherland B.V. has been established as a 15% shareholder of ZAIC-A. TAV Holding owns 100% of Aviator Netherlands B.V. Handover Date occurred in 6 December 2013 and the consortium that TAV Holding is a 15% partner took over the operations and construction site. The concession period will end in April 2042.

Antalya Airport

Fraport IC İçtas Antalya Havalimanı Terminal Yatırım ve İşletmeciliği A.Ş, was established in Türkiye on 18 May 2007. The Company’s main activity is the operation of the terminal building at Antalya Airport, Southern Türkiye in accordance with the Lease Agreement made with Devlet Hava Meydanları İşletmesi (“DHMI”). The terms of the lease agreement gives the Company the right to operate the present Domestic Terminal and parking lot, International Terminal I and parking lot and CIP terminal and parking lot and all the complementary units as well as the present heating center starting from 14 September 2007, and International Terminal II, Parking Lot and all the complementary units starting from 23 September 2009. The Lease Agreement between the Company and DHMI will expire on 31 December 2024 and all terminals together with their correspondent units explained above will be transferred to DHMI by then. The rent payable under the present lease is EUR 2,010,000 plus Value Added Tax (“VAT”). The Company shall pay this total sum of the rent to DHMI in cash; 3% on the date of the signature of the contract, 15% within 5 business days from 14 September 2007, 7% within 5 business days from 14 September 2008 and 5% within 5 business days.

State Airports Authority (DHMI) has declared to the Group in its formal letter that, the applications that the Group had made as per Group’s operating contracts due to the Force Majeure conditions created by pandemic related travel restrictions have been evaluated and the operating period of TAV Antalya has been extended for two years.

1. REPORTING ENTITY (continued)

BOT, BTO and Concession Agreements (continued)

<u>**Antalya Airport (continued)**</u>

A joint-venture formed by the Group and Fraport (49%) has won the tender for the renewal of Antalya Airport concession. This success results from the auction held by the Turkish State Airports Authority (DHMI) on 1 December 2021, in which the joint-venture was the highest bidder. The object of the tender is the realization of additional investments to increase capacity of the airport in return for the right to operate the airport for 25 years, between 1 December 2027 and 31 December 2051.

The total concession rent to DHMI is of 7.25 billion euros (VAT excluded), of which 25% (1.8 billion euros) are to be paid within 90 days after the signing of the concession agreement. Concession lease contract with DHMI has been signed on 28 December 2021. The Group is 51% shareholder of TAV Antalya Yatırım. The current concession right held by the Group and Fraport AG partnership is valid until 31 December 2026.

Upfront concession fee of 1.8 billion euros has been fully paid to DHMI on 28 March 2022.

The results of the joint-venture is accounted for under the equity method.

<u>**Almaty Airport**</u>

Almaty airport, located in the economic capital of Kazakhstan, is the largest airport in Central Asia: it handled around 6.4 million passengers in 2019, just under half of them on international routes. Kazakhstan, the largest landlocked country in the world with 2.7 million km2, is the engine of economic growth in the region and accounts for 60% of Central Asia's GDP.

The Group indirectly acquired through holding companies, 85% of Almaty International Airport JSC, its subsidiaries (Almaty Catering Services LLP and Almaty FBO LLP) and fuel related businesses carried on by Venus Trading LLP. The partner holding the remaining 15%, KIF Warehouses Coöperatief U.A. (investment fund held by VPE Capital and Kazina Capital Management), has a put option on the shares it holds and the Group benefits from a call option that can be exercised in the event of disagreement. At closing date, the debt relating to the put option is estimated at EUR 61,313 as at 31 December 2024. (31 December 2023: EUR 56,096).

1. REPORTING ENTITY (continued)

BOT, BTO and Concession Agreements (continued)

Operations Contracts

BOT and BTO operations and management contracts include the following:

Terminal and airport services – The Group has the right to operate the terminals and airports as mentioned in the preceding paragraphs. This includes passenger, ramp and check-in counter services and services for parking-apron-taxi ways (for airport operations). A fee is charged to each airline based on the number of passengers that utilize

the airport, based on the number of aircrafts that utilize ramps and runways and based on the number of check-in counters utilized by the airlines.

Duty free goods – The Group has the right to manage duty free operations within the terminals which the Group operates. Duty free shopping is available to both arriving and departing passengers. The duty free shops are subcontracted either to Group's joint ventures or to other companies in exchange for a commission based on sales.

Catering and airport hotel services – The Group has the right to manage all food and beverage operations within the terminals both for the passengers and the terminal personnel. The Group subcontracts certain food and beverage operations in exchange for a commission based on sales.

Area allocation services – As a lessor, the Group leases office space in the airport terminal including the offices leased to the airlines for ticket office and banks.

Ground handling – The Group has the right to provide all ground handling operations. Ground handling involves providing traffic, ramp, flight operation, cargo and all other ground handling services for domestic and international flights under the Civil Aviation Legislation License ("SHY 22").

Lounge services – The Group has the right to operate or rent the lounges to provide CIP services to the passengers who have the membership.

Bus and car parking services – The Group has the right to operate the car park and render valet parking services. Revenues from bus operations include shuttle services running from airports to city centers.

Software and system services – The Group develops software and systems on operational and financial optimization in aviation, particularly terminal, flight management system and software programs and to meet the information systems requirements of group companies and certain third parties.

Security services – The Group operates the security services within the domestic terminals.

Airline taxi services – The Group renders airline taxi services.

Fuel services – The Group renders fuel services.

Seasonality in Operations

Due to the seasonality of the operations, it is expected revenue and operational profit of second half of the year to be higher compared to first half of the year. Higher sales between June and August is mainly due to increase of passenger numbers during the busy season.

The Group employs 20,185 in subsidiaries (average: 20,172) and 11,206 in joint ventures (average: 11,208) (31 December 2023: 18,929 in subsidiaries (average: 19,327) and 9,978 in joint ventures (average: 10,040).

2. BASIS OF PREPARATION

a) Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs").

The consolidated financial statements were authorized for issue by the Board of Directors on 18 February 2025. The power to change the consolidated financial statements after the issuing of the consolidated financial statements is held by the General Assembly.

b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for financial liabilities at fair value through profit or loss and derivative financial instruments which are measured at fair value.

The methods used to measure fair values are discussed further in Note 4.

c) Functional and presentation currency

TAV Holding and its subsidiaries operating in Türkiye maintain their books of account and prepare their statutory financial statements in Turkish Lira ("TRL") in accordance with the accounting principles as promulgated by the Turkish Commercial Code and tax legislation.

Functional currency of most of the Group companies operating in Türkiye and other countries are determined to be Euro, different from their country's currency according to IAS 21. Accordingly functional currency of TAV Holding as a parent company has been determined as Euro.

The accompanying consolidated financial statements are presented in EUR, which is the functional currency of TAV Group.

The table below summarizes the functional currencies of the Group entities:

Company	Functional Currency
TAV Holding	EUR
TAV İstanbul	EUR
TAV Esenboğa	EUR
TAV Ankara	EUR
TAV Ege	EUR
TAV Milas Bodrum	EUR
TAV Tunisia	EUR
TAV Tbilisi	Georgian Lari ("GEL")
TAV Batumi	GEL
Batumi Airport LLC	GEL
TAV Macedonia	EUR
TAV Gazipaşa	EUR
TAV Latvia	EUR
HAVAŞ	EUR
HAVAŞ Latvia	EUR
HAVAŞ Kazakhstan	Kazakhstani Tenge ("KZT")
HAVAŞ Georgia	GEL
HAVAŞ Adriatic	EUR
HAVAŞ Macedonia	EUR
HAVAŞ MZLZ	EUR

2. BASIS OF PREPARATION (continued)

c) Functional and presentation currency (continued)

Company	Functional Currency
BTA TRL	TRL
BTA Georgia	GEL
BTA Tunisia	Tunisian Dinar (“TND”)
BTA Macedonia	Macedonian Denar (“MKD”)
Cakes & Bakes TRL	TRL
BTA Tedarik TRL	TRL
BTA Denizyolları TRL	TRL
BTA Latvia	EUR
BTA Uluslararası Yiyecek TRL	TRL
BTA MZLZ	EUR
BFA Antalya	EUR
TAV İşletme Georgia	GEL
TAV İşletme Tunisia	TND
TAV İşletme Tunisia Plus	TND
TAV İşletme Macedonia	MKD
TAV İşletme Germany	EUR
TAV İşletme Latvia	EUR
TAV İşletme Kenya	Kenyan Shilling (“KES”)
TAV İşletme America	American Dollar (“USD”)
TAV İşletme Washington	USD
TAV İşletme New York	USD
TAV İşletme Madagascar	Malagasy Ariary (“MDG”)
GIS Spain	EUR
Holdco	EUR
Almaty Airport Investment Holding	EUR
TAV Kazakhstan	USD
AIA	USD
VT	KZT
ACS	KZT
FBO	KZT
Aeroser	TRL
Paris Lounge Network	EUR
GIS France	EUR
GIS Germany	EUR
GIS Italy	EUR
GIS Mexico	Mexican Peso (“MEX”)
TAV İşletme Narita	Japanese Yen (“JPY”)

2. BASIS OF PREPARATION (continued)

c) Functional and presentation currency (continued)

Company	Functional Currency
TAV Bilişim	USD
TAV IT Saudi	Saudi Arabian Riyal ("SAR")
TAV IT Qatar	Qatari Riyal ("QAR")
TAV IT Netherlands	EUR
TAV IT Dubai	Arab Emirates Dirham ("AED")
TAV Technologies SPA	Chilean Peso ("CLP")
TAV Güvenlik	TRL
Aerosec Security	TRL
TAV Akademi	TRL
TAV Aviation Minds	USD
Aviator Netherlands	EUR
PMIA Aviator BV	USD
TAV Uluslararası Yatırım	EUR
ATU	EUR
ATU Georgia	GEL
ATU Tunisia	EUR
ATU Macedonia	EUR
ATU Latvia	EUR
ATU Tunisia Duty Free	EUR
ATU Medinah	USD
ATU Mağazacılık	TRL
ATU Uluslararası Mağazacılık	EUR
ATU Holdings	USD
ATU Kazakhstan	EUR
ATU Antalya	EUR
TAV Gözen	USD
TGS	TRL
Saudi HAVAŞ	SAR
BTA Medinah	SAR
Tibah Development	SAR
Tibah Operation	SAR
TAV İşletme Chile	CLP
TAV İşletme Saudi	SAR
TAV İşletme SASA	CLP
TAV İşletme Kazakhstan	KZT
TAV İşletme Bermuda	USD
TAV İşletme Dulles	USD
TAV Antalya Yatırım	EUR
TAV Antalya	EUR
ZAIC-A	EUR
MZLZ	EUR
MZLZ Operation	EUR
AMS	EUR
Medinah Hotel	SAR

All financial information presented in EUR has been rounded to the nearest thousands, except when otherwise indicated.

2. BASIS OF PREPARATION (continued)

d) Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements is included in the following notes:

Note 3(e) – mark-up applied to construction cost incurred under IFRIC 12 "Service Concession Arrangements".

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial period are included in the following notes:

Note 3, 12 and 13 – useful lives of property and equipment and intangible assets

Note 13 – key assumptions used in discounted cash flow projections

Note 17 – utilisation of tax losses and tax incentives

Note 26 – measurement of reserve for employee severance indemnity

Note 32 and 33 – valuation of financial instruments

A valuation for the fair values of TAV Tunisia as a separate cash-generating unit ("CGU") was performed by the Company management. The income approach (discounted cash flow method) was used to determine the fair value of TAV Tunisia.

A business plan with a duration until end of concession term (May 2047) prepared by the management of TAV Tunisia and it was used in the valuation of company. The growth in business plan of TAV Tunisia is driven by passenger and aircraft related projections as well as growth in commercial products related demand in the airports. The discount rates used in EUR discounted cash flows are the weighted average cost of capitals ("WACC") of the company, with average post-tax discount rate of 13.85% during the projection period (between 2024 and 2047). Since TAV Tunisia has a limited life, terminal growth rate is not used in the valuation.

As a result of the impairment testing performed on CGU basis, EUR 30,500 impairment loss is recognized for TAV Tunisia as of 31 December 2024 (EUR 9,500 impairment loss is recognized in 31 December 2023) (Note 14).

A valuation for the fair values of TAV Gazipaşa as a separate CGU was performed by the Company management. The income approach (discounted cash flow method) was used to determine the fair value of TAV Gazipaşa.

2. BASIS OF PREPARATION (continued)

d) Use of estimates and judgements (continued)

A business plan with a duration until end of concession term (May 2036) prepared by the management of TAV Gazipaşa and it was used in the valuation of company. The growth in business plan of TAV Gazipaşa is driven by passenger and aircraft related projections as well as growth in commercial products related demand in the airports. The discount rates used in EUR discounted cash flows are the WACC of the company, with average post-tax discount rate of 9.6% during the projection period (between 2024 and 2036). Since TAV Gazipaşa has a limited life, terminal growth rate is not used in the valuation.

As a result of the impairment testing performed on CGU basis, EUR 18,500 impairment loss is recognized for TAV Gazipaşa as of 31 December 2024 (Note 14) (31 December 2023: None).

The Group has also performed impairment tests for the rest of airport operation rights and concluded as no further impairment is required. In impairment tests, WACC, passenger forecast and recovery dates are evaluated as significant estimates and judgements.

e) Restatement of financial statements during periods of high inflation

In accordance with the CMB's decision dated 17 March 2005 and numbered 11/367, for companies operating in Türkiye and preparing financial statements in accordance with Turkish Financial Reporting Standards, the application of inflation accounting has been terminated as of 1 January 2005. Accordingly, as of 1 January 2005, the Standard No. 29 "Financial Reporting in Hyperinflationary Economies" ("IAS 29") has not been applied.

As per the announcement published by the Public Oversight, Accounting and Auditing Standards Authority ("POA") on 20 January 2022, since the cumulative change in the general purchasing power of the last three years has been 74.41% according to the Consumer Price Index ("CPI") rates, it has been stated that entities applying the Turkish Financial Reporting Standards ("IFRS") are not required to make any restatements in their financial statements for 2021 within the scope of IAS 29 "Financial Reporting in High Inflation Economies".

IAS 29 requires the financial statements of any entity whose functional currency is the currency of a hyperinflationary economy to be restated for changes in the general purchasing power of that currency, so that the financial information provided is more meaningful. The Standard lists factors that indicate an economy is hyperinflationary. One of the indicators of hyperinflation is if cumulative inflation over a three-year period approaches, or is in excess of, 100 per cent. Currently, Türkiye has economic conditions that will now require reporting entities to follow the requirements set out in IAS 29 'Financial Reporting in Hyperinflationary Economies'.

Cumulative change in Consumer Price Index (CPI) for the last 3 years exceeded 100% in 2022. Although Group's hard currency is EUR, Group applied IAS 29 for the group companies which have TRL as their functional currency starting from 1 January 2022. Indexation of all non-monetary assets, non-monetary liabilities and income statement has been done by using Consumer Price Index. Effect of IAS 29 indexation until 31 December 2021 is accounted under equity. Effect of IAS 29 indexation from 1 January 2022 is accounted under consolidated statement of profit or loss and other comprehensive income.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by Group entities and their joint ventures.

a) Basis of consolidation

Each entity is consolidated based on the following methods:

- TAV İstanbul, TAV Esenboğa, TAV Ankara, TAV Ege, TAV Milas Bodrum, TAV Macedonia, TAV Gazipaşa, TAV Tunisia, TAV Latvia, HAVAŞ, HAVAŞ Latvia, Havaş Kazakhstan, HAVAŞ Adriatic, HAVAŞ Macedonia, HAVAŞ Georgia, HAVAŞ MZLZ, BTA, BTA Georgia, BTA Tunisia, BTA Macedonia, Cakes & Bakes, BTA Tedarik, BTA Denizyolları, BTA Latvia, BTA Uluslararası Yiyecek, BTA MZLZ, BFA Antalya, TAV İşletme, TAV İşletme Germany, TAV İşletme Latvia, TAV İşletme Kenya, TAV İşletme Kazakhstan, TAV İşletme America, TAV İşletme Washington, TAV İşletme New York, TAV İşletme Saudi, TAV İşletme Madagascar, GIS Spain, GIS France, GIS Germany, GIS Italy, GIS Mexico, Paris Lounge Network, TAV Bilişim, TAV IT Saudi, TAV Technologies SPA, TAV IT Qatar, TAV IT Netherlands, TAV Güvenlik, Aerosec Security, TAV Akademi, Aeroser, Aviator Netherlands, PMIA Aviator BV, TAV Uluslararası Yatırım, Holdco, TAV Real Estate, AAIH, TAV Kazakhstan, AIA, VT, ACS and FBO are fully consolidated without non-controlling interest's ownership.

- TAV Tbilisi, TAV Batumi, Batumi Airport LLC, TAV İşletme Georgia, TAV İşletme Tunisia, TAV İşletme Tunisia Plus and TAV İşletme Macedonia, are fully consolidated with the non-controlling interest's ownership reflected as a non-controlling interest.

- ATU, ATU Georgia, ATU Tunisia, ATU Macedonia, ATU Latvia, ATU Tunisia Duty Free, ATU Medinah, ATU Mağazacılık, ATU Uluslararası Mağazacılık, ATU Antalya, ATU Kazakhstan, TAV Gözen, TGS, Saudi HAVAŞ, BTA Medinah, Tibah Development, Tibah Operation, TAV İşletme Chile, TAV İşletme Bermuda, TAV İşletme SASA, TAV İşletme Narita, TAV Antalya, TAV Antalya Yatırım, ZAIC-A, MZLZ, MZLZ Operation, AMS and Medinah Hotel are consolidated using the equity method.

i) *Business combinations:*

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable. The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquire; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts generally are recognised in profit or loss.

Transactions costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

a) Basis of consolidation (continued)

ii) *Subsidiaries:*

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

iii) *Non-controlling interests:*

For each business combination, the Group elects to measure any non-controlling interests in the acquiree either:

- at fair value; or
- at their proportionate share of the acquiree's identifiable net assets, which are generally at fair value.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners. Adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary. No adjustments are made to goodwill and no gain or loss is recognised in profit or loss.

iv) *Acquisitions from entities under common control:*

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are restated. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the controlling shareholder's consolidated financial statements. The components of equity of the acquired entities are added to the same components within the Group equity and any gain / loss arising is recognised directly in equity.

v) *Loss of control:*

Upon the loss of control, the Group derecognizes the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

a) Basis of consolidation (continued)

vi) *Joint arrangements and associates:*

Joint arrangements are arrangements of which the Group has joint control, established by contracts requiring unanimous consent for decisions about the activities that significantly affect the arrangements' returns. They are classified and accounted for as follows:

- Joint operation – when the Group has rights to the assets, and obligations for the liabilities, relating to an arrangement, it accounts for each of its assets, liabilities and transactions, including its share of those held or incurred jointly, in relation to the joint operation.
- Joint venture – when the Group has rights only to the net assets of the arrangements, it accounts for its interest using the equity method.

Associates

Joint ventures and associates are accounted for equity method in the consolidated financial statements. Joint ventures and associates initially recognised at fair value. After initial recognition, Group's share of the profit or loss of the investee, is recorded to financial statements by increasing or decreasing the net book value. Group's share of the profit or loss and other comprehensive income of equity-accounted investments, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, including any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

vii) Transactions eliminated on consolidation:

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

b) Foreign currency

i) *Foreign currency transactions:*

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured based on historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on qualifying cash flow hedges to the extent the hedge is effective, which are recognised in other comprehensive income.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Foreign currency (continued)

ii) *Foreign operations:*

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Euro at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Euro at monthly average exchange rates.

Foreign currency differences are recognised in other comprehensive income, and presented in the foreign currency translation reserve (translation reserve) in equity. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

The Group entities and their joint ventures use either EUR, TRL, USD, TND, MKD, GEL, SAR, CLP, KES, MXN, KZT, QAR, JPY, AED and MDG as functional currencies since these currencies are used to a significant extent in, or have a significant impact on, the operations of the related Group entities or their joint ventures and reflect the economic substance of the underlying events and circumstances relevant to these entities. All currencies other than the currency selected for measuring items in the financial statements are treated as foreign currencies. Accordingly, transactions and balances not already measured in the functional currency have been re-measured to the related functional currencies. The Group uses EUR as the reporting currency. Assets and liabilities are translated by using year end foreign exchange rates. Income and expenses which are recorded to financial statements during the period are translated by using yearly average rates. Share capital and legal reserves are classified to financial statements by using their face value in the statutory financial statements. “Foreign currency translation differences” resulted by their translations are classified in the total items that will not be reclassified to profit or loss under equity.

The financial statements of subsidiaries that report in the currency of an economy formerly accepted as hyperinflationary (Türkiye) are restated in terms of the measuring unit current at the reporting dates until 31 December 2005 before they are translated into EUR as the reporting currency. Türkiye came off highly inflationary status for the period beginning after 15 December 2005, therefore restatement for IAS 29 (“Financial Reporting in Hyperinflationary Economies”) has not been applied since 1 January 2006.

The financial statements of subsidiaries, namely BTA, TAV İşletme and TAV Güvenlik, which have the TRL as their functional currency, were restated to compensate for the effect of changes in the general purchasing power of the TRL until 31 December 2005, in accordance with IAS 29 as TRL was the currency of a hyperinflationary economy. Financial statements of such subsidiaries are then translated into Euro, the main reporting currency of the Group, by the exchange rate ruling at reporting date.

Cumulative change in Consumer Price Index (CPI) for the last 3 years exceeded 100% in 2022. Although Group’s hard currency is EUR, Group applied IAS 29 for the group companies which have TRL as their functional currency starting from 1 January 2022. Indexation of all non-monetary assets, non-monetary liabilities and income statement has been done by using Consumer Price Index. Effect of IAS 29 indexation until 31 December 2021 is accounted under equity. Effect of IAS 29 indexation from 1 January 2022 until 31 December 2022 is accounted under consolidated statement of profit or loss and other comprehensive income.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Financial instruments

i) *Non-derivative financial assets:*

The Group initially recognises loans, receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Non-derivative financial assets of the Group comprise loans and receivables.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses (see Note 3(h)(i)).

Loans and receivables comprise cash and cash equivalents, restricted bank balances, trade receivables, due from related parties and guaranteed passenger fee receivable from DHMİ (Concession receivables) (see Note 20).

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Group management of its short-term commitments.

The Group's use of Project Accounts Reserve Accounts or Funding Accounts is based on certain conditions as defined in respective loan agreements. Therefore, bank balances included in these accounts are presented as restricted bank balances in the consolidated statement of financial position.

Service concession arrangements

The Group recognises a financial asset arising from a service concession arrangement when it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction or upgrade services provided. Such financial assets are measured at fair value upon initial recognition. Subsequent to initial recognition, the financial assets are measured at amortised cost.

If the Group is paid for the construction services partly by a financial asset and partly by an intangible asset, then each component of the consideration is accounted for separately and is recognised initially at the fair value of the consideration (see also accounting policy note on intangible assets below).

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Financial instruments (continued)

ii) *Non-derivative financial liabilities:*

The Group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument. The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

The Group has the following other financial liabilities: loans and borrowings, bank overdrafts, trade payables and due to related parties.

Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a negative component of cash and cash equivalents for the purpose of the statement of cash flows.

When measuring the fair value of a liability, the Company takes into account the effect of its own credit risk and the effect of other factors that will probably affect the settlement of the liability.

An exchange between an existing borrower and lender of debt instruments with substantially different terms shall be accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability or a part of it (whether or not attributable to the financial difficulty of the debtor) shall be accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognised in profit or loss.

iii) *Share capital:*

Ordinary shares are classified as equity.

iv) *Derivative financial instruments, including hedge accounting:*

Derivative instruments are initially recognised at the acquisition cost reflecting the fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The derivative instruments of the Group consist of cross currency/interest rate swap instruments.

The hedging transactions of the Group that qualify for hedge accounting are accounted for as follows:

Cash flow hedge

Hedges of exposures to variability in cash flows that are attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction and could affect profit and loss are designated as cash flow hedges by the Group.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Financial instruments (continued)

iv) *Derivative financial instruments, including hedge accounting (continued):*

Cash flow hedges (continued)

Changes in the fair value of derivatives, designated as cash flow hedges and qualified as effective, are recognised in equity as "gains/(losses) on cash flow hedges". Where the forecasted transaction or firm commitment results in the recognition of an asset or of a liability, the gains and losses previously recognised under equity are transferred from equity and included in the initial measurement of the cost of the asset or liability. Otherwise, amounts recognised under equity are transferred to the consolidated income statement in the period in which the hedged firm commitment or forecasted transaction affects the consolidated income statement.

If the forecast transaction or firm commitment is no longer expected to occur, the cumulative gain or losses previously recognised in equity are transferred to the income statement. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, any cumulative gain or loss previously recognised in other comprehensive income remains in other comprehensive income until the forecast transaction or firm commitment affects profit or loss.

Foreign currency hedge of net investments in foreign operations

Gains or losses on the hedging instrument relating to the effective portion of the foreign currency hedge of net investments in foreign operations are recognised as other comprehensive income while any gains or losses relating to the ineffective portion are recognised in the income statement. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is transferred to the income statement.

d) Property and equipment

i) *Recognition and measurement:*

Items of property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

Gains and losses on disposal of an item of property and equipment are calculated as the difference between the net proceeds from disposal and the carrying amount of the item and are recognised net within "other operating income / (expense)" in profit or loss.

ii) Subsequent costs:

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance is expensed as incurred.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Property and equipment (continued)

iii) *Depreciation:*

Items of property, plant and equipment are depreciated from the date that they are available for use, or in respect of self-constructed assets, from the date that the asset is completed and ready for use.

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line basis over their estimated useful lives. Depreciation is generally recognised in profit or loss, unless the amount is included in the carrying amount of another asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

Buildings	50 years
Machinery and equipment	4-18 years
Vehicles	5-18 years
Furniture and fixtures	2-18 years
Leasehold improvements	1-15 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

e) Intangible assets

i) *Goodwill:*

Goodwill that arises upon the acquisition of subsidiaries and joint ventures is included in intangible assets. For the measurement of goodwill at initial recognition, see Note 3(a)(i).

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses.

ii) Intangible assets recognised in a business combination:

Customer relationships are the intangible assets recognised during the purchase of HAVAŞ shares in years 2005 and 2007 and purchase of HAVAŞ Latvia shares in 2010 and 2011. DHMİ license is the intangible asset recognised during the purchase of HAVAŞ shares in years 2005 and 2007. In a business combination or acquisition, the acquirer recognises separately an intangible asset of the acquiree at the acquisition date only if it meets the definition of an intangible asset and its fair value can be measured reliably.

The fair values of DHMİ licence and customer relationship were determined by an independent external third party expert.

The Group applied proportionate consolidation method to account for its 60% ownership interest in HAVAŞ until 30 September 2007. Therefore, intangible assets arising from the initial acquisition of HAVAŞ were reflected by 60%, being the shareholding of the Group, in the consolidated financial statements. In accordance with IFRS 3 Business Combinations, the Group applied step acquisition during the purchase of the remaining 40% shareholding in HAVAŞ. Customer relationship and DHMİ licence were remeasured to their fair values. The fair value change attributable to 60% portion was recorded to the revaluation reserve under equity. This figure reflected the change in fair value of intangible assets which were already carried in the consolidated financial statements prior to the acquisition of the additional 40% shareholding.

Due to acquisition of Almaty Airport in 2021, an airport operation right which is determined by an independent consulting firm has been accounted for intangible asset. This intangible asset will be amortized for a period of 49 years.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Intangible assets (continued)

iii) Internally generated software:

Internally generated software consists of airport software developed by TAV Bilişim. Internally generated software with finite useful lives is measured at cost less accumulated amortisation and impairment losses.

iv) Other intangible assets:

Other intangible assets that are acquired by the Group, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses.

v) *Subsequent expenditure:*

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

vi) Amortisation:

Except for goodwill, intangible assets are amortised on a straight-line basis in profit or loss over their estimated useful lives, from the date that they are available for use.

Purchased software is amortised over estimated useful lives, which is between 3-5 years. Intangible assets recognised during acquisitions of HAVAŞ and HAVAŞ Latvia are customer relationships and DHMİ licence. Customer relationships have 5-10 years useful life and DHMİ licence has indefinite useful life since the duration of net cash inflow arising from DHMİ licence to the Company does not have any foreseeable limit. DHMİ licence is tested for impairment annually.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Airport operation right which is accounted related with the acquisition of Almaty Airport will be amortized for a period of 49 years. In practice, duration of this right is indefinite. In order to define a useful life for this right, duration of land lease agreements of the company is determined as amortization period.

vii) Service concession arrangements

IFRIC 12 Interpretation – According to service concession arrangements, entity recognize proceeds received for the construction, renovation works performed and other service lines rendered under non-current intangible asset or financial asset in the financial statements.

TAV Esenboğa is bound by the terms of the BOT Agreements made with DHMİ. According to the BOT agreements, TAV Esenboğa has guaranteed passenger fee to be received from DHMİ. The agreement covers a period up to May 2023 for TAV Esenboğa. In 2021, operating period has been extended for 2 years due to Force Majeure conditions.

The Group has won the tender on 20 December 2022, held by State Airports Authority (DHMI) for additional investments to increase capacity of Ankara Esenboga Airport and concessioning of the operating rights of the existing international terminal, CIP terminal, general aviation terminal, domestic terminal and their auxiliaries.

As per tender specifications, the Group has the concession right to operate Ankara Esenboga Airport for 25 years between the dates 24 May 2025 and 23 May 2050. EUR 475,000 (VAT excluded) will be paid as total concession rent to DHMI. %25 of total concession (EUR 118,750) has been fully paid on 27 April 2023.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Intangible assets (continued)

vii) Service concession arrangements (continued)

A BOT agreement was executed between TAV Tbilisi and JSC on 6 September 2005 for the operations of airport (both international, domestic terminals and parking-apron-taxi ways). The agreement covers a period up to February 2027.

A BOT agreement was executed between TAV Tunisia and OACA on 18 May 2007, for the operation of existing Monastir Habib Bourguiba Airport and new Enfidha Airport (International, domestic terminals and parking-apron-taxi-ways). The concession periods of both airports will end in May 2047.

A concession agreement was executed between TAV Gazipaşa and DHMİ on 4 January 2008 for the operation of Alanya Gazipaşa Airport (air side, land side, parking-apron-taxi ways). The agreement covers a period up to May 2034. In 2021, operating period has been extended for 2 years due to Force Majeure conditions.

On 24 September 2008, a BOT agreement for the construction and operation of Alexander the Great Airport in Skopje, renovation and operation of the St. Paul the Apostle Airport in Ohrid, and the construction and optional operation of the New Cargo Airport in Shtip airports was signed between TAV Macedonia and the Ministry of Transport and Communication of Macedonia. The agreement covers a period up to March 2030.

In 2020, an amendment was signed between TAV Macedonia and the Government of the Republic of North Macedonia regarding cancelation of concession payments of 2020 and 2021 and approval of an investment schedule to be undertaken by TAV Macedonia. Additionally, the Government of the Republic of North Macedonia extended the concession period of Alexander the Great Airport in Skopje by 104 days and St. Paul the Apostle Airport in Ohrid by 107 days. Construction of the New Cargo Airport in Shtip was also canceled in the signed amendment.

A concession agreement was executed between TAV Ege and DHMİ on 16 December 2011 for the construction and operation of the domestic terminal of İzmir Adnan Menderes Airport and for taking-over the international terminal on January 2015. The agreement covers a period up to December 2032. In 2021, operating period has been extended for 2 years due to Force Majeure conditions.

A concession agreement was executed between TAV Milas Bodrum and DHMİ on 11 July 2014 for the leasing of the operating rights of the Milas Bodrum Airport's existing international terminal, CIP, general aviation terminal, domestic terminal and its auxiliaries. The agreement covers the operation right of the international terminal starting from October 2015 to December 2035 (approximately 20 years and 2 months) and operation right of the domestic terminal starting from July 2015 to December 2035. In 2021, operating period has been extended for 2 years due to Force Majeure conditions.

A concession agreement was executed between TAV Antalya and DHMİ on 14 September 2007 for the operation the present Domestic Terminal and parking lot, International Terminal I and parking lot and CIP terminal and parking lot and all the complementary units as well as the present heating center and on 23 September 2009 for International Terminal II, Parking Lot and all the complementary units. The Lease Agreement between the Company and DHMİ will expire on 31 December 2024 and all terminals together with their correspondent units explained above will be transferred to DHMI by then. In 2021, operating period has been extended for 2 years due to Force Majeure conditions.

A concession agreement was executed between TAV Antalya Yatırım and DHMİ on 28 December 2021 for the additional investments to increase capacity of Antalya Airport and concessioning of the operating rights of the existing international terminal, CIP terminal, general aviation terminal, domestic terminal and their auxiliaries. The Lease Agreement between the Company and DHMİ will expire on 31 December 2051 and all terminals together with their correspondent units explained above will be transferred to DHMI by then.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Intangible assets (continued)

vii) *Service concession arrangements (continued)*

i) Intangible assets:

The Group recognises an intangible asset arising from a service concession agreement when it has a right to charge for usage of concession infrastructure. Intangible assets received as consideration for providing construction or upgrade services in a service concession agreement are measured at fair value upon initial recognition. Subsequent to initial recognition the intangible asset is measured at cost less accumulated amortisation and accumulated impairment losses.

The fair value of the consideration received or receivable for the construction services delivered includes a mark-up on the actual costs incurred to reflect a margin consistent with other similar construction work. Mark-up rates for TAV Esenboğa, TAV Gazipaşa, TAV Macedonia and TAV Ege are 0%, TAV Tbilisi and TAV Tunisia are 15% and 5% respectively.

The estimated useful life of an intangible asset in a service concession arrangement is the period from when the Group is able to charge the public for the use of the infrastructure to the end of the concession period. Amortisation of airport operation right is calculated based on units of production method over estimated passenger figures.

ii) Financial assets:

The Group recognises exchange rate protected deposits and investment funds as financial asset. Financial assets are initially recognised at fair value.

f) Right of use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

Right-of-use assets are subject to impairment.

g) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out (FIFO) principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make sale.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

h) Impairment

i) *Non-derivative financial assets:*

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers, economic conditions that correlate with defaults or the disappearance of an active market for a security.

Financial assets measured at amortised cost

The Group considers evidence of impairment for loans and receivables at both a specific asset and collective level. All individually significant receivables are assessed for specific impairment.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

ii) *Non-financial assets:*

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that one not yet available for use, the recoverable amount is estimated each period at the same time. An impairment loss is recognised if the carrying amount of an asset or its related CGU exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets (the "CGU"). Goodwill acquired in a business combination is allocated to groups of CGU's that are expected to benefit from the synergies of the combination.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Reserve for employee severance indemnity

In accordance with the existing labour law in Türkiye, the Group entities operating in Türkiye are required to make lump-sum payments to employees who have completed one year of service and whose employment is terminated without cause or who retire, are called up for military service or die. Such payments are calculated on the basis of 30 days' pay maximum full TRL 46,655 which is applicable starting from 1 January 2024 as at 31 December 2024 (equivalent to full EUR 1,270 as at 31 December 2024) (31 December 2023: full TRL 35,059 (equivalent to full EUR 1,076 as at 31 December 2023)) per year of employment at the rate of pay applicable at the date of retirement or termination. Reserve for retirement pay is computed and reflected in the accompanying consolidated financial statements on a current basis. The management of the Group used some assumptions (detailed in Note 26) in the calculation of the retirement pay provision. The calculation was based upon the retirement pay ceiling announced by the Government.

All actuarial differences are recognised immediately in other comprehensive income.

j) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money where appropriate and the risks specific to the liability.

k) Revenue

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognised when significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sales are recognised.

Construction revenue and expenditure: Construction revenue and expenditure are recognised by reference to the stage of completion of the contract activity at the reporting date, as measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Service concession agreements: Revenue relating to construction services under a service concession arrangement is recognised based on the stage of completion of the work performed, consistent with the Group’s accounting policy on recognising revenue on construction contracts. Operation or service revenue is recognised in the period in which the services are provided by the Group. When the Group provides more than one service in a service concession arrangement the consideration received is allocated by reference to the relative fair values of the services delivered.

Aviation income: Aviation income is recognised based on the daily reports obtained from related airline companies for terminal service income charged to passengers, as well as for ramps utilised by aircraft and check-in counters utilised by the airlines.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

k) Revenue (continued)

Area allocation income: Area allocation income is recognised by the issuance of monthly invoices based on the contracts made for allocated areas in the terminal.

Catering services income: Catering services income is recognised when services are provided. The Group defers revenue for collections from long-term contracts until the services are provided. There are no deferred costs related to these revenues since these are related with the selling rights given to food and beverage companies to sell their products at domestic and international lines terminals as well as third parties out of the terminals where the subsidiaries operate.

Ground handling income: Ground handling income is recognised when the services are provided.

Commission: The Group subcontracts the right to operate certain duty free operations and the catering services to third parties. The third parties pay the Group a specified percentage of their sales for the right to operate these concessions. The commission revenue is recognised based on the sales reports provided from the subcontractor entities in every 2 to 3 days.

Software and system sales: Software and system sales are recognised when goods are delivered and title has passed or when services are provided.

Income from lounge services: Income from lounge services is recognised when services are provided.

Bus and car parking operations: Income from bus and car parking operations is recognised when services are provided.

Income from airline taxi services: Income from airline taxi services is recognised when services are provided.

i) Finance income and finance costs

Finance income comprises interest income on funds invested, dividend income and gains on hedging instruments that are recognised in profit or loss. Interest income is recognised as it accrues in profit or loss, using the effective interest method. Dividend income is recognised in profit or loss on the date that the Group's right to receive payment is established.

Finance costs comprise interest expense on borrowings, impairment losses recognised on financial assets, (other than trade receivables) and ineffective portion of hedging instruments. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Foreign currency gains and losses on financial assets and financial liabilities are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

m) Tax

Tax expense comprises current and deferred tax. Current and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

i) Current Tax:

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

ii) Deferred Tax:

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and joint ventures to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The Turkish tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the accompanying consolidated financial statements, have been calculated on a separate-entity basis.

iii) Tax exposures:

In determining the amount of current and deferred tax the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a deter mination is made.

n) Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic and diluted EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the owners of the company by the weighted average number of ordinary shares outstanding during the period. There are no dilutive potential shares.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

o) Segment reporting

An operating segment is a component of the Group and its joint ventures that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are regularly reviewed by the Group Management to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Group management include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters), head office expenses, and income tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the period to acquire property and equipment, and intangible assets other than goodwill.

p) The new standards, amendments and interpretations

The accounting policies adopted in preparation of the consolidated financial statements as at 31 December 2024 are consistent with those of the previous financial year, except for the adoption of new and amended IFRS and IFRIC interpretations effective as of 1 January 2024. The effects of these standards and interpretations on the Group's financial position and performance have been disclosed in the related paragraphs.

i) The new and revised IFRS Standards that are effective for the current year

Amendments to IAS 1	*Classification of Liabilities as Current or Non-Current*
Amendments to IFRS 16	*Lease Liability in a Sale and Leaseback*
Amendments to IAS 1	*Non-current Liabilities with Covenants*
Amendments to IAS 7 and IFRS 7	*Supplier Finance Arrangements*
ISRS 1	*General Requirements for Disclosure of Sustainability-related Financial Information*
ISRS 2	*Climate-related Disclosures*

Amendments to IAS 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 IFRS 16 *Lease Liability in a Sale and Leaseback*

Amendments to IFRS 16 clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale.

Amendments to IAS 1 *Non-current Liabilities with Covenants*

Amendments to IAS 1 clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

p) The new standards, amendments and interpretations (continued)

i) The new and revised IFRS Standards that are effective for the current year (continued)

Amendments to IAS 7 and IFRS 7 ***Supplier Finance Arrangements***

The amendments add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements.

ISRS 1 ***General Requirements for Disclosure of Sustainability-related Financial Information***

ISRS 1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity. The application of this standard is mandatory for annual reporting periods beginning on or after 1 January 2024 for the entities that meet the criteria specified in POA's announcement dated 5 January 2024 and numbered 2024-5 and the Board Decision dated 16 December 2024 amending this announcement. Other entities may voluntarily report in accordance with ISRS.

ISRS 2 ***Climate-related Disclosures***

ISRS 2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity. The application of this standard is mandatory for annual reporting periods beginning on or after 1 January 2024 for the entities that meet the criteria specified in POA's announcement dated 5 January 2024 and numbered 2024-5 and the Board Decision dated 16 December 2024 amending this announcement. Other entities may voluntarily report in accordance with ISRS.

ii) New and revised IFRSs in issue but not yet effective

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

IFRS 17	*Insurance Contracts*
Amendments to IFRS 17	*Initial Application of IFRS 17 and IFRS 9 — Comparative Information*
Amendments to IAS 21	*Lack of Exchangeability*

IFRS 17 ***Insurance Contracts***

IFRS 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. IFRS 17 has been deferred for insurance, reinsurance and pension companies for a further year and will replace IFRS 4 *Insurance Contracts* on 1 January 2026.

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

Amendments have been made in IFRS 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 IFRS 17 and IFRS 9 at the same time to present comparative information about a financial asset as if the classification and measurement requirements of IFRS 9 had been applied to that financial asset before. Amendments are effective with the first application of IFRS 17.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

p) The new standards, amendments and interpretations (continued)

ii) New and revised IFRSs in issue but not yet effective (continued)

Amendments to IAS 21 ***Lack of Exchangeability***
The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. Amendments are effective from annual reporting periods beginning on or after 1 January 2025.

The Group evaluates the effects of these standards, amendments and improvements on the consolidated financial statements.

4. DETERMINATION OF FAIR VALUES

Fair value determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

i) Property and equipment:

The fair value of property and equipment recognised as a result of a business combination is the estimated amount for which a property could be exchanged on the date of acquisition between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably and willingly. The fair value of items of equipment, fixtures and fittings is based on the market approach and cost approaches using quoted market prices for similar items when available and depreciated replacement cost when appropriate. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence.

ii) Intangible assets:

The fair value of intangible assets is based on the discounted cash flows expected to be derived from the use and eventual sale of the assets.

The fair values of customer relationship and DHMİ licence acquired in a business combination are determined according to the excess earnings method and depreciated replacement cost approach, respectively.

The airport operation right as an intangible asset is initially recognised at cost, being the fair value of consideration transferred to acquire the asset, which is the fair value of the consideration received or receivable for the construction services delivered less any financial asset recognised. The fair value of the consideration received or receivable for the construction services delivered includes a mark-up on the actual costs incurred to reflect a margin consistent with other similar construction work. Mark-up rates for TAV Esenboğa, TAV Gazipaşa, TAV Macedonia and TAV Ege are 0%, TAV Tbilisi and TAV Tunisia are 15% and 5% respectively.

iii) Trade and other receivables:

The fair value of trade and other receivables is estimated as the present value of future cash flows discounted at the market rate of interest at the reporting date. Short-term receivables with no stated interest rate are measured at the original invoice amount if the effect of discounting is immaterial. This fair value is determined for disclosure purposes or when acquired in a business combination.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

4. DETERMINATION OF FAIR VALUES (continued)

iv*) *Derivatives:

The fair value is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate (based on government bonds) or option pricing models.

The fair value of interest rate swaps is based on broker quotes. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group entity and counterparty when appropriate.

v*) *Other non-derivative financial liabilities:

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

Fair value hierarchy:

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

31 December 2024	**Level 1**	**Level 2**	**Level 3**
Financial assets	-	65,348	-
Interest rate swap	-	46,511	-
Cross currency swap	-	10,741	-
Financial liabilities at fair value through profit or loss	-	-	(14,575)

31 December 2023	**Level 1**	**Level 2**	**Level 3**
Financial assets	-	80,888	-
Interest rate swap	-	42,191	-
Cross currency swap	-	(10,511)	-
Financial liabilities at fair value through profit or loss	-	-	(23,159)

5. OPERATING SEGMENTS

Operating Segments:

For management purposes, the Group and its joint ventures are currently organised into four reportable segments regarding to their activities; such as Terminal Operations, Catering Operations, Duty Free Operations, Ground Handling and Bus Operations. These reportable segments are the basis on which the Group reports its primary segment information, the principal activities of each are as follows:

- ***Terminal operations:*** Operating terminal buildings, the car park and the general aviation terminal, the Group companies included in this segment are TAV İstanbul, TAV Esenboğa, TAV Ankara, TAV Ege, TAV Milas Bodrum, TAV Tunisia, TAV Tbilisi, TAV Batumi, Batumi Airport LLC, TAV Macedonia, TAV Gazipaşa, TAV Uluslararası Yatırım, Tibah Development, Tibah Operation, MZLZ, MZLZ Operation, AMS; TAV Antalya and AIA. TAV Tbilisi, TAV Batumi, TAV Tunisia, TAV Macedonia, TAV Gazipaşa, TAV Antalya, TAV Antalya Yatırım, MZLZ and AIA also include the ground handling operations, and parking-apron-taxi ways as they are not outsourced and are run by the airport.

- ***Catering operations:*** Managing all food and beverage operations of the terminal, both for the passengers and the terminal personnel, which is run by BTA, BTA Georgia, BTA Tunisia, BTA Macedonia, Cakes & Bakes, BTA Tedarik, BTA Latvia, BTA Denizyolları, BTA Medinah, BTA Uluslararası Yiyecek, BFA Antalya, BTA MZLZ and ACS.

- ***Duty free operations:*** Sales of duty free goods for the international arriving and departing passengers. The Group operates its duty free services through ATU, ATU Georgia, ATU Tunisia, ATU Macedonia, ATU Kazakhstan, ATU Latvia, ATU Tunisia Duty Free, ATU Medinah, ATU Antalya, ATU Mağazacılık and ATU Uluslararası Mağazacılık.

- ***Ground handling and bus operations:*** Providing traffic, ramp, flight operation, cargo and all other ground handling services for domestic and international flights under the Civil Aviation Legislation License. The Group operates the ground handling services through HAVAŞ, HAVAŞ Latvia, TAV Gözen, TGS, Saudi HAVAŞ, HAVAŞ Adriatic, HAVAŞ Kazakhstan, HAVAŞ MZLZ, HAVAŞ Macedonia and Havaş Georgia. HAVAŞ provides bus operations.

- ***Other:*** Providing lounge services, IT, security and education services, airline taxi services, the Group companies included in this segment are TAV Holding, TAV Latvia, TAV İşletme, TAV İşletme Georgia, TAV İşletme Tunisia, TAV İşletme Tunisia Plus, TAV İşletme Macedonia, TAV İşletme Germany, TAV İşletme Latvia, TAV İşletme Kenya, TAV İşletme America, TAV İşletme Washington, TAV İşletme New York, TAV İşletme Kazakhstan, TAV İşletme SASA, TAV İşletme Madagascar, TAV İşletme Bermuda, TAV İşletme Dulles, GIS Spain, GIS France, GIS Germany, GIS Italy, GIS Mexico, TAV İşletme Saudi, Paris Lounge Network, TAV İşletme Chile, TAV İşletme Narita, TAV Bilişim, TAV IT Saudi, TAV IT Netherlands, TAV IT Qatar, TAV Technologies SPA, TAV IT Dubai, TAV Güvenlik, Aerosec Security, TAV Akademi, Aviator Netherlands, PMIA Aviator BV, ZAIC-A, ATU Holdings, Medinah Hotel, Holdco, TAV Real Estate, AAIH, Aeroser, TAV Kazakhstan, VT and FBO.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment operating profit, as included in the internal management reports that are reviewed by the Group's Management. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on arm's length basis.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

5. OPERATING SEGMENTS (continued)

Operating Segments (continued)

	Terminal Operations		Catering Operations		Duty Free Operations		Ground Handling and Bus Operations		Other Operations		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Total external revenues	1,213,752	995,520	190,342	154,681	271,020	228,648	624,196	399,877	337,084	209,493	2,636,394	1,988,219
Inter-segment revenue	41,917	64,400	17,809	15,290	18	50	1,376	1,176	61,172	51,012	122,292	131,928
Construction revenue	1,319	2,250	-	-	-	-	-	-	-	-	1,319	2,250
Construction expenditure	(1,319)	(2,250)	-	-	-	-	-	-	-	-	(1,319)	(2,250)
Interest income	42,538	36,633	2,960	786	3,360	1,552	2,267	986	96,458	48,037	147,583	87,994
Interest expense	(123,868)	(91,932)	(4,211)	(3,997)	(820)	(797)	(7,175)	(8,530)	(97,731)	(83,558)	(233,805)	(188,814)
Depreciation and amortisation	(288,933)	(223,343)	(8,632)	(7,477)	(5,951)	(5,399)	(17,896)	(18,506)	(24,899)	(11,789)	(346,311)	(266,514)
Reportable segment operating profit	250,576	266,161	9,804	14,302	22,840	27,906	74,982	61,809	27,844	40,427	386,046	410,605
Capital expenditure	359,395	414,591	13,831	5,701	9,480	3,327	9,848	13,154	56,523	33,393	449,077	470,166

	Terminal Operations		Catering Operations		Duty Free Operations		Ground Handling and Bus Operations		Other Operations		Total	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023	31 December 2024	31 December 2023	31 December 2024	31 December 2023	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Reportable segment assets	4,839,399	4,768,636	62,166	48,747	205,848	147,483	291,147	253,659	1,676,494	1,565,134	7,075,054	6,783,659
Reportable segment liabilities	3,977,728	3,837,360	89,305	83,535	113,652	66,189	95,976	113,876	808,446	886,723	5,085,107	4,987,683

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

5. OPERATING SEGMENTS (continued)

Reconciliations of reportable segment revenues, profit before tax, assets and liabilities and other material items

	2024	2023
Revenues		
Total revenue for reportable segments	2,361,749	1,861,892
Other revenue	398,256	260,505
Elimination of inter-segment revenue	(122,292)	(131,928)
	2,637,713	**1,990,469**
Effect of using the equity method for joint ventures	(977,713)	(680,782)
Consolidated revenue	**1,660,000**	**1,309,687**

	2024	2023
Operating profit		
Segment operating profit	358,202	370,178
Other operating profit	27,844	40,427
	386,046	**410,605**
Effect of using the equity method for joint ventures	(42,900)	(12,618)
Consolidated operating profit	**343,146**	**397,987**
Finance income	83,579	86,787
Finance expense	(195,495)	(199,063)
Net monetary position gains	8,613	4,811
Consolidated profit before tax	**239,843**	**290,522**

	31 December 2024	31 December 2023
Assets		
Total assets for reportable segments	5,398,560	5,218,525
Other assets	1,676,494	1,565,134
	7,075,054	**6,783,659**
Effect of using the equity method for joint ventures	(2,211,955)	(2,030,561)
Consolidated total assets	**4,863,099**	**4,753,098**

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

5. OPERATING SEGMENTS (continued)

	31 December 2024	31 December 2023
Liabilities		
Total liabilities for reportable segments	4,276,661	4,100,960
Other liabilities	808,446	886,723
	5,085,107	**4,987,683**
Effect of using the equity method for joint ventures	(1,844,863)	(1,661,025)
Consolidated total liabilities	**3,240,244**	**3,326,658**

	2024	2023
Interest income		
Total interest income for reportable segments	51,125	39,957
Other interest income	96,458	48,037
Elimination of inter-segment interest income	(83,550)	(48,816)
	64,033	**39,178**
Effect of using the equity method for joint ventures	(5,338)	(3,809)
Consolidated interest income	**58,695**	**35,369**

	2024	2023
Interest expense		
Total interest expense for reportable segments	(136,074)	(105,256)
Other interest expense	(97,731)	(83,558)
Elimination of inter-segment interest expense	80,800	48,655
	(153,005)	**(140,159)**
Effect of using the equity method for joint ventures	21,043	21,831
Consolidated interest expense	**(131,962)**	**(118,328)**

Geographical information

The main geographical segments of the Group and its joint ventures are comprised of Türkiye, Georgia, Kazakhstan, Macedonia, Tunisia, Croatia, Oman, Latvia, Spain, Qatar and Saudi Arabia.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of revenue. Segment assets are based on the geographical location of the assets.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

5. OPERATING SEGMENTS (continued)

Geographical information (continued)

	2024	2023
Revenue		
Türkiye	653,617	511,840
Kazakhstan	495,434	414,265
Georgia	148,799	115,190
Macedonia	54,435	49,853
Tunisia	54,238	41,185
Croatia	40,615	32,634
France	31,623	1,404
Oman	31,062	27,407
Latvia	28,723	26,213
Qatar	23,376	12,468
Spain	21,925	18,293
Saudi Arabia	14,119	10,540
Other	62,034	48,395
Consolidated revenue	**1,660,000**	**1,309,687**

	31 December 2024	31 December 2023
Non-current assets		
Türkiye	2,580,478	2,416,519
Kazakhstan	691,529	596,129
Tunisia	391,200	423,582
Macedonia	89,518	94,838
Georgia	57,888	72,346
France	43,116	1,986
Croatia	9,999	10,246
Oman	8,893	8,857
Qatar	3,149	5,296
Spain	2,841	4,072
Latvia	1,732	1,946
Saudi Arabia	1,276	994
Other	130,384	84,615
Consolidated non-current asset	**4,012,003**	**3,721,426**

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

6. OPERATING REVENUE

An analysis of the Group's operating revenue for the year ended 31 December is as follows:

	2024	2023
Aviation income	635,731	543,248
Ground handling income	361,436	283,757
Catering services income	184,406	145,674
Prime class income	153,670	85,661
Commission from sales of duty free goods	79,660	60,521
Area allocation income	38,746	34,379
Income from car parking operations and valet service income	28,255	20,848
Hardware sales income	27,601	18,463
Security services income	27,080	20,067
Software sales income	22,025	17,339
Bus services income	14,666	11,285
Rent income from sublease	8,943	7,277
Advertising income	5,405	7,803
Hotel and reservation income	5,177	4,726
Utility and general participation income	3,733	3,880
Loyalty card income	3,506	1,637
Operating financial revenue	-	548
Other operating revenue	59,960	42,574
Total operating revenue	**1,660,000**	**1,309,687**

7. PERSONNEL EXPENSES

An analysis of the Group's personnel expenses for the years ended 31 December is as follows:

	2024	2023
Wages and salaries	362,442	262,033
Compulsory social security contributions	42,111	28,539
Employment termination benefit expenses	2,801	910
Other personnel expenses	61,712	42,500
Total personnel expenses	**469,066**	**333,982**

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

8. OTHER OPERATING EXPENSES

An analysis of the Group's other operating expenses for the years ended 31 December is as follows:

	2024	2023
Rent expense	34,311	26,269
Maintenance expenditures	26,576	23,156
Utility cost	22,480	23,534
Consultancy expense	22,066	22,787
VAT non-recoverable	19,447	16,372
Cleaning expense	17,108	11,431
Outsource staff expenses	15,937	7,205
Insurance expenses	13,478	10,208
Provision expenses	13,228	6,253
Taxes	9,904	8,643
Traveling and transportation expenses	8,253	6,508
Security cost	4,340	3,360
Advertisement and marketing expenses	4,195	3,773
Communication and stationary expenses	3,771	2,837
Representation expenses	1,963	1,742
Commission and license expense	1,058	819
Other operating expenses	27,976	23,280
Total other operating expenses	**246,091**	**198,177**

9. DEPRECIATION, AMORTISATION AND IMPAIRMENT EXPENSES

An analysis of the Group's accumulated depreciation, amortisation and impairment for the years ended 31 December is as follows:

	2024	2023
Airport operation right	78,891	70,316
Property and equipment	54,477	42,666
Impairment of airport operation right	49,000	9,500
Right of use asset	17,932	11,715
Other intangible assets	5,370	3,388
Impairment of property and equipment	-	88
Total depreciation, amortization and impairment expenses	**205,670**	**137,673**

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

10. FINANCE INCOME AND FINANCE COSTS

Recognised in profit or loss

An analysis of the Group's finance income and finance costs for the years ended 31 December is as follows:

	2024	2023
Interest income on bank deposits and intercompany loans	58,695	35,369
Discount income	8,800	5,475
Other financial assets income (*)	6,153	5,711
Fair value of derivatives	-	106
Other finance income (**)	9,931	40,126
Finance income	**83,579**	**86,787**
Interest expense on financial liabilities and intercompany loans	(131,962)	(118,328)
Discount expense (***)	(33,792)	(38,361)
Commission expense	(8,680)	(6,708)
Foreign exchange loss, net	(8,579)	(22,661)
Bank charges	(8,011)	(9,092)
Interest expense provision on employee benefit obligation	(4,251)	(3,557)
Fair value of derivatives	(220)	-
Other finance costs (**)	-	(356)
Finance costs	**(195,495)**	**(199,063)**
Net finance costs	**(111,916)**	**(112,276)**

(*) Other financial assets income is related with ground handling contract between HAVAŞ and Türk Hava Yolları ("THY"), which is the shareholder of TGS, in order to resume the current ownership of THY and HAVAŞ.

(**) Other finance costs and incomes include financial expenses and gains due to the application of IAS 28.

(***) Discount expense is mainly related with the unwinding of discount on concession payables amounting to EUR 33,792 as of 31 December 2024 (31 December 2023: EUR 38,361).

Recognised in other comprehensive income

	2024	2023
Foreign currency translation differences for foreign operations	22,336	(25,125)
Portion of cash flow hedges charged to profit or loss	15,326	13,419
Tax on cash flow hedge reserves	(5,605)	4,268
Effective portion of changes in fair value of cash flow hedges	(17,998)	(24,185)
Finance costs recognised in other comprehensive income, net of tax	**14,059**	**(31,623)**

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

11. TAX EXPENSE

An analysis of the Group's tax expense for the years ended 31 December is as follows:

Tax recognised in profit or loss

	2024	2023
Current tax expense		
Current year tax expenses	50,404	49,650
Adjustments for prior periods (*)	(475)	5,688
	49,929	**55,338**
Deferred tax benefit		
Origination and reversal of temporary differences	11,580	(16,108)
Change in previously recognised investment incentives	(13,359)	(9,189)
Recognition of current period tax losses	(5,412)	1,747
	(7,191)	**(23,550)**
Total tax expenses	**42,738**	**31,788**

(*) The amount in 2023 is mainly related with the earthquake tax.

Tax recognised in other comprehensive income

	2024			2023		
	Before tax	**Tax (expense) / benefit**	**Net of tax**	**Before tax**	**Tax (expense) / benefit**	**Net of tax**
Foreign currency translation differences for foreign operations	22,336	-	22,336	(25,125)	-	(25,125)
Effective portion of changes in fair value of cash flow hedges	(1,814)	(5,605)	(7,419)	(11,277)	4,268	(7,009)
Defined benefit obligation actuarial differences	(12,676)	3,094	(9,582)	(5,826)	2,472	(3,354)
Other comprehensive income from equity accounted investments	(8,969)	555	(8,414)	(36,399)	3,570	(32,829)
	(1,123)	**(1,956)**	**(3,079)**	**(78,627)**	**10,310**	**(68,317)**

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

11. TAX EXPENSE (continued)

Reconciliation of effective tax rate

The reported tax expenses for the years ended 31 December 2024 and 2023 are different than the amounts computed by applying the statutory tax rate to profit before tax of the Group, as shown in the following reconciliation:

	%	2024	%	2023
Profit before tax from continuing operations		239,843		290,522
Loss before tax from discontinued operations		(107)		(233)
Profit before income tax		**239,736**		**290,289**
Tax using the Company's domestic tax rate	25 %	59,934	25 %	72,572
Tax effects of:				
- non-deductible expenses	5 %	11,976	7 %	21,200
- translation effect on recognized tax losses	1 %	3,229	(3 %)	(9,608)
- change in previously recognised investment incentives	(6 %)	(13,359)	(3 %)	(9,189)
- tax exempt income	(10 %)	(24,416)	(13 %)	(37,070)
- used tax loss carry forwards which no deferred tax asset is recognised	(2 %)	(3,958)	0 %	536
- current year losses which no deferred tax asset is recognised	16 %	37,889	17 %	50,452
- effect of different tax rates for foreign jurisdictions	(3 %)	(8,380)	(1 %)	(3,895)
- under / (over) provided in prior years	0 %	(475)	2 %	5,688
- effect of hyperinflation	0 %	(850)	(7 %)	(20,315)
- change in unrecognised temporary differences	0 %	-	0 %	-
- adjustment for equity accounted investments	(6 %)	(14,843)	(13 %)	(37,738)
- effect of change in tax rates	0 %	556	0 %	-
- other consolidation adjustments	(2 %)	(4,565)	0 %	(848)
Tax expenses	**18 %**	**42,738**	**11 %**	**31,785**
Total tax expenses from continuing operations		**42,738**		**31,788**
Total tax incomes from discontinued operations		**-**		**(3)**

Corporate tax:

	2024	2023
Corporate tax provision from continuing operations	50,404	49,650
Corporate tax provision	50,404	49,650
Adjustments for prior periods	(475)	5,688
Add / (less): taxes payable from previous period	12,106	10,820
Less: corporation taxes paid during the period	(57,227)	(54,052)
Current tax liabilities	**4,808**	**12,106**

11. TAX EXPENSE (continued)

Corporate tax (continued):

Türkiye

The Turkish entities within the Group are subject to Turkish corporate taxes. Provision is made in the accompanying consolidated financial statements for the estimated charge based on the each of the Group entities' results for the period.

Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding back non-deductible expenses, and by deducting dividends received from resident companies, other exempt income and investment incentives utilized.

In Türkiye, advance tax returns are filed on a quarterly basis – there are three advance tax return periods. The corporate income tax (CIT) rate at 31 December 2024 is 25% (The previous 2023 CIT rate was 25%) Losses can be carried forward to offset from future taxable income for up to 5 years. Losses cannot be carried back.

In Türkiye, companies were subject to a standard corporate income tax rate of 20%. However, the rate was temporarily increased to 25% for the income generated in 2021 and to 23% for the income generated in 2022. The applicable rate as of 2024 is 25%. The tax legislation provides for a temporary tax to be calculated and paid based on earnings generated for each quarter. The amounts thus calculated and paid are offset against the final corporate tax liability for the year.

In Türkiye, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns until 30th April following the close of the accounting year to which they relate. Tax authorities may, however, examine such returns and the underlying accounting records and may revise assessments within five years.

Georgia

Georgian corporate income tax is levied at a rate of 15% on income less deductible expenses. As of 1 January 2017 the corporate tax liability arises when the profit is distributed. There is no change on the corporate tax rate.

Tunisia

Tunisian corporate income tax is levied at a rate of 20% on income less deductible expenses (31 December 2023: 15%).

Macedonia

Macedonian corporate income tax is levied at a rate of 10% on income less deductible expenses as from 2014 onwards (including determination of 2014 CIT). Losses can be carried forward for 3 years provided that the accumulated accounting losses are covered by the accumulated profits (31 December 2023: 10%).

Latvia

Latvian corporate income is levied at a rate of 20% on income less deductible expenses as of 2019. (As the taxable base must be divided by a coefficient of 0.8, the effective tax rate is 25%). According to the new rule, the corporate tax liability will raise when the profit is distributed.

Germany

German federal income tax is levied at a rate of 15% on income less deductible expenses. However municipalities impose a trade tax on income. Taking into account the various municipality multipliers, the combined average tax rate for corporations ranges from approximately 23% to 33%.

Kenya

Effective from January 1, 2021 the corporate income tax is levied at a rate of 30% for resident companies on income less deductible expenses. The corporate income tax rate was applied as 25% for 2020 over 2020 taxable income as a temporary measure in response to Covid-19 (31 December 2023: 30%).

11. TAX EXPENSE (continued)

Corporate tax (continued):

United States

American federal corporate income tax is levied at a rate of 21% on income less deductible expenses.

Croatia

Corporate income tax (CIT) is generally paid at a rate of 18%. For taxpayers with revenues in the tax period lower than EUR 995,421.06 the rate of 10% is applied. (31 December 2023: 18%).

Saudi Arabia

Under the Saudi Arabian tax and zakat regulations, tax / zakat status of a resident company is determined based on the nationality of its shareholders. TAV IT Saudi's all shareholders are incorporated outside GCC. So, it is subject to income tax at 20% over the gross income less allowable expenses under the law (the adjusted net profit for the year). Tax losses can be carried forward indefinitely in Saudi Arabia. However, maximum limit of the brought forward loss that can be deducted from the taxable profit for the year is 25% of the taxable profit.

Oman

Omani corporate income tax is levied at a rate of 15% on income less deductible expenses.

Chile

In 2024, Chile corporate income tax is levied at a rate of 27% for large companies and 25% for small and medium companies.

France

As of 2024, the standard corporate tax rate is 25% for all companies (31 December 2023: 25%).

Spain

Spain corporate income tax is levied at a rate of 25% on income less deductible expenses. For taxpayers with revenues in the tax period lower than EUR 1M the rate of 23% is applied. (31 December 2023: 25%).

Italy

Italy corporate income tax is levied at a rate of 24% on income less deductible expenses (31 December 2023: 24%).

Mexico

Mexico corporate income tax is levied at a rate of 30% on income less deductible expenses (31 December 2023: 30%)

UAE

With effect from 1 June 2023, corporate rate at standard tax rate of 9% will be applied to all business and commercial activities on taxable profits above AED 375,000 (approximately USD 100,000). Extractive industries will remain subject to the Emirates level corporate taxation.

Kazakhstan

Kazakhstan corporate income tax is levied at a rate of 20% on income less deductible expenses.

Bermuda

Corporate income tax is not applicable in Bermuda.

11. TAX EXPENSE (continued)

Investment allowance:

The Temporary Article 69 added to the Income Tax Law no.193 with the Law no.5479, which became effective starting from 1 January 2006, upon being promulgated in the Official Gazette no. 26133 dated 8 April 2006, stating that taxpayers can deduct the amount of the investment allowance exemption which they are entitled to according to legislative provisions effective at 31 December 2005 (including rulings on the tax rate) only from the taxable income of 2006, 2007 and 2008. Accordingly, the investment incentive allowance practice was ended as of 1 January 2006. At this perspective, an investment allowance which cannot be deducted partially or fully in three year time was not allowed to be carried forward to the following years and became unavailable as of 31 December 2008. On the other hand, the Article 19 of the Income Tax Law was annulled and the investment allowance practice was ended as of 1 January 2006 with effectiveness of the Article 2 and the Article 15 of the Law no. 5479 and the investment allowance rights on the investment expenditures incurred during the period of 1 January 2006 and 8 April 2006 became unavailable.

However, at 15 October 2009, the Turkish Constitutional Court decided to cancel the clause no. 2 of the Article 15 of the Law no. 5479 and the expressions of “2006, 2007, 2008” in the Temporary Article 69 related to investment allowance mentioned above that enables effectiveness of the Law as of 1 January 2006 rather than 8 April 2006, since it is against the Constitution. Accordingly, the time limitations for the carried forward investment allowances that were entitled to in the previous period of mentioned date and the limitations related with the investments expenditures incurred between the issuance date of the Law promulgated and 1 January 2006 were eliminated. According to the decision of Turkish Constitutional Court, cancellation related with the investment allowance became effective with promulgation of the decision on the Official Gazette and the decision of the Turkish Constitutional Court was promulgated in the Official Gazette no. 27456 dated 8 January 2010.

According to the decision mentioned above, the investment allowances carried forward to the year 2006 due to the lack of taxable income and the investment allowances earned through the investments started before 1 January 2006 and continued after that date constituting economic and technical integrity will be used not only in 2006, 2007 and 2008, but also in the following years. In addition, 40% of investment expenditures that are realized between 1 January 2006 and 8 April 2006, within the context of the Article 19 of the Income Tax Law will have the right for investment allowance exemption.

The Article 5 of the Law no. 6009 “Law on the Amendment of the Income Tax Law and Certain Laws and Decree Laws” which was promulgated in the Official Gazette on 1 August 2010 regulated the amount of investment incentive to be benefited in computing the corporate tax base after the cancellation of the Article no.2 of the Law no. 5479. According to the Law no. 6009, the taxpayers were allowed to benefit from the investment incentive stemming from the periods before the promulgation of the Law no. 5479, up to 25% of the taxable income of the respective tax period. Such change is effective including the fiscal year ending on 31 December 2011.

However, on 9 February 2012, the Turkish Constitutional Court decided to cancel the Article 5 of the Law no. 6009 and stay of execution of the article was promulgated in the Official Gazette no. 28208 dated 18 February 2012. Accordingly, taxpayers are allowed to benefit from the investment incentive without any limitation. The annulment of the article was promulgated in the Official Gazette no. 28719 dated 26 July 2013.

Income withholding tax:

According to Corporate Tax Law code numbered 5520 article 15, companies who are resident in Türkiye, should calculate 15% income withholding tax on dividends distributed to non-resident companies, individuals and resident individuals. Where there is a tax treaty between Türkiye and the country of the dividend recipient is a resident taxpayer, the applicable rate might be less than the local rate. Undistributed dividends incorporated in share capital are not subject to income withholding taxes.

Transfer pricing regulations:

In Türkiye, the transfer pricing provisions have been stated under the Article 13 of Corporate Tax Law with the heading of “disguised profit distribution via transfer pricing”. The General Communiqué on disguised profit distribution via Transfer Pricing, dated 18 November 2007 sets details about implementation.

If a taxpayer enters into transactions regarding sale or purchase of goods and services with related parties, where the prices are not set in accordance with arm's length principle, then related profits are considered to be distributed in a disguised manner through transfer pricing. Such disguised profit distributions through transfer pricing are not accepted as tax deductible for corporate income tax purposes.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

12. PROPERTY AND EQUIPMENT

	Land	Buildings	Machinery and equipment	Vehicles	Furniture and fixtures	Leaseholds improvements	Construction in progress	Total
Cost								
Balance at 1 January 2023	**2,635**	**211,333**	**165,136**	**57,446**	**68,047**	**176,777**	**98,208**	**779,582**
Effect of movements in exchange rates	(91)	(7,958)	(6,926)	(1,397)	(9,006)	(14,176)	(5,832)	(45,386)
Additions	-	1,962	18,540	7,822	5,616	12,212	166,277	212,429
Disposals	-	(577)	(4,534)	(590)	(2,140)	(229)	(27)	(8,097)
Transfers (*) (**)	-	(3,100)	4,268	(1)	542	9,314	21,754	32,777
Effect of IAS 29 indexation	-	4,149	1,491	216	8,686	13,004	123	27,669
Balance at 31 December 2023	**2,544**	**205,809**	**177,975**	**63,496**	**71,745**	**196,902**	**280,503**	**998,974**
Balance at 1 January 2024	2,544	205,809	177,975	63,496	71,745	196,902	280,503	**998,974**
Effect of movements in exchange rates	164	16,273	6,920	1,844	(1,611)	(225)	6,123	29,488
Additions	-	2,543	20,891	5,152	7,348	11,002	229,917	276,853
Disposals	-	(351)	(4,123)	(5,016)	(433)	(1,093)	-	(11,016)
Transfers (*) (**)	-	128,836	97,172	4	(343)	9,408	(214,755)	20,322
Effect of acquisition of a subsidiary(***)	-	-	38	-	3,395	6,989	-	10,422
Effect of IAS 29 indexation	-	5,114	1,717	221	9,271	13,424	(105)	29,642
Effect of group structure change	-	-	-	-	(67)	(109)	(1)	(177)
Balance at 31 December 2024	**2,708**	**358,224**	**300,590**	**65,701**	**89,305**	**236,298**	**301,682**	**1,354,508**

(*) There is EUR 27,779 capitalised borrowing cost on property and equipment during 2024 (31 December 2023: EUR 28,126). In year 2024, additions to property and equipment have not been purchased by financial leasing (31 December 2023: None).

(**) Transfer amounting to EUR 12,828 and EUR 1,434 comprises transfer to intangible assets and airport operation right as at 31 December 2024. Transfer amounting from EUR 6,805 comprises transfer from other non-current assets as at 31 December 2024 (31 December 2023: Transfer amounting to EUR 3,090, EUR 5,727 and EUR 1,514 comprises transfer to intangible assets, airport operation right and right of use assets and transfer amounting from EUR 14,527 comprises transfer from inventories).

(***) Effect of acquisitions of a subsidiary is related with acquisition of additional shares of Paris Lounge Network as of 31 December 2024.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

12. PROPERTY ANDEQUIPMENT (continued)

	Land	Buildings	Machinery and equipment	Vehicles	Furniture and fixtures	Leaseholds improvements	Construction in progress	Total
Accumulated depreciation								
Balance at 1 January 2023	**-**	**25,377**	**92,938**	**26,920**	**50,302**	**96,700**	**-**	**292,237**
Effect of movements in exchange rates	-	(1,570)	(5,302)	(662)	(7,677)	(10,171)	-	(25,382)
Depreciation for the year	-	7,974	11,294	4,740	4,783	13,875	-	42,666
Disposals	-	(15)	(3,654)	(236)	(1,994)	(103)	-	(6,002)
Impairment losses	-	-	20	(6)	28	46	-	88
Transfers (*)	-	400	-	8	(175)	(566)	-	(333)
Effect of IAS 29 indexation	-	(109)	959	141	7,180	9,843	-	18,014
Balance at 31 December 2023	**-**	**32,057**	**96,255**	**30,905**	**52,447**	**109,624**	**-**	**321,288**
Balance at 1 January 2024	-	32,057	96,255	30,905	52,447	109,624	**-**	**321,288**
Effect of movements in exchange rates	-	2,065	1,087	884	(1,268)	(1,260)	-	1,508
Depreciation for the year	-	8,914	16,151	5,138	7,776	16,498	-	54,477
Disposals	-	-	(2,637)	(2,011)	(403)	(369)	-	(5,420)
Transfers (*)	-	-	(55)	-	(231)	293	-	7
Effect of acquisition of a subsidiary (**)	-	-	22	-	1,249	441	-	1,712
Effect of IAS 29 indexation	-	538	1,054	150	7,609	10,318	-	19,669
Effect of change in group structure	-	-	-	-	(52)	(109)	-	(161)
Balance at 31 December 2024	**-**	**43,574**	**111,877**	**35,066**	**67,127**	**135,436**	**-**	**393,080**
Carrying amounts								
At 31 December 2023	**2,544**	**173,752**	**81,720**	**32,591**	**19,298**	**87,278**	**280,503**	**677,686**
At 31 December 2024	**2,708**	**314,650**	**188,713**	**30,635**	**22,178**	**100,862**	**301,682**	**961,428**

(*) Transfer amounting from EUR 7 comprises transfer from intangible assets as at 31 December 2024 (31 December 2023: Transfer amounting to EUR 552 comprises transfer to airport operation right and transfer amounting from EUR 219 comprises transfer from intangible assets).

(**) Effect of acquisitions of a subsidiary is related with acquisition of additional shares of Paris Lounge Network as of 31 December 2024.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

13. INTANGIBLE ASSETS

	Purchased software and brandmarks	Internally generated software	Customer relationships	DHMI and other operating licenses	Total
Cost					
Balance at 1 January 2023	**27,498**	**13,639**	**27,899**	**9,365**	**78,401**
Effect of movements in exchange rates	(2,459)	(530)	(33)	-	(3,022)
Additions	1,992	-	-	-	1,992
Transfers (*)	483	2,607	-	-	3,090
Effect of IAS29 indexation	2,235	-	-	-	2,235
Balance at 31 December 2023	**29,749**	**15,716**	**27,866**	**9,365**	**82,696**
Balance at 1 January 2024	**29,749**	**15,716**	**27,866**	**9,365**	**82,696**
Effect of movements in exchange rates	(157)	1,635	(6)	-	1,472
Additions	3,119	-	-	-	3,119
Disposals	(93)	-	-	-	(93)
Transfers (*)	60	12,768	-	-	12,828
Effect of acquisation of subsidiary (**)	-	-	1,852	-	1,852
Effect of IAS29 indexation	2,556	-	-	-	2,556
Balance at 31 December 2024	**35,234**	**30,119**	**29,712**	**9,365**	**104,430**
Accumulated amortisation					
Balance at 1 January 2023	**23,714**	**7,783**	**27,016**	**-**	**58,513**
Effect of movements in exchange rates	(2,039)	(302)	(34)	-	(2,375)
Amortisation for the year	1,634	1,502	252	-	3,388
Transfers (***)	(54)	-	(165)	-	(219)
Effect of IAS29 indexation	1,786	-	-	-	1,786
Balance at 31 December 2023	**25,041**	**8,983**	**27,069**	**-**	**61,093**
Balance at 1 January 2024	**25,041**	**8,983**	**27,069**	**-**	**61,093**
Effect of movements in exchange rates	(123)	704	(6)	-	575
Amortisation for the year	2,351	2,149	870	-	5,370
Disposals	(62)	-	-	-	(62)
Transfers (***)	(7)	-	-	-	(7)
Effect of IAS29 indexation	1,888	-	-	-	1,888
Balance at 31 December 2024	**29,088**	**11,836**	**27,933**	**-**	**68,857**
Carrying amounts					
At 31 December 2023	**4,708**	**6,733**	**797**	**9,365**	**21,603**
At 31 December 2024	**6,146**	**18,283**	**1,779**	**9,365**	**35,573**

(*) Transfer amounting from EUR 12,828 comprises transfer from property and equipment as at 31 December 2024 (31 December 2023: EUR 3,090 comprises transfer from property and equipment).

(**) Effect of acquisitions of a subsidiary is related with acquisition of additional shares of Paris Lounge Network as of 31 December 2024.

(***) Transfer amounting to EUR 7 comprises transfer to property, plant & equipment as at 31 December 2024 (31 December 2023: EUR 219).

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

13. INTANGIBLE ASSETS (continued)

DHMİ licenses acquired through the purchase of HAVAŞ shares in years 2005 and 2007 were recognised with indefinite useful lives since there is no foreseeable limit to the period over which they are expected to generate net cash inflows. The useful life of DHMİ license associated with the acquisition of HAVAŞ was deemed indefinite since;

- without these licenses ground handling companies could not operate,
- it is difficult to obtain the licence, which requires high pre-operational costs and procurement of workforce and equipment required to deliver ground handling services
- the continuity of the license requires low annual payments compared to initial license cost.

The replacement cost method was used in order to determine the fair value of the DHMİ licences for impairment testing. As a result of the impairment testing no impairment was recognized.

Goodwill

An analysis of goodwill as at 31 December 2024 and 2023 is as follows:

	31 December 2024	31 December 2023
Balance at 1 January	**216,411**	**219,206**
Addition during the year	1,680	48
Effect of movements in exchange rates	5,349	(2,843)
Balance of the end of the year	**223,440**	**216,411**

Goodwill is related with the CGU's AIA, HAVAŞ, TAV Tbilisi, HAVAŞ MZLZ, Paris Lounge Network and GIS Spain as at 31 December 2024 (31 December 2023: AIA, HAVAŞ, TAV Tbilisi, HAVAŞ MZLZ and GIS Spain).

Impairment testing for CGU's

For the purpose of impairment testing, goodwill is allocated to CGU's. The aggregate carrying amounts of goodwill allocated to each CGU are as follows:

	31 December 2024	31 December 2023
HAVAŞ	131,565	131,565
AIA	84,338	78,991
TAV Tbilisi	3,858	3,857
Paris Lounge Network	1,680	-
GIS Spain	1,094	1,094
HAVAŞ MZLZ	753	753
Other	152	151
	223,440	**216,411**

A valuation for the fair values of HAVAŞ, AIA and TAV Tbilisi as three separate CGU's was performed by an independent valuation expert. The income and market approaches were used to determine the fair values of HAVAŞ, AIA and TAV Tbilisi. In the analysis, income approach (discounted cash flow method) was mostly used, with lower weightings applied to the value of HAVAŞ, AIA and TAV Tbilisi resulting from the Guideline Transaction and Company methods.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

13. INTANGIBLE ASSETS (continued)

Goodwill (continued)

Impairment testing for CGU's (continued)

25-year business plan prepared by the management for HAVAŞ and 8-year business plan prepared by the management for TAV Tbilisi were used in the valuation of companies. The growth in business plan of HAVAŞ and TAV Tbilisi is driven by the opportunities in companies' businesses and addition of new customers.

As a result of the impairment testing performed on CGU basis, no impairment loss was recognised for HAVAŞ, TAV Tbilisi, GIS Spain, AIA and Paris Lounge Network as at 31 December 2024.

Key assumptions used in discounted cash flow projections

Key assumptions used in calculation of recoverable amounts are discount rates and terminal growth rates. These assumptions are as follows:

	31 December 2024	
	Pre-tax discount rate	Terminal growth rate
TAV Tbilisi	33.3 %	- %
HAVAŞ	18.3 %	2.0 %
GIS Spain	13.0 %	2.0 %
AIA	9.71 %	2.3 %

	31 December 2023	
	Pre-tax discount rate	Terminal growth rate
HAVAŞ	21.0 %	2.0 %
TAV Tbilisi	29.1 %	- %
GIS Spain	13.0 %	2.0 %
AIA	11.08 %	1.9 %

Discount rate

The discount rates used in discounted cash flows are the weighted average cost of capitals ("WACC") of the companies.

Terminal growth rate for HAVAŞ is determined as 2.0%, GIS Spain as 2.0% and AIA as 2.3%. Since TAV Tbilisi has a limited life, terminal growth rate is not used in the valuation.

Market Approach

The Guideline Transaction Method utilises valuation multiples based on actual transactions that have occurred in the subject company's industry. These derived multiples are then applied to the appropriate operating data of the subject company to arrive at an indication of fair market value. Guideline Company Method focuses on comparing the subject company to guideline publicly-traded companies.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

14. AIRPORT OPERATION RIGHT

Cost	İzmir Adnan Menderes International Airport	Enfidha International Airport	Alanya Gazipaşa Airport	Skopje International Airport	Tbilisi International Airport	Milas Bodrum Airport	Almaty Airport	Total
Balance at 1 January 2023	**809,096**	**595,488**	**48,198**	**132,077**	**116,608**	**522,234**	**87,117**	**2,310,818**
Effect of movements in exchange rates	-	-	-	-	(3,948)	-	(3,017)	(6,965)
Disposals	-	-	-	(39)	-	-	-	(39)
Transfers (*) (**)	1,680	-	-	-	2,800	1,247	-	5,727
Balance at 31 December 2023	**810,776**	**595,488**	**48,198**	**132,038**	**115,460**	**523,481**	**84,100**	**2,309,541**
Balance at 1 January 2024	**810,776**	**595,488**	**48,198**	**132,038**	**115,460**	**523,481**	**84,100**	**2,309,541**
Effect of movements in exchange rates	-	-	-	-	2,332	-	5,693	8,025
Transfers (*) (**)	595	-	-	-	-	839	-	1,434
Balance at 31 December 2024	**811,371**	**595,488**	**48,198**	**132,038**	**117,792**	**524,320**	**89,793**	**2,319,000**

(*) There is no capitalised borrowing cost on airport operation right during 2024 (31 December 2023: None).

(**) Transfer amounting from EUR 1,434 comprises transfer from property and equipment as at 31 December 2024 (31 December 2023: EUR 5,727).

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

14. AIRPORT OPERATION RIGHT (continued)

	İzmir Adnan Menderes International Airport	Enfidha International Airport	Alanya Gazipaşa Airport	Skopje International Airport	Tbilisi International Airport	Milas Bodrum Airport	Almaty Airport	Total
Accumulated amortisation								
Balance at 1 January 2023	**272,211**	**152,389**	**13,469**	**48,848**	**68,452**	**101,793**	**1,436**	**658,598**
Effect of movements in exchange rates	-	-	-	-	(2,724)	-	(70)	(2,794)
Amortisation for the year	30,603	7,140	1,242	6,261	9,825	14,336	909	70,316
Impairment losses	-	9,500	-	-	-	-	-	9,500
Transfers (*)	-	-	-	-	560	(8)	-	552
Balance at 31 December 2023	**302,814**	**169,029**	**14,711**	**55,109**	**76,113**	**116,121**	**2,275**	**736,172**
Balance at 1 January 2024	**302,814**	**169,029**	**14,711**	**55,109**	**76,113**	**116,121**	**2,275**	**736,172**
Effect of movements in exchange rates	-	-	-	-	1,650	-	217	1,867
Amortisation for the year	32,757	8,808	1,531	6,249	12,536	16,193	817	78,891
Impairment losses	-	30,500	18,500	-	-	-	-	49,000
Balance at 31 December 2024	**335,571**	**208,337**	**34,742**	**61,358**	**90,299**	**132,314**	**3,309**	**865,930**
Carrying amounts								
At 31 December 2023	**507,962**	**426,459**	**33,487**	**76,929**	**39,347**	**407,360**	**81,825**	**1,573,369**
At 31 December 2024	**475,800**	**387,151**	**13,456**	**70,680**	**27,493**	**392,006**	**86,484**	**1,453,070**

(*) Transfer amounting from EUR 552 comprises transfer from property and equipment as at 31 December 2023.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

15. RIGHT OF USE ASSETS

	Right-of-use assets						
	Layout and development of land	**Building**	**Machinery & Equipments**	**Vehicles**	**Other tangible assets**	**Total**	**Lease Liabilities**
Balance at 1 January 2023	**36,955**	**18,408**	**-**	**918**	**473**	**56,754**	**58,486**
Additions	10,593	10,309	381	221	422	21,926	18,566
Depreciation expense	(5,247)	(5,117)	(650)	(505)	(196)	(11,715)	-
Interest expense	-	-	-	-	-	-	4,356
Disposals	(64)	-	-	(116)	-	(180)	-
Payments	-	-	-	-	-	-	(11,702)
Transfer (*)	-	-	1,514	-	-	1,514	-
Effect of IAS 29 indexation	-	3,184	-	57	-	3,241	-
Effect of movements in exchange rates	-	(3,012)	-	(145)	(27)	(3,184)	(868)
Balance at 31 December 2023	**42,237**	**23,772**	**1,245**	**430**	**672**	**68,356**	**68,838**

The Group, as a lessee, has recognized right-of-use assets representing its right to use the underlying assets and lease liabilities representing its obligation to make lease payments.

	Right-of-use assets						
	Layout and development of land	**Building**	**Machinery & Equipments**	**Vehicles**	**Other tangible assets**	**Total**	**Lease Liabilities**
Balance at 1 January 2024	**42,237**	**23,772**	**1,245**	**430**	**672**	**68,356**	**68,838**
Additions	7,119	57,135	537	4,538	-	69,329	68,469
Depreciation expense	(3,810)	(12,301)	(537)	(1,109)	(175)	(17,932)	-
Interest expense	-	-	-	-	-	-	7,816
Disposals	(8)	-	-	-	(49)	(57)	-
Payments	-	-	-	-	-	-	(22,497)
Effect of IAS 29 indexation	-	2,991	-	73	-	3,064	-
Effect of movements in exchange rates	-	(8)	-	(6)	12	(2)	706
Balance at 31 December 2024	**45,538**	**71,589**	**1,245**	**3,926**	**460**	**122,758**	**123,332**

(*) Transfer amounting from EUR 1,514 comprises transfer from property and equipment as at 31 December 2023.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

16. FINANCIAL ASSETS

At 31 December 2024 and 31 December 2023, financial assets comprised the following:

Financial assets	31 December 2024	31 December 2023
Exchange rate protected deposits (*)	60,020	80,888
Investment funds	5,328	-
	65,348	**80,888**

(*) Exchange rate protected deposits have up to 1 year maturity.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

17. DEFERRED TAX ASSETS AND LIABILITIES

The Group recognises deferred tax assets and liabilities in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. These differences usually result in the recognition of revenue and expenses in different reporting periods for IFRS and tax purposes and they are given below.

For calculation of deferred tax asset and liabilities, the rate of 25% for subsidiaries and joint ventures in Turkey (31 December 2023: 25%), the rate of 20% for subsidiaries in Tunisia (31 December 2023: 15%) and the rate of 10% for subsidiaries in Macedonia (31 December 2023: 10%) are used.

Recognised deferred tax assets and liabilities

As at 31 December 2024 and 2023, deferred tax assets and liabilities are attributable to the following:

	Assets		**Liabilities**		**Net**	
	31 December		**31 December**		**31 December**	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**
Property & equipment, airport operation right and intangible assets	-	-	(28,777)	(23,557)	(28,777)	(23,557)
Trade & other receivables and payables	2,495	4,924	-	-	2,495	4,924
Loans and borrowings	-	-	(1,670)	(1,634)	(1,670)	(1,634)
Reserve for employee severance idemnity	8,504	4,685	-	-	8,504	4,685
Provisions	2,176	1,621	-	-	2,176	1,621
Derivatives	-	-	(12,121)	(5,984)	(12,121)	(5,984)
Tax loss carry-forwards	21,618	16,258	-	-	21,618	16,258
Investment incentives	36,744	23,168	-	-	36,744	23,168
IFRS 16 Liabilities	1,754	1,278	-	-	1,754	1,278
Adjustments related to tax legislation of subsidiaries which is in foreign countries	-	-	(10,281)	(10,355)	(10,281)	(10,355)
Hyperinflation	172,072	151,350	-	-	172,072	151,350
Other items (*)	-	-	(51,707)	(39,962)	(51,707)	(39,962)
Deferred tax assets / (liabilities)	**245,363**	**203,284**	**(104,556)**	**(81,492)**	**140,807**	**121,792**
Deferred tax asset provision (**)	(174,120)	(154,745)	**-**	**-**	(174,120)	(154,745)
Set off of tax	(16,295)	(4,352)	16,295	4,352	-	-
Net deferred tax assets / (liabilities)	**54,948**	**44,187**	**(88,261)**	**(77,140)**	**(33,313)**	**(32,953)**

(*) EUR 44,313 of other items is related with deferred tax liability effect of purchase price allocation of Almaty acquisition in 2021 as of 31 December 2024 (EUR 42,303 as at 31 December 2023).

(**) As at 31 December 2024, a deferred tax asset amounting to EUR 174,120 occurred on TAV Ege, due to application of hyperinflation accounting in Türkiye. Due to unforeseeability of the recoverability of this deferred tax asset, the Group recognized the deferred tax asset and impaired it simultaneously (EUR 154,745 as at 31 December 2023).

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

17. DEFERRED TAX ASSETS AND LIABILITIES (continued)

Movements in temporary differences during the year

	Balance at 1 January 2023	Recognized in profit or loss	Recognised in other comprehensive income	Effect of change in exchange rates	Balance at 31 December 2023	Recognized in profit or loss	Effect of acquisition (*)	Recognised in other comprehensive income	Effect of change in exchange rates	Balance at 31 December 2024
Property & equipment, airport operation right and intangible assets	(30,492)	5,616	-	1,319	(23,557)	(3,007)	-	-	(2,213)	(28,777)
Trade & other receivables and payables	516	4,424	-	(16)	4,924	(2,453)	-	-	24	2,495
Derivatives	(10,490)	(21)	4,268	259	(5,984)	-	-	(5,605)	(532)	(12,121)
Loans and borrowings	(1,145)	(429)	-	(60)	(1,634)	(28)	-	-	(8)	(1,670)
Reserve for employee severance idemnity	3,907	(1,164)	2,472	(530)	4,685	863	(6)	3,094	(132)	8,504
Provisions	1,027	626	-	(32)	1,621	537	-	-	18	2,176
Tax loss carry-forwards	18,225	(1,747)	-	(220)	16,258	5,412	-	-	(52)	21,618
Investment incentives	13,987	9,189	-	(8)	23,168	13,359	-	-	217	36,744
IFRS 16 Liabilities	9,465	(7,540)	-	(647)	1,278	601	-	-	(125)	1,754
Provision for tax	(7,382)	(2,973)	-	-	(10,355)	74	-	-	-	(10,281)
Hyperinflation (*)	328	(3,597)	-	(126)	(3,395)	242	-	-	1,105	(2,048)
Other items	(62,948)	21,166	-	1,820	(39,962)	(8,409)	(528)	-	(2,808)	(51,707)
Tax liabilities / (assets)	**(65,002)**	**23,550**	**6,740**	**1,759**	**(32,953)**	**7,191**	**(534)**	**(2,511)**	**(4,506)**	**(33,313)**

(*) As at 31 December 2024, a deferred tax asset amounting to EUR 174,120 occurred on TAV Ege, due to application of hyperinflation accounting in Türkiye (EUR 154,745 as at 31 December 2023). Due to unforeseeability of the recoverability of this deferred tax asset, the Group recognized the deferred tax asset and impaired it simultaneously.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

17. DEFERRED TAX ASSETS AND LIABILITIES (continued)

At the reporting date, the Group has unused tax losses of EUR 603,779 (31 December 2023: EUR 520,431) available for offset against future profits. Tax losses can be carried forward for five years under the current tax legislation adopted in Türkiye. Deferred tax asset related with the tax losses is recognised as at 31 December 2024 amounting to EUR 21,618 (31 December 2023: EUR 16,258), since it is assessed as probable that sufficient future taxable profits will be available, through increase in passenger numbers and improved operational performance in the following years. Total unused tax loss carry forwards will expire as follows:

	31 December 2024	31 December 2023
Expire in year 2024	-	74,917
Expire in 2025	67,898	74,912
Expire in 2026	97,390	104,523
Expire in 2027	9,293	15,257
Expire in 2028 and after	429,198	250,822
Total	**603,779**	**520,431**

As per the annulment decision of the Turkish Constitutional Court (see Note 11) in 2012, TAV Ankara and TAV Ege, consolidated subsidiaries of the Group, are subject to investment allowance ruling and can use their available allowances to reduce their taxable corporate income without any time limitations. Accordingly, deferred tax asset amounting to EUR 36,744 (31 December 2023: EUR 23,168) on such investment allowance of TAV Ankara and TAV Ege are recorded in the accompanying consolidated financial statements as at 31 December 2024 since it is assessed as probable that TAV Ankara and TAV Ege will use their right of deducting investment allowances from their corporate income after deducting carry forward tax losses to the extent that sufficient future taxable profits will be available till the end of their concession periods.

Unrecognised deferred tax assets and liabilities

Unrecognised deferred tax assets related to tax-loss carry forwards as at 31 December 2024 and 2023 are as follows:

	31 December 2024	31 December 2023
Unrecognized deferred tax assets	135,664	104,024
	135,664	**104,024**

Deferred tax assets have not been recognised in respect of the tax loss carry forwards where it is not probable that future taxable profit will be available against which the Group can utilise the benefits there from till the end of concession periods.

As at 31 December 2024, a deferred tax asset of EUR 105,322 (31 December 2023: EUR 43,956 deferred tax asset) related to investments in subsidiaries and joint ventures was not recognised since it is not assessed as probable that the temporary difference will reverse in the foreseeable future.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

18. INVENTORIES

At 31 December 2024 and 2023, inventories comprised the following:

Inventories	**31 December 2024**	**31 December 2023**
Spare parts and other inventories	26,075	19,578
Goods for sale	14,933	11,046
Catering inventories	3,705	3,181
	44,713	**33,805**

No impairment has been identified on inventories.

19. OTHER RECEIVABLES, CURRENT AND NON-CURRENT ASSETS

At 31 December 2024 and 31 December 2023, other receivables and current assets comprised the following:

Other receivables and current assets	**31 December 2024**	**31 December 2023**
VAT deductible	41,549	37,487
Advances to suppliers	39,317	59,723
Prepaid taxes and funds	27,556	18,338
Other prepaid expense	11,591	10,886
Income accruals	15,258	12,205
Prepaid insurance	2,403	2,203
Advances given to personnel	1,766	1,692
Deposits and guarantees given	1,022	263
Other receivables	12,891	4,026
	153,353	**146,823**

At 31 December 2024 and 31 December 2023, other receivables and current assets comprised the following:

Other non-current assets	**31 December 2024**	**31 December 2023**
Financial assets (*)	87,161	76,415
Other non-current receivables (**)	156,337	160,771
	243,498	**237,186**

(*) Amount related to 15 years (3+3+3+3+3) ground handling contract between HAVAŞ and Türk Hava Yolları ("THY"), which is the shareholder of TGS, in order to resume the current ownership of THY and HAVAŞ.

(**) EUR 118,750 is related to advance concession payment to DHMI for TAV Ankara (31 December 2023: EUR 118,750).

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

20. TRADE RECEIVABLES

At 31 December 2024 and 31 December 2023, trade receivables comprised the following:

Trade receivables:	**31 December 2024**	**31 December 2023**
Trade receivables	124,482	111,315
Notes receivable	2,621	2,941
Doubtful receivables	32,448	47,901
Allowance for doubtful receivables (-)	(32,448)	(47,901)
	127,103	**114,256**

21. CASH AND CASH EQUIVALENTS

At 31 December 2024 and 31 December 2023, cash and cash equivalents comprised the following:

Cash and cash equivalents	**31 December 2024**	**31 December 2023**
Cash on hand	526	666
Cash at banks		
- Demand deposits	131,371	83,617
- Time deposits	195,308	446,779
Other liquid assets	25,366	7,849
Cash and cash equivalents	**352,571**	**538,911**
Bank overdraft used for cash management purposes	-	(342)
Cash and cash equivalents in the statement of cash flows	**352,571**	**538,569**

The details of the Group's time deposits, maturities and interest rates as at 31 December 2024 and 31 December 2023 are as follows:

31 December 2024

Original Currency	**Maturity**	**%**	**Balance**
EUR	January – March 2025	1.00 - 3.05	145,691
USD	January– November 2025	1.25 - 4.50	33,321
TL	January – February 2025	42.00 - 48.25	6,606
Other	January – September 2025	13.50 - 15.00	9,690
			195,308

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

21. CASH AND CASH EQUIVALENTS (continued)

31 December 2023

Original Currency	Maturity	%	Balance
EUR	January – March 2024	0.01 - 4.50	376,652
USD	January – November 2024	2.00 - 5.50	62,531
TL	January – March 2024	5.00 - 40.00	4,762
Other	January – September 2024	15.00	2,834
			446,779

The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in Note 33.

There is no blockage or restriction on the use of cash and cash equivalents as at 31 December 2024 and 31 December 2023.

22. RESTRICTED BANK BALANCES

At 31 December 2024 and 31 December 2023, restricted bank balances comprised the following:

Restricted bank balances	31 December 2024	31 December 2023
Project reserve and funding accounts (*)	88,610	99,768
	88,610	**99,768**

(*) TAV Kazakhstan, TAV Tunisia, TAV Macedonia, TAV Milas Bodrum and TAV Ege ("the Borrowers") opened various accounts designated mainly in order to reserve required amount of debt services, lease payment to DHMİ and other state authorities based on agreements with their lenders (31 December 2023: TAV Kazakhstan, TAV Tunisia, TAV Macedonia, TAV Milas Bodrum and TAV Ege) and other purposes. As a result of pledges regarding the project bank loans, all cash except for cash on hand are classified in these accounts for TAV Tunisia, TAV Ege, TAV Macedonia and TAV Milas Bodrum. Based on these agreements, the Group can access and use such restricted cash as per the conditions and cascade defined in respective loan agreements. The project accounts should be used for predetermined purposes, such as, operational expenses, loan repayments or rent payments to airport administrations, tax payments, debt service, etc.

31 December 2024

Original Currency	Interest rate %	Balance
EUR	0.20	52,734
USD	3.50	29,508
TL	47.50	6,368
		88,610

31 December 2023

Original Currency	Interest rate %	Balance
EUR	0.05 - 0.75	97,252
TL	36.10 - 38.00	1,902
USD	0.38	266
Other	-	348
		99,768

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

23. CAPITAL AND RESERVES

At 31 December 2024 and 31 December 2023, the shareholding structure of the Company was as follows:

Shareholders	(%)	31 December 2024
Tank ÖWA alpha GmbH	46.12	167,542
Tepe İnşaat Sanayi A.Ş. ("Tepe İnşaat")	4.06	14,751
Other free float	49.82	180,987
Paid in capital in TRL (nominal)	**100.00**	**363,280**
Paid in capital in EUR (nominal) as at 31 December 2024		9,887
Effect of non-cash increases and exchange rates		152,497
Paid in capital EUR		**162,384**

Shareholders	(%)	31 December 2023
Tank ÖWA alpha GmbH	46.12	167,542
Tepe İnşaat Sanayi A.Ş. ("Tepe İnşaat")	5.06	18,375
Sera Yapı Endüstrisi ve Ticaret A.Ş. ("Sera Yapı")	1.16	4,218
Other free float	47.66	173,146
Paid in capital in TRL (nominal)	**100.00**	**363,281**
Paid in capital in EUR (nominal) as at 31 December 2023		11,153
Effect of non-cash increases and exchange rates		151,231
Paid in capital EUR		**162,384**

(*) According to the announcement dated 7 July 2017, the share transfer of Akfen Holding's 8.119% stake in TAV Airports to Tank ÖWA Alpha GmbH, which is wholly owned by Groupe ADP, has been completed.

The Company's share capital consists of 363,281,250 shares amounting to TRL 363,281 as at 31 December 2024 (31 December 2023: 363,281,250 shares amounting to TRL 363,281).

Legal reserves

According to the Turkish Commercial Code ("TCC"), legal reserves are comprised of first and second legal reserves. The first legal reserves are generated by annual appropriations amounting to 5 percent of income disclosed in the Company's statutory accounts until it reaches 20 percent of paid-in share capital. If the dividend distribution is made in accordance with Dividend Distribution Communiqué II-19.1, a further 1/10 of dividend distributions, in excess of 5 percent of paid-in capital is to be appropriated to increase second legal reserves. If the dividend distribution is made in accordance with statutory records, a further 1/11 of dividend distributions, in excess of 5 percent of paid-in capitals are to be appropriated to increase second legal reserves. Under the TCC, the legal reserves can be used only to offset losses and are not available for any other usage unless they exceed 50 percent of paid-in capital. At 31 December 2024, legal reserves of the Group amounted to EUR 121,975 (31 December 2023: EUR 121,975).

23. CAPITAL AND RESERVES (continued)

Non-controlling interests

Equity in a subsidiary that is not attributable, directly or indirectly, to a parent is classified under the "Non-controlling interests" in the consolidated financial statements.

As at 31 December 2024 and 2023 the related amounts in the "Non-controlling interests" in the consolidated statement of financial position are respectively EUR 15,183 liability and EUR 15,223 liability. In addition, net profit or loss in a subsidiary that is not attributable, directly or indirectly, to a parent is also classified under the "Non-controlling interests" in the consolidated financial statements. As at 31 December 2024 and 2023, profit amounts attributable to non-controlling interests in the consolidated statement of other comprehensive income are respectively EUR 14,312 profit and EUR 8,903 profit.

Dividend distribution

Publicly held companies distribute dividends based on the Capital Market Board ("CMB") Dividend Communique numbered II-19.1 effective from 1 February 2014.

Companies distribute their profits in accordance with their dividend policy determined by the General Assembly and with General Assembly resolution in accordance with provisions of the relevant legislation. According to the aforementioned communique, 50% distribution rate has been determined. Companies pay dividends according to their articles of association or dividend distribution policy. In addition, dividends may be paid in equal or different amount of installments, and cash dividend advances may be distributed over profit for the period presented in interim financial statements.

In 2024, the Group did not distribute any dividend to the shareholders in accordance with its dividend policy (2023: None). Dividend per share is nil (2023: Nil).

Share premium

Excess amount of selling price and nominal value for each share was recorded as share premium in equity.

Revaluation surplus

The revaluation surplus comprises the revaluation of intangible assets acquired in a business combination until the investments are derecognised or impaired.

Purchase of shares of entities under common control

The purchases of the shares of entities that are under common control are accounted for at book values. The net amount of consideration paid over the book value of the net assets acquired is recognised directly in equity.

Cash flow hedge reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred, net of tax.

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Other reserves

Other reserve comprises all gain or loss realized on sale or purchase of non-controlling interest without a change in control in a subsidiary.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

24. EARNINGS PER SHARE

The calculation of basic and diluted EPS at 31 December 2024 was based on the profit from continued operations attributable to ordinary shareholders of EUR 183,101 (31 December 2023: EUR 249,379), based on the loss from discontinued operations attributable to ordinary shareholders of EUR (107) (31 December 2023: EUR (230)) and a weighted average number of ordinary shares outstanding of 363,281,250 (31 December 2023: 363,281,250) as follows:

	2024	**2023**
Numerator:		
Profit for the period attributable to owners of the Company from continued operations	183,101	249,379
Loss for the period attributable to owners of the Company from discontinued operations	(107)	(230)
Denominator:		
Weighted average number of shares	363,281,250	363,281,250
Basic and diluted profit per share for continued operations (full EUR)	**0.50**	**0.69**

	2024	**2023**
Issued ordinary shares at 1 January	363,281,250	363,281,250
Weighted average number of ordinary shares	**363,281,250**	**363,281,250**

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

25. LOANS AND BORROWINGS

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings, which are measured at amortised cost. For more information about the Group's exposure to interest rate, foreign currency and liquidity risk arising from these loans and borrowings, see Note 33.

	31 December 2024	31 December 2023
Non-current liabilities		
Secured bank loans (*)	891,850	822,748
Bonds (**)	357,751	334,453
Unsecured bank loans	12,998	11,607
Lease liabilities	109,352	62,519
Financial liabilities at fair value through profit or loss (***)	14,575	23,159
	1,386,526	**1,254,486**
Current liabilities		
Short term secured bank loans (*)	256,702	278,721
Current portion of long term secured bank loans (*)	144,623	150,949
Short term unsecured bank loans	13,645	64,960
Current portion of bonds (**)	30,725	29,392
Current portion of long term unsecured bank loans	2,191	1,692
Current portion of long term lease liabilities	13,980	6,319
	461,866	**532,033**

(*) Secured bank loans mainly consist of project finance loans that have been secured by pledges.

(**) The group completed the issuance of debt instruments for sale outside of Türkiye on December 7, 2023. The nominal value of the notes sold is USD 400 million and the coupon rate is 8.50%. The maturity of the notes is 5 years. The cash outflow of the notes from the Group have been converted to euro through a cross-currency swap between U.S. dollars and euro. After the cross currency swap is factored in, the 8.50% coupon rate of the instrument has decreased to an effective rate of 6.87% in euro terms for the Group.

(***) Financial liabilities at fair value through profit or loss, comprise of participation right for lenders which is booked with its fair value.

The Group's total bank loans and finance lease liabilities as at 31 December 2024 and 2023 are as follows:

	31 December 2024	31 December 2023
Bank loans	1,322,009	1,330,677
Bonds	388,476	363,845
Lease liabilities	123,332	68,838
Financial liabilities at fair value through profit or loss	14,575	23,159
	1,848,392	**1,786,519**

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

25. LOANS AND BORROWINGS (continued)

The Group's bank loans as at 31 December 2024 are as follows:

31 December 2024	**Presented as**		
	Current liabilities	**liabilities**	**Total**
TAV Kazakhstan	55,442	364,284	419,726
TAV Ankara	16,692	235,217	251,909
TAV Tunisia	244,664	-	244,664
TAV Ege	24,873	150,330	175,203
TAV Milas Bodrum	17,634	78,884	96,518
TAV Macedonia	11,868	50,508	62,376
BTA	33,689	998	34,687
TAV İşletme	9,106	11,627	20,733
TAV Holding	124	13,000	13,124
HAVAŞ	3,069	-	3,069
	417,161	**904,848**	**1,322,009**

The Group's bank loans as at 31 December 2023 are as follows:

31 December 2023	**Presented as**		
	Current liabilities	**liabilities**	**Total**
TAV Kazakhstan	42,743	355,367	398,110
TAV Tunisia	242,405	-	242,405
TAV Ege	21,514	159,965	181,479
TAV Ankara	15,497	154,888	170,385
TAV Milas Bodrum	17,139	89,370	106,509
TAV Macedonia	10,739	57,202	67,941
TAV Holding	61,608	-	61,608
BTA	29,667	15,610	45,277
HAVAŞ	34,593	-	34,593
TAV İşletme	20,086	1,953	22,039
TAV Güvenlik	331	-	331
	496,322	**834,355**	**1,330,677**

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

25. LOANS AND BORROWINGS (continued)

Redemption schedules of the Group's bank loans according to original maturities as at 31 December 2024 and 2023 are as follows:

	31 December 2024	31 December 2023
On demand or within one year	417,161	496,322
Between one and five years	486,234	542,312
After five years	418,614	292,043
	1,322,009	**1,330,677**

The majority of the borrowings are arranged at floating rates, thus exposing the Group to cash flow interest rate risk. Spreads for EUR denominated loans as at 31 December 2024 are between 2.75% - 5.50%, USD denominated loans as at 31 December 2024 are 4.50% (31 December 2023: Spreads for EUR and USD denominated loans are between 2.20% - 6.00% and 0.90% - 4.50%, respectively).

Interest payments of 44%, 13%, 90%, 54% and 70% of floating bank loans for TAV Ege, TAV Macedonia, TAV Milas Bodrum, TAV Kazakhstan and AIA respectively are fixed with interest rate swaps as explained in Note 32 (31 December 2023: 74%, 29%, 100%, 90%, 54% and 70% for TAV Ege, TAV Macedonia, TAV İşletme America, TAV Milas Bodrum, TAV Kazakhstan and AIA respectively)

The Group has obtained project financing loans to finance construction of its BOT and BTO concession projects, namely TAV Macedonia, TAV Tunisia and TAV Ege; and to be able to finance advance payments to DHMİ related to rent agreement of TAV Milas Bodrum.

25. LOANS AND BORROWINGS (continued)

Pledges

Pledges regarding the project bank loans of TAV Ege and TAV Milas Bodrum:

a) Share pledge: TAV Milas Bodrum and TAV Ege have pledges over shares amounting to, TRL 5,022,795 and TRL 1,881,755 respectively (31 December 2023: For TAV Milas Bodrum and TAV Ege TRL 648,988 and TRL 1,881,755 respectively). In case of an event of default, the banks have the right to take control of the shares. Upon the occurrence of any event of default, the banks can demand the sale of shares by way of public auction in accordance with the applicable provisions of the Bankruptcy and Execution Law of the Republic of Türkiye or by way of private auction among the nominees. Share pledges will expire after bank loans are paid or on the dates of maturity.

b) Receivable pledge: In case of an event of default, the banks have the right to take control of the receivables of project companies (disclosed as the Borrowers in Note 22) in order to perform its obligations under the loan documents. Immediately upon the occurrence of default, and all payments relating to assigned receivables shall be made to the banks which shall be entitled to collect the assigned receivables and exercise all rights with respect to assigned receivables.

TAV Milas Bodrum and TAV Ege have pledged their receivables amounting to EUR 1,089 and EUR 5,343 respectively as at 31 December 2024 (31 December 2023: For TAV Milas Bodrum and TAV Ege EUR 2,032 and EUR 7,488 respectively).

c) Pledge over bank accounts: In case of an event of default, the banks have the right to control the bank accounts of project companies in order to perform its obligations under the loan documents. Upon the occurrence of event of default project companies shall be entitled to set-off and apply the whole or any part of the cash standing to the credit of the accounts and any interests, proceeds and other income that may accrue or arise from the accounts.

TAV Milas Bodrum and TAV Ege have pledges over bank accounts amounting to EUR 7,888 and EUR 41,279 respectively as at 31 December 2024 (31 December 2023: For TAV Milas Bodrum and TAV Ege EUR 1,804 and EUR 67,458 respectively).

Pledges regarding the project bank loan of TAV Macedonia:

TAV Macedonia has granted share pledge in favor of the lenders. In addition, receivables of TAV Macedonia amounting to EUR 3,616 (31 December 2023: EUR 7,337) have been pledged and all the commercial contracts and insurance policies have been assigned to the lenders.

Pledges regarding the project bank loan of TAV Tunisia:

TAV Tunisia has granted share pledge, account pledge and pledge of rights from the Concession Agreement to the lenders. TAV Tunisia has pledge over shares amounting to TND 245,000. Share pledge will expire after bank loan is paid or on the date of maturity.

Covenants

Certain project finance agreements include technical default clauses in case of non-compliance with financial ratios. Financing agreements of TAV Milas Bodrum, TAV Ege, TAV Kazakhstan, TAV Tunisia and TAV Macedonia have covenants.

TAV Tunisia has been in breach of its financial agreements due to slow passenger recovery from the pandemic period. Therefore, the non-current loan liabilities of TAV Tunisia were reclassified to current loan liabilities on 30 June 2023 and the amount outstanding as of 31 December 2024 is EUR 244,664 (included interest accrual). TAV Tunisia has not received any Acceleration Notice from the Lenders.

Except for TAV Tunisia, there is no breach of financial agreements as at 31 December 2024.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

25. LOANS AND BORROWINGS (continued)

Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non–cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities:

		Cash flows		Non-cash changes			
	31 December 2023	Capital & Interest Payments	Additions	New leases	Effect of acquisition	Interest Accruals & Translation	31 December 2024
Bank loans	1,330,677	(483,340)	347,400	-	4,806	122,466	1,322,009
Bonds	363,845	(31,695)	-	-	-	56,326	388,476
Lease liabilities	68,838	(22,497)	-	68,469	-	8,522	123,332
Total financial liabilities	**1,763,360**	**(537,532)**	**347,400**	**68,469**	**4,806**	**187,314**	**1,833,817**

		Cash flows		Non-cash changes			
	31 December 2022	Capital & Interest Payments	Additions	New leases	Effect of acquisition	Interest Accruals & Translation	31 December 2023
Bank loans	1,311,493	(456,793)	368,443	-	-	107,534	1,330,677
Bonds	-	-	361,795	-	-	2,050	363,845
Lease liabilities	58,486	(11,702)	-	18,566	-	3,488	68,838
Total financial liabilities	**1,369,979**	**(468,495)**	**730,238**	**18,566**	**-**	**113,072**	**1,763,360**

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

26. RESERVE FOR EMPLOYEE SEVERANCE INDEMNITY

Under the Turkish Labour Law, the Company and its Turkish subsidiaries and joint ventures are required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, is called up for military service, dies or who retires after completing 25 years of service (20 years for women) and reaches the retirement age (58 for women and 60 for men). Since the legislation was changed on 8 September 1999, there are certain transitional provisions relating to length of service prior to retirement.

Such payments are calculated on the basis of 30 days' pay maximum full TRL 46,655 as at 31 December 2024 (equivalent to full EUR 1,270) (31 December 2023: full TRL 35,059 (equivalent to full EUR 1,076)) per year of employment at the rate of pay applicable at the date of retirement or termination. Reserve for retirement pay is computed and reflected in the financial statements on a current basis. The reserve has been calculated by estimating the present value of future probable obligation of the Company and its Turkish subsidiaries and joint ventures arising from the retirement of the employees. The calculation was based upon the retirement pay ceiling announced by the government.

The provision has been calculated by estimating the present value of the future probable obligation of the Company and its subsidiaries and joint venture registered in Türkiye arising from the retirement of employees. IFRSs require actuarial valuation methods to be developed to estimate the enterprise's obligation under defined benefit plans. Accordingly, the following actuarial assumptions were used in the calculation of the total liability:

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. Consequently, in the accompanying consolidated financial statements as at 31 December 2024, the provision has been calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees. The provision at 31 December 2024 has been calculated assuming an annual inflation rate of 23.70% and a discount rate of 28.00% resulting in a real discount rate of approximately 3.47% (31 December 2023: an annual inflation rate of 20.00% and a discount rate of 23.68% resulting in a real discount rate of approximately 3.07%). It is planned that retirement rights will be paid to employees at the end of concession periods. Accordingly, present value of the future probable obligation has been calculated based on the concession periods.

	2024	**2023**
Balance at 1 January	**23,253**	**24,029**
Interest cost	4,251	3,557
Service cost	2,801	910
Payment made during the period	(1,774)	(2,272)
Effect of change in group structure	(25)	-
Effects of change in foreign exchange rate	(2,352)	(8,797)
Actuarial difference	12,676	5,826
Balance at 31 December	**38,830**	**23,253**

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

27. OTHER PAYABLES

At 31 December 2024 and 31 December 2023, other payables comprised the following:

Other short-term payables	**31 December 2024**	**31 December 2023**
Concession payables (*)	124,056	173,223
Expense accruals	21,242	18,807
Advances received	27,846	28,379
Taxes and duties payables	37,256	22,763
Social security premiums payables	9,464	8,606
Due to personnel	7,403	6,924
Other accruals and liabilities	3,263	5,122
	230,530	**263,824**

Other long-term payables	**31 December 2024**	**31 December 2023**
Concession payable (*)	482,093	520,721
Deferred payment liability	61,313	56,096
Advances received	49,174	10,091
Other accruals and liabilities	2,357	2,108
	594,937	**589,016**

The Group's exposure to currency and liquidity risk is related to other payables is disclosed in Note 33.

(*) TAV Tunisia has a concession period of 40 years and annual concession fee is paid based on the annual revenue of Monastir and Enfidha Airports. The Group and The Republic of Tunisia have signed an amendment on 6 November 2019 to the existing concession agreement governing the operation of Monastir and Enfidha airports. This amendment significantly reduces the past and present concession fees of TAV Tunisia and restructures the historical concession fees payable and the future concession fee calculation schedule. The concession fee is computed at an increasing rate between 5% and 39% of the annual revenues.

The concession fee of TAV Macedonia is 15% of the gross annual turnover until the number of passengers using the two airports reaches to 1 million, and when the number of passengers exceeds 1 million, this percentage shall change between 4% and 2% depending on the number of passengers.

A concession agreement was executed between TAV Milas Bodrum and DHMİ on 11 July 2014 for the leasing of the operating rights of the Milas Bodrum Airport's existing international terminal, CIP, general aviation terminal, domestic terminal and its auxiliaries. The agreement covers the operation right of the international terminal starting from 22 October 2015 to 31 December 2035 (approximately 20 years and 2 months) and operation right of the domestic terminal starting from July 2014 to December 2035. The concession payable of TAV Milas Bodrum domestic terminal is presented in financials EUR 250,338 as of 31 December 2024 (31 December 2023: EUR 291,298). TAV Bodrum's concession rent payment of EUR 28,680 for 2022 has been postponed to 2024 due to Force Majeure conditions created by the travel restrictions caused by the pandemic. TAV Bodrum's postponed payment has been paid in October 2024.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

27. OTHER PAYABLES (continued)

State Airports Authority (DHMI) has declared to the Group in its formal letter that, the applications that the Group had made as per Group's operating contracts due to the Force Majeure conditions created by pandemic related travel restrictions have been evaluated and the operating periods of the following airports that the Group operates in Turkey which are Antalya, Gazipasa-Alanya, Izmir Adnan Menderes and Milas-Bodrum have been extended for two years. In the same letter, DHMI has also informed the Group that concession rent payments for these airports that would normally be made in 2022 will be made in 2024. Concession payables for the extension periods are reflected in the consolidated financial statements over their net present values. TAV Ege's concession rent payment of EUR 28,975 for 2022 has been postponed to 2024 due to Force Majeure conditions created by the travel restrictions caused by the pandemic. TAV Ege's postponed payment has been paid in January 2024.

The concession payable of the international and domestic terminal of İzmir Adnan Menderes Airport is presented in financials EUR 227,786 as of 31 December 2024 (31 December 2023: EUR 273,182).

28. LIABILITIES FROM EQUITY-ACCOUNTED INVESTMENTS

The breakdown of liabilities from equity-accounted investments as at 31 December 2024 and 2023 is as follows:

Liabilities from equity-accounted investments	**31 December 2024**	**31 December 2023**
Medinah Hotel	3,032	2,155
Saudi HAVAŞ	601	-
Other	2,876	1,938
	6,509	**4,093**

29. DEFERRED INCOME

The breakdown of deferred income as at 31 December 2024 and 2023 is as follows:

	31 December 2024	**31 December 2023**
Deferred income:		
Short term deferred income	10,774	14,538
Long term deferred income	16,603	14,563
	27,377	**29,101**

Deferred income related with the unearned portion of concession rent income from ATU is EUR 10,890 as at 31 December 2024 (EUR 11,884 as at 31 December 2023).

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

30. PROVISIONS

At 31 December 2024 and 2023, provisions comprised the following:

	31 December 2024	31 December 2023
Unused vacation provision	11,623	9,192
Other provisions	1,400	439
	13,023	**9,631**

Provisions	**2024**	**2023**
Balance at 1 January	**9,631**	**6,936**
Provision (released)/set during the period, net	3,310	2,648
Change in scope	(67)	-
Effect of discontinued operations	-	(31)
Effects of change in foreign exchange rate	149	78
Balance at 31 December	**13,023**	**9,631**

31. TRADE PAYABLES

31 December 2024 and 2023, trade payables comprised the following:

	31 December 2024	31 December 2023
Trade payables	74,187	55,059
Deposits and guarantees received	67	-
	74,254	**55,059**

Trade payables mainly comprise payables outstanding for trade purchases and ongoing costs. The Group's exposure to currency and liquidity risk related to trade payables is disclosed in Note 33.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

32. DERIVATIVE FINANCIAL INSTRUMENTS

At 31 December 2024 and 31 December 2023, derivative financial instruments comprised the following:

	31 December 2024		
	Assets	**Liabilities**	**Net Amount**
Interest rate swap	46,511	-	46,511
Cross currency swap	10,741	-	10,741
	57,252	**-**	**57,252**

	31 December 2023		
	Assets	**Liabilities**	**Net Amount**
Interest rate swap	42,191	-	42,191
Cross currency swap	-	(10,511)	(10,511)
	42,191	**(10,511)**	**31,680**

Interest rate swap:

TAV Ege uses interest rate swap to manage its exposure to interest rate fluctuations on its bank borrowings. As at 31 December 2024, 44% of project finance loan is hedged through IRS contract during the life of the loan with an amortising schedule depending on repayment of the loan (31 December 2023: 74%).

TAV Milas Bodrum uses interest rate swap to manage its exposure to interest rate fluctuations on its bank borrowings. As at 31 December 2024, 90% of total loan is hedged through IRS contract (31 December 2023: 90%).

TAV Macedonia uses interest rate swap to manage its exposure to interest rate fluctuations on its bank borrowings. As at 31 December 2024, 13% of total loan is hedged through IRS contract (31 December 2023: 29%).

TAV İşletme America uses interest rate swap to manage its exposure to interest rate fluctuations on its bank borrowings. As at 31 December 2023, 100% of total loan is hedged through IRS contract.

TAV Kazakhstan uses interest rate swap to manage its exposure to interest rate fluctuations on its bank borrowings. As at 31 December 2024, 54% of total loan is hedged through IRS contract (31 December 2023: 54%).

AIA uses interest rate swap to manage its exposure to interest rate fluctuations on its bank borrowings. As at 31 December 2024, 70% of total loan is hedged through IRS contract (31 December 2023: 70%).

Cross currency swap:

The group completed the issuance of debt instruments for sale outside of Türkiye on 7 December 2023. The nominal value of the notes sold is USD 400 million and the coupon rate is 8.50%. The maturity of the notes is 5 years. The cash outflow of the notes from the Group have been converted to euro through a cross-currency swap between U.S. dollars and euro. After the cross currency swap is factored in, the 8.50% coupon rate of the instrument has decreased to an effective rate of 6.87% in euro terms for the Group.

The fair value of derivatives at 31 December 2024 is estimated at profit of EUR 57,252 (31 December 2023: EUR 31,680). This amount is based on market values of equivalent instruments at the reporting date. Since the Group applied hedge accounting as at 31 December 2024, changes in the fair value of these interest rate swaps and cross currency swaps are reflected to other comprehensive income resulting to an gain of EUR 7,419 net of tax (31 December 2023: EUR 4,381).

Fair value disclosures:

The Group has determined the estimated fair values of the financial instruments by using current market information and appropriate valuation methods.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

33. FINANCIAL INSTRUMENTS

Exposure to credit, interest rate and currency risks arises in the normal course of the Group's business. TAV Milas Bodrum, TAV Macedonia, TAV Ege, TAV Kazakhstan and AIA use interest rate swaps to hedge the fluctuations in Euribor and Sofr rates (i.e. 90%, 13%, 44%, 54% and 70% of floating loans of TAV Milas Bodrum, TAV Macedonia, TAV Ege, TAV Kazakhstan and AIA respectively are fixed).

Credit risk

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is:

	Notes	31 December 2024	31 December 2023
Cash and cash equivalents (*)	21	352,046	538,245
Due from related parties	35	153,250	102,295
Trade receivables - current	20	127,097	114,256
Restricted bank balances	22	88,610	99,768
Financial assets	16	65,348	80,888
Interest rate swaps used for hedging	32	57,252	42,191
		843,603	**977,643**

(*) Cash on hand is excluded from cash and cash equivalents.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

33. FINANCIAL INSTRUMENTS (continued)

Credit risk (continued)

Impairment losses

The aging of trade receivables at the reporting date is as follows:

	31 December 2024	31 December 2023
Not due	64,960	43,713
Past due 1–30 days	32,725	38,506
Past due 31–90 days	16,092	13,591
Past due 91–360 days	16,329	14,401
Past due 1-5 year	29,445	51,946
	159,551	**162,157**

The movements in the allowance for impairment in respect of trade receivables during the years ended 31 December were as follows:

Impairment losses	**2024**	**2023**
Balance at 1 January	**(47,901)**	**(48,586)**
Impairment loss recognized	(2,346)	(6,253)
Collections during the year	7,650	1,263
Effect of change in foreign exchange rate	(733)	5,675
Write-off of bad debts	10,882	-
Balance at 31 December	**(32,448)**	**(47,901)**

Allowance for doubtful receivables is determined by reference to past default experience. The allowance account in respect of trade receivables is used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible; at that point the amount considered irrecoverable is written off against the trade receivable directly.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

33. FINANCIAL INSTRUMENTS (continued)

Liquidity risk

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

31 December 2024

	Carrying Amount	Contractual cash flows	3 months or less	3-12 months	1-5 years	More than five year
Non-derivative financial liabilities						
Secured bank loans	1,293,176	(1,886,453)	(17,054)	(177,868)	(765,070)	(926,461)
Unsecured bank loans	28,834	(33,356)	(14,970)	(534)	(7,946)	(9,906)
Bonds	388,476	(513,853)	-	(32,595)	(481,258)	-
Lease liabilities	123,332	(173,363)	(6,298)	(16,306)	(77,523)	(73,236)
Financial liabilities at fair value through profit or loss	14,575	(14,575)	-	-	-	(14,575)
Trade payables (*)	74,187	(78,443)	(74,970)	(1,673)	(1,800)	-
Due to related parties	313,125	(329,410)	(14,810)	-	(314,600)	-
Other payables (*)	797,614	(820,388)	(91,199)	(112,791)	(275,458)	(340,940)
Bank overdraft	-	-	-	-	-	-
Derivative financial liabilities						
Interest rate swaps						
Inflow	(46,511)	73,160	-	13,634	34,762	24,764
Cross currency swaps						
Inflow	(10,741)	(517,624)	-	(32,834)	(484,790)	-
Outflow	-	469,169	-	25,565	443,604	-
	2,976,067	**(3,825,136)**	**(219,301)**	**(335,402)**	**(1,930,079)**	**(1,340,354)**

(*) Non-financial instruments such as deposits on guarantees and advances received are excluded from trade payables and other payables.

31 December 2023

	Carrying Amount	Contractual cash flows	3 months or less	3-12 months	1-5 years	More than five year
Non-derivative financial liabilities						
Secured bank loans	1,252,418	(1,439,216)	(20,745)	(396,378)	(425,016)	(597,077)
Unsecured bank loans	78,259	(85,419)	(3,957)	(68,805)	(12,657)	-
Bonds	363,845	(515,138)	-	(30,728)	(484,410)	-
Lease liabilities	68,838	(109,636)	(3,118)	(7,577)	(34,004)	(64,937)
Financial liabilities at fair value through profit or loss	23,159	(23,149)	-	-	(1,082)	(22,067)
Trade payables (*)	55,059	(56,914)	(52,167)	(3,890)	(857)	-
Due to related parties	465,694	(518,227)	(30,454)	(158,573)	(329,200)	-
Other payables (*)	824,461	(867,413)	(77,337)	(106,044)	(275,458)	(408,574)
Bank overdraft	342	(342)	(342)	-	-	-
Derivative financial liabilities						
Interest rate swaps						
Inflow	(42,191)	136,439	22	18,346	64,466	53,605
Outflow	-	-	-	-	-	-
Cross currency swaps						
Inflow	-	(515,557)	-	(30,753)	(484,805)	-
Outflow	10,511	494,804	-	25,635	469,169	-
	3,100,395	**(3,499,768)**	**(188,098)**	**(758,767)**	**(1,513,854)**	**(1,039,050)**

(*) Non-financial instruments such as deposits on guarantees and advances received are excluded from trade payables and other payables.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

33. FINANCIAL INSTRUMENTS (continued)

Liquidity risk (continued)

The following table indicates the periods in which the cash flows associated with the derivatives that are cash flow hedges expected to occur.

31 December 2024	**Carrying Amount**	**Contractual cash flows**	**3 months or less**	**3-12 months**	**1-5 years**	**More than five year**
Interest rate swaps						
Assets	46,511	73,160	-	13,634	34,762	24,764
Cross currency swaps						
Assets	10,741	(517,624)	-	(32,834)	(484,790)	-
Liabilities	-	469,169	-	25,565	443,604	-

31 December 2023	**Carrying Amount**	**Contractual cash flows**	**3 months or less**	**3-12 months**	**1-5 years**	**More than five year**
Interest rate swaps						
Assets	42,191	136,439	22	18,346	64,466	53,605
Cross currency swaps						
Assets	-	(515,557)	-	(30,753)	(484,805)	-
Liabilities	(10,511)	494,804	-	25,635	469,169	-

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

33. FINANCIAL INSTRUMENTS (continued)

Currency risk

Exposure to currency risk:

The Group's exposure to foreign currency risk in Euro equivalent of their original currencies was as follows:

31 December 2024

Foreign currency denominated monetary assets	**USD**	**EUR (*)**	**TRL (**)**	**Other**	**Total**
Other non-current assets	87,969	-	12,017	655	100,641
Trade receivables	10,803	1,548	8,096	23,793	44,240
Due from related parties	2,809	77	773	1,645	5,304
Other receivables and current assets	5,445	2,841	8,336	31,530	48,152
Financial assets (**)	1,919	-	60,295	-	62,214
Restricted bank balances	502	-	6,368	-	6,870
Cash and cash equivalents	33,872	11,884	28,817	24,541	99,114
	143,319	**16,350**	**124,702**	**82,164**	**366,535**
Foreign currency denominated monetary liabilities					
Loans and borrowings	(394,880)	(34,540)	(17,711)	(764)	(447,895)
Trade payables	(2,869)	(4,382)	(8,811)	(16,819)	(32,881)
Due to related parties	(12)	(3)	(19)	(3,149)	(3,183)
Other payables	(23,724)	(2,931)	(22,889)	(50,163)	(99,707)
	(421,485)	**(41,856)**	**(49,430)**	**(70,895)**	**(583,666)**
Net exposure (*)	**(278,166)**	**(25,506)**	**75,272**	**11,269**	**(217,131)**

(*) The figures in this column reflect the EUR position of subsidiaries that have functional currencies other than EUR.

(**) EUR 60,020 comprises exchange rate protected deposits.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

33. FINANCIAL INSTRUMENTS (continued)

Currency risk (continued)

Exposure to currency risk (continued):

31 December 2023

Foreign currency denominated monetary assets	USD	EUR (*)	TRY (**)	Other	Total
Other non-current assets	77,463	-	9,883	176	87,522
Trade receivables	6,331	1,585	7,620	18,072	33,608
Due from related parties	1,144	1,420	512	1,223	4,299
Other receivables and current assets	1,140	3,326	2,953	21,838	29,257
Financial assets (**)	-	-	80,888	-	80,888
Restricted bank balances	266	-	1,902	348	2,516
Cash and cash equivalents	28,759	32,742	4,156	15,339	80,996
	115,103	**39,073**	**107,914**	**56,996**	**319,086**
Foreign currency denominated monetary liabilities					
Loans and borrowings	(364,116)	(56,564)	(11,434)	(1,240)	(433,354)
Trade payables	(2,543)	(2,972)	(7,437)	(11,653)	(24,605)
Due to related parties	-	-	(8)	(9)	(17)
Other payables	(26,512)	770	(16,735)	(44,694)	(87,171)
	(393,171)	**(58,766)**	**(35,614)**	**(57,596)**	**(545,147)**
Net exposure (*)	**(278,068)**	**(19,693)**	**72,300**	**(600)**	**(226,061)**

(*) The figures in this column reflect the EUR position of subsidiaries that have functional currencies other than EUR.

(**) EUR 80,888 comprises exchange rate protected deposits.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

33. FINANCIAL INSTRUMENTS (continued)

Sensitivity analysis:

The Group's principal currency risk relates to changes in the value of the EUR relative to TRL and USD. The Group manages its exposure to foreign currency risk by entering into derivative contracts and, where possible, seeks to incur expenses with respect to each contract in the currency in which the contract is denominated and attempt to maintain its cash and cash equivalents in currencies consistent with its obligations.

The basis for the sensitivity analysis to measure foreign exchange risk is an aggregate corporate-level currency exposure. The aggregate foreign exchange exposure is composed of all assets and liabilities denominated in foreign currencies, both short-term and long-term purchase contracts.

A 10 percent strengthening / (weakening) of EUR against the following currencies at 31 December 2024 and 2023 would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Equity		Profit or loss	
	Strengthening of EUR	Weakening of EUR	Strengthening of EUR	Weakening of EUR
31 December 2024				
USD	38,848	(38,848)	(11,031)	11,031
TRY	-	-	(7,527)	7,527
Other	-	-	(1,127)	1,127
Total	**38,848**	**(38,848)**	**(19,685)**	**19,685**
31 December 2023				
USD	36,385	(36,385)	(8,578)	8,578
TRY	-	-	(7,230)	7,230
Other	-	-	60	(60)
Total	**36,385**	**(36,385)**	**(15,748)**	**15,748**

Interest rate risk

The Group has used material amounts of bank borrowings from foreign financial institutions and banks. Although most of these borrowings have floating interest rates, the Group management and banks fixed interest rates by using derivative financial instruments. TAV Milas Bodrum, TAV Macedonia, TAV Ege, TAV İşletme America, TAV Kazakhstan and AIA use interest rate swaps to hedge the fluctuations in Euribor and Libor rates (i.e. Interest payments of 90%, 13%, 44%, 54% and 70% of floating loans of TAV Milas Bodrum, TAV Macedonia, TAV Ege, TAV Kazakhstan and AIA respectively are fixed). Hedge accounting is applied for the mentioned derivative financial instruments (31 December 2023: Interest payments of 90%, 29%, 74%, 100%, 54% and 70% of floating loans of TAV Milas Bodrum, TAV Macedonia, TAV Ege, TAV İşletme America, TAV Kazakhstan and AIA respectively are fixed).

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

33. FINANCIAL INSTRUMENTS (continued)

Interest rate risk (continued)

Profile:

At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments was:

	Carrying amount	
	31 December 2024	**31 December 2023**
Fixed rate instruments		
Financial assets	143,638	95,718
Financial liabilities	(187,788)	(497,276)
	(44,150)	**(401,558)**

	Carrying amount	
	31 December 2024	**31 December 2023**
Variable rate instruments		
Financial liabilities	(1,134,221)	(1,197,246)
	(1,134,221)	**(1,197,246)**

Fair value sensitivity analysis for fixed rate instruments:

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments:

Based on the Group's current borrowing profile, a 50 basis points increase in Euribor or Sofr would have resulted in additional interest expense of approximately EUR 294 on the Group's variable rate debt when ignoring effect of derivative financial instruments (31 December 2023: EUR 132). EUR 169 of the exposure is hedged through interest rate swap contracts. Therefore, the net exposure on statement of other comprehensive income would be EUR 125. A 50 basis points increase in Euribor or SOFR would have resulted an decrease in cash flow hedge reserve in equity approximately by EUR 39,460 and a 50 basis points decrease in Euribor or SOFR would have resulted a increase in cash flow hedge reserve in equity approximately by EUR 39,820 (31 December 2023: EUR 36,281).

Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk
- operational risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

33. FINANCIAL INSTRUMENTS (continued)

Financial risk management (continued)

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group has established a Risk Management Department who is responsible for the Enterprise Risk Management function within the Group, and aims to develop a disciplined and constructive risk management and control environment in which all employees know and understand their roles and responsibilities.

All directors act to ensure an effective risk management and internal control process, providing assurance in relation to continuous identification and evaluation of the risks that exist in all main process areas.

The Group Audit Committee is assisted in its oversight role by Internal Audit. The mission of the Internal Audit Directorate of the Group is to assist TAV Holding Board of Directors and Management (including subsidiaries) in their oversight, management and operating responsibilities by identifying; ineffectiveness of internal control, risk management and governance processes inefficiencies that cause waste of its resources and making professional recommendations through independent audits (reports) and / or advisory services.

Internal audit plans are based on risk assessments as well as the issues highlighted by the Audit Committee and the management. Risk assessment is conducted and coordinated by Risk Management Department on continuous basis so as to identify and evaluate not only existing risks but also emerging risks. Formally, risk assessment is made annually but more often if required.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and bank balances.

The Group's principal financial assets are cash and cash equivalents and trade and other receivables.

Credit risk on liquid funds is limited because the counterparties are banks with high credit ratings.

The Group has procedures in place to ensure that services are provided to customers with an appropriate credit history. The carrying amount of trade and other receivables, net of provision for impairment of receivables, and the total of cash and cash equivalents, represents the maximum amount exposed to credit risk. The main customer is Turkish Airlines (THY). Based on past history with this customer, the Group management believes there is no significant credit risk for this customer. Although collection of receivables could be influenced by economic factors, management believes that there is no significant risk of loss to the Group beyond the provisions already recorded due to reputation and type of customers for the airlines (well-known reputable, international and flag carrier companies).

In addition, the Group receives letters of guarantee, and notes from certain customers whose credibility is low.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group uses activity-based costing to cost its products and services, which assists it in monitoring cash flow requirements and optimizing its cash return on investments. Typically the Group ensures that it has sufficient cash on demand to meet expected operational and financial expenses, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

33. FINANCIAL INSTRUMENTS (continued)

Financial risk management (continued)

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Group buys and sells derivatives, and also incurs financial liabilities, in order to manage market risks. All such transactions are carried out within the guidelines set by lenders and executives of the Group as mentioned in Note 32.

The Group applies hedge accounting in order to manage volatility in profit or loss.

i) Currency risk:

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Group has exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. As at 31 December 2024, the Group had balances that are denominated in a currency other than the respective functional currencies of Group entities, primarily EUR, but also USD, GEL, TND, MKD, SAR,, KES, AED, CLP, TRL OMR, MXN, JPY, KZT and MDG which are disclosed within the relevant notes to these consolidated financial statements. The currencies in which these transactions primarily denominated are USD and TRL. The Group manages this currency risk by maintaining foreign currency cash balances and using some financial instruments.

ii) Interest rate risk:

The Group adopts a policy of ensuring that between 50 and 100 percent of its exposure to changes in interest rates on borrowings is on a fixed rate basis. This is achieved by entering into interest rate swaps.

Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Group's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Group's operations.

The Group's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Group's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each business unit. This responsibility is supported by the development of overall Group standards for the management of operational risk in the following areas:

- requirements for appropriate segregation of duties, including the independent authorisation of transactions
- requirements for the reconciliation and monitoring of transactions
- compliance with regulatory and other legal requirements
- documentation of controls and procedures
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified
- requirements for the reporting of operational losses and proposed remedial action
- development of contingency plans
- training and professional development
- ethical and business standards
- risk mitigation, including insurance where this is effective.

Compliance with Group standards is supported by a programme of periodic reviews undertaken by Internal Audit. The results of Internal Audit reviews are discussed with the management of the business unit to which they relate, with summaries submitted to the Audit Committee and senior management of the Group.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

33. FINANCIAL INSTRUMENTS (continued)

Financial risk management (continued)

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence; to sustain future development of the business and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Fair values

Fair values versus carrying amounts:

The fair values of financial assets and liabilities, together with the carrying amounts shown in the consolidated statement of financial position, are as follows:

		31 December 2024		31 December 2023	
	Note	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets					
Financial assets (*)	16	65,348	65,348	80,888	80,888
Trade receivables - current	20	127,102	127,102	114,256	114,256
Due from related parties	35	153,237	153,237	102,295	102,295
Restricted bank balances	22	88,610	88,610	99,768	99,768
Cash and cash equivalents	21	352,571	352,571	538,911	538,911
Derivative financial instruments	32	57,252	57,252	42,191	42,191
Financial liabilities					
Bank overdraft	21	-	-	(342)	(342)
Loans and borrowings	25	(1,848,392)	(1,849,818)	(1,786,519)	(1,787,944)
Trade payables (**)	20	(74,180)	(74,180)	(55,059)	(55,059)
Due to related parties	35	(313,125)	(313,125)	(465,694)	(465,694)
Derivative financial instruments	32	-	-	(10,511)	(10,511)
Other payables (**)	27	(797,614)	(808,259)	(824,461)	(837,303)
		(2,189,191)	**(2,201,262)**	**(2,164,277)**	**(2,178,544)**

(*) EUR 60,020 comprises exchange rate protected deposits (31 December 2023: EUR 80,888).

(**) Non-financial instruments such as advances received are excluded from trade payables and other payables

The methods used in determining the fair values of financial instruments are discussed in Note 4.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

34. COMMITMENTS, CONTINGENCIES AND CONTRACTUAL OBLIGATIONS

Commitments and contingencies

	31 December 2024	31 December 2023
Letters of guarantee given to DHMİ	114,572	114,567
Letters of guarantee given to Tunisian government	16,147	15,890
Letters of guarantee given to Saudi Arabian government	6,682	6,271
Letters of guarantee given to Macedonian government	250	250
Letters of guarantee given to third parties	1,278,948	1,088,935
	1,416,599	**1,225,913**

Contractual obligations

The Group is obliged to give a letter of guarantee at an amount equivalent of USD 6,970 (EUR 6,682) (31 December 2023: USD 6,939 (EUR 6,271)) to GACA according to the BTO agreement signed with GACA in Saudi Arabia.

The Group is obliged to give a letter of guarantee at an amount equivalent of EUR 9,059 (31 December 2023: EUR 8,840) to the Ministry of State Property and Land Affairs and EUR 7,088 (31 December 2023: EUR 7,050) to OACA according to the BOT agreements and its amendments signed with OACA in Tunisia. The total obligation has been provided by the Group.

TAV Ege is obliged to pay an aggregate amount of EUR 610,000 plus VAT during the rent period according to the concession agreement. 5% of this amount is already paid in two installments. The remaining amount will be paid in equal installments at the first business days of each year. Furthermore, The Group is obliged to give a letter of guarantee at an amount equivalent of EUR 36,600 to DHMİ. The total obligation has been provided by the Group.

TAV Milas Bodrum is obliged to pay an aggregate amount of EUR 717,000 plus VAT during the rent period according to the concession agreement. 20% of this amount is already paid. The remaining amount will be paid in equal installments at the last day of October for each year. Furthermore, The Group is obliged to give a letter of guarantee at an amount equivalent of EUR 43,020 to DHMİ. The total obligation has been provided by the Group.

TAV Ankara is obliged to pay an aggregate amount of EUR 475,000 plus VAT during the rent period according to the concession agreement. 25% of this amount is already paid. The remaining amount will be paid in equal installments at the last day of October for each year starting from 2025. Furthermore, The Group is obliged to give a letter of guarantee at an amount equivalent of EUR 29,755 to DHMİ. The total obligation has been provided by the Group.

Majority of letters of guarantee given to third parties includes the guarantees given to customs, lenders and some customers.

The Group is obliged to fund shortfalls of AIA amounting up to USD 50,000 until the later of 30 June 2025 or financial completion date. Financial completion date is defined as minimum 1.30 DSCR and minimum two principal payments are made. The group provided a LC amounting to USD 50,000 to cover this obligation.

The Group has a guarantee over the bank loan of TAV Antalya Yatırım amounting to EUR 1,096,500.

34. COMMITMENTS, CONTINGENCIES AND CONTRACTUAL OBLIGATIONS (continued)

Contractual obligations (continued)

TAV Esenboğa

TAV Esenboğa is bound by the terms of the BOT Agreements made with DHMİ. If these companies do not follow the rules and regulations set forth in the concession agreement, this might lead to the forced cessation of these companies' operations according to the BOT Agreements. According to the BOT agreements:

- The share capital of the companies cannot be less than 20% of fixed investment amount.
- The companies have a commitment to make additional investment up to 20% of the initial BOT investment upon request of DHMİ.

After granting of temporary acceptance by DHMİ in year 2007, final acceptance for BOT investments of TAV Esenboğa was granted by DHMİ on 5 June 2008.

At the end of the contract period, the companies will be responsible for one year for the maintenance and repair of the devices, system and equipment supplied for the contractual facilities. In case the necessary maintenance and repairs are not made, DHMİ will have this maintenance and repair made and the cost will be charged to TAV Esenboğa. All equipment used by TAV Esenboğa must be in a good condition and under warranty and need to meet the international standards and Turkish Standards as well.

If the need shall arise to replace fixed assets subject to depreciation, which become unusable within the rent period and the depreciation rates of which are delineated in the Tax Application Law, the operator is obliged to perform the replacement.

All fixed assets covered by the implementation contract will be transferred to DHMİ free of charge. Transferred items must be in working conditions and should not be damaged. TAV Esenboğa has the responsibility of repair and maintenance of all fixed assets under the investment period.

HAVAŞ

In accordance with the general ground handling agreement (an integral part of the ground handling operation A Group license) signed with DHMİ and HAVAŞ undertake the liability of all losses incurred by their personnel to DHMİ or to third parties. In this framework, HAVAŞ covers those losses by an insurance policy amounting to USD 50,000. HAVAŞ also takes the responsibility of the training facilities given to the personnel and the quality of the service provided by its personnel together with the repair and maintenance of the ground handling vehicles and equipment. HAVAŞ is required to provide DHMİ with letters of guarantee amounting to USD 1,000. Fines received from losses incurred by the ground handling personnel or fines arising from the violation of the related agreement will be charged to HAVAŞ. Fines which are overdue in accordance with the appointed agreement / period declared by DHMİ will be settled by the liquidation of the letter of guarantee. If DHMİ liquidates the collateral, HAVAŞ is obliged to complete the collateral at its original amount which is USD 1,000 within 15 days.

In accordance with the rental agreements signed with DHMİ regarding several parking areas, land, buildings, offices at the İstanbul Atatürk, İzmir, Dalaman, Milas Bodrum, Alanya, Adana, Trabzon, Ankara, Kayseri, Nevşehir, Gaziantep, Şanlıurfa, Batman, Adıyaman, Elazığ, Muş, Sivas, Samsun, Malatya, Hatay, Konya, Çorlu, Sinop, Amasya and Ağrı airports; when the rent period ends, DHMİ will have the right to retain the immovable in the area free of charge.

34. COMMITMENTS, CONTINGENCIES AND CONTRACTUAL OBLIGATIONS (continued)

Contractual obligations (continued)

TAV Tbilisi

TAV Tbilisi is bound by the terms of the BOT Agreement. In case TAV Tbilisi fails to comply with the rules and regulations set forth in the agreement, it may be forced to cease its operations.

With regards to the BOT Agreement, TAV Tbilisi is required to;

- comply with all applicable safety standards and ensure that the airport and all other ancillary equipment are operated in a manner safe to passengers, workers and general public, as well as to comply with the technical and operational requirements of Tbilisi International Airport and environmental standards of Georgia;
- maintain and operate the new terminal and infrastructure at Tbilisi International Airport in accordance with the applicable requirements of the BOT Agreement and International Air Transportation Association, International Civil Aviation Organization or European Civil Aviation Conference;
- ensure that its subcontractors and TAV Tbilisi itself obtain and maintain relevant insurance policies from financially strong and internationally reputable insurance companies;
- remedy accidents that might occur upon mechanical damage inflicted by TAV Tbilisi to existing communication networks or inappropriate use or operation thereof.

The Final Acceptance Protocol was concluded in May 2011.

TAV Batumi

TAV Batumi is obliged to perform the terms agreed under the Agreement for Management of 100 percent of Shares in "Batumi Airport LLC" (the "Agreement") together with its Schedules annexed to the Agreement. In the event that TAV Batumi fails to fulfill its material obligations under the Agreement and its Schedules, it may be forced to cease the management of the Batumi International Airport and all operation rights generated at the Airport.

With regards to the Agreement, TAV Batumi is required to;

- comply with all requirements of the relevant statutes and the Applicable Laws of Georgia;
- prevent repatriation and transfer of the dividends distributable by Batumi Airport LLC from Georgia;
- comply with the terms of Permits that materially adversely affect the performance of TAV Batumi's obligations under the Agreement or achievement of the Revenues by Batumi Airport LLC and/or achievement of dividends by the TAV Batumi from Batumi Airport LLC;
- protect, promote, develop and extend the business interests and reputation of Batumi Airport in connection with the Services (reasonable effort basis);
- maintain and operate Batumi Airport in accordance with the international standards applicable to similar international airports, and any other local standards that will be applicable to the operations of an international airport;
- recruit and train sufficient number of staff for the operation of Batumi Airport in accordance with standard, accepted operational standards;
- perform regular, periodic and emergency maintenance and repair works of all the fixed assets, as well as the annexations and accessories related thereto located on the territory of Batumi Airport; and
- procure and maintain insurance policies listed under the Agreement during the term of the operation.

The Final Acceptance Protocol was concluded in March 2012.

34. COMMITMENTS, CONTINGENCIES AND CONTRACTUAL OBLIGATIONS (continued)

Contractual obligations (continued)

TAV Tunisia

TAV Tunisia is bound by the terms of the Concession Agreements related to the building and operation of Enfidha Airport and to the operation of Monastir Airport. In case TAV Tunisia fails to comply with the provisions of these Concession Agreements as well as the Terms and Specifications annexed thereto, it may be forced to cease the operation of the said airports.

According to Enfidha Concession Agreement, TAV Tunisia is required to:

- design, construct, maintain, repair, renew, operate and improve at its own costs and risks and under its liabilities, the land made available to it, infrastructures, buildings, facilities, equipments, networks and services necessary for the operation of Enfidha Airport;
- complete the construction of the Airport and start operating it at the latest on 1 October 2009 which was then extended to 1 December 2009 through a notice from the Authority, unless the requirements by the Terms and Specifications of the Agreement fails. The operation of the Airport was started in the specified date in 2009.
- finance up to 30% of the Project by Equity.

According to Monastir Concession Agreement, TAV Tunisia is required to maintain, repair, renew, operate and improve at its own costs and risks and under its liabilities, the land made available to it, infrastructures, buildings, facilities, equipments, networks and services necessary for the operation of Monastir Airport.

Pursuant to both Concession Agreements, TAV Tunisia is required to:

- market and promote the activities operated in the Airports and perform the public service related with these activities;
- provide with and maintain the bank guarantees in accordance with the Agreements;
- pay the Concession Royalties to the Conceding Authorities (Tunisian State and OACA);
- comply particularly with provisions of Appendix 2 to the Terms and Specifications annexed to the Agreements related to the ownership of the shares by TAV Tunisia's shareholders;
- require the approval of the Conceding Authority prior to the transfer of its rights under the Concession Agreements to any third party or to the conclusion of any sub-contract during the operation phase of the Airports;
- comply with its obligations under the Agreements and with all applicable Tunisian Laws and International rules related particularly but not limited to safety, security, technical, operational and environmental requirements;
- comply with its obligations related to insurance as provided for by the Agreements.

TAV Tunisia may also be obliged to cease the operation of the said airports if (i) it is declared insolvent or is subject to judicial liquidation proceedings or (ii) it is forced to cease the operation of one of the Airports.

In accordance with the general ground handling agreement, the Company undertakes the liabilities of all the losses incurred by their personnel to third parties. In this framework, TAV Tunisia covers those losses by an operator third party insurance policy amounting to USD 500,000 related with all operations.

The Conceding Authority and TAV Tunisia shall, seven years prior to the expiry of the Concession Agreement, negotiate and agree on a repair, maintenance and renewal program, with the assistance of specialists if applicable, which program includes the detailed pricing of the works for the final five years of the concession which are necessary in order to ensure that the movable and immovable concession property is transferred in good condition to the Conceding Authority, as well as the schedule of the tasks to be completed prior to the transfer. In this context, TAV Tunisia annually performs repair and maintenance procedures for the operation of the concession property according to the requirements set in the Concession Agreement.

34. COMMITMENTS, CONTINGENCIES AND CONTRACTUAL OBLIGATIONS (continued)

Contractual obligations (continued)

TAV Gazipaşa

TAV Gazipaşa is bound by the terms of the Concession Agreement made with DHMİ for Alanya Gazipaşa Airport.

If TAV Gazipaşa violates the agreement and does not remedy the violation within the period granted by DHMİ, DHMİ may terminate the Agreement.

The share transfers of the shareholders of TAV Gazipaşa are subject to the approval of DHMİ.

The Agreement is made for a period of twenty-five years effective from the date TAV Gazipaşa obtains the operation authorisation from the Ministry of Transportation. The contractual obligations of TAV Gazipaşa include the operation of the facilities in compliance with the international norms and standards subject to the supervision of the Ministry of Transportation Civil Aviation General Directorate and DHMİ; obtaining maintenance and periodic maintenance and repairs of all systems and equipment requisite for the operation and the transfer of the facilities together with the systems, equipment, furniture and fixtures in a proper and usable condition to DHMİ, without any debt or liabilities, upon the expiry of the Agreement (if the economic lives of the systems, equipment, furniture and fixtures have come to an end, they should be renewed before the transfer to DHMİ). Upon the expiry of the Agreement, TAV Gazipaşa will be responsible for one year for the maintenance and repair of the systems and equipment in the facilities. In case the necessary maintenance and repairs are not made, DHMİ will have this maintenance and repairs made and the cost will be charged to TAV Gazipaşa.

If expropriation of land is required for construction of additional facilities or systems during the term of the Agreement, TAV Gazipaşa will be responsible for the compensation for expropriation and will not demand any compensation and/or additional rent period from DHMİ and the owner of the subject land will be DHMİ.

In the event that TAV Gazipaşa is delayed in paying the rent and/or the rent is not fully paid to DHMİ, TAV Gazipaşa will be charged a monthly penalty in the amount of 10% of the outstanding amount.

Facility usage amount represents the USD 50 fixed payment that is paid as a usage amount of the airport facility, subsequent to rent period starting, within the last month of each rent payment year.

TAV Macedonia

TAV Macedonia is bound by the terms of the Concession Agreement made with Macedonian Ministry of Transport and Communication (“MOTC”).

If TAV Macedonia violates the agreement and does not remedy the violation within the period granted by MOTC, MOTC may terminate the Agreement.

All equipment used by TAV Macedonia must need to meet the Concession Agreement’s standards.

All fixed assets covered by the implementation contract will be transferred to MOTC free of charge. Transferred items must be in working conditions and should not be damaged. TAV Macedonia has the responsibility of repair and maintenance of all fixed assets under the investment period.

34. COMMITMENTS, CONTINGENCIES AND CONTRACTUAL OBLIGATIONS (continued)

Contractual obligations (continued)

TAV Ege

During the contract period, TAV Ege should keep all the equipment it uses in a good condition at all times. If the equipment's useful life is expired according to the relevant tax regulations, TAV Ege should replace them in one year.

At the end of the contract period, all fixed assets covered by the concession agreement will be transferred to DHMİ free of charge. Transferred items must be in working condition and should not be damaged. TAV Ege is responsible from the repair and maintenance of all fixed assets during the contract period.

TAV Milas Bodrum

During the contract period, TAV Milas Bodrum should keep all the equipment it uses in a good condition at all times. If the equipment's useful life is expired or the equipment is damaged, the Company should replace it with its equivalent or with a better replacement.

At the end of the contract period, all fixed assets covered by the concession agreement will be transferred to DHMİ free of charge. Transferred items must be in working condition and should not be damaged. TAV Milas Bodrum is responsible from the repair and maintenance of all fixed assets during the contract period.

Management believes that as at 31 December 2024, the Group has complied with the terms of the contractual obligations mentioned above.

Almaty
SPA Claim Guarantee: This guarantee is related with any financial claims raised for the period before the terminal handover to the Group. The Group guarantee that if there are any financial claims such as tax penalty, court claim etc, the Group is obliged to cover this loss. On the other hand, in case of such claims, the Group received a performance guarantee from the Seller amounting to USD 35,200 to cover such losses.

ENS Exist Guarantee: In case of any environmental or social breach, there is 12 months cure period to solve such issues. If the issues remain unsolved, the Group is obliged to refinance the loan from another bank group. It must be noted that this is a very unlikely situation, considering all lenders are DFIs such as IFC and EBRD, also government is committed to follow all environmental and social policies of Lenders in the dead under the government support agreement.

EPC Completion Guarantee: This guarantee is triggered in case of EPC cost overrun. It must be noted that EPC cost is fixed under EPC contract as USD 196,500. On the other hand, the Group received 5% (USD 9,825) performance bond which covers the obligations of constructor under EPC Contract.

US Sanctions

In the context of the U.S. government's sanctions against Russia, Belarus and Iran, The Group received a letter in January 2023 from the U.S. Bureau of Industry and Security ("BIS"), Office of Export Enforcement ("OEE") like (or like) other airport operators in Türkiye. The latter recalls the regulatory framework of the sanctions regime applicable in the United States, in particular in connection with the Export Administration Regulations ("EAR"), lists the aircraft specifically targeted by the said sanctions regime (aircraft containing a minimum of 25% of components of American origin and operated by Russian, Belarusian and Iranian airlines) and commits the Group to assess the risks involved in providing services to the listed aircraft operating in Turkish and Georgian airspace.

The Group has appointed a US law firm with this regard and in conjunction with the Turkish authorities and BIS, is committed to assessing this risk and commit to comply with such regulations.

TAV Antalya

Fraport TAV Antalya was served a request for arbitration from the previous operator of duty free shops at Antalya Airport. Fraport TAV Antalya has assessed its potential exposure to the claim and set aside a provision of 20.000 EUR in current period. Net effect at Group level is 7.500 EUR after deferred tax.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

35. RELATED PARTIES

The major immediate parent and ultimate controlling parties of the Group are Aéroports de Paris.

All other transactions not described in this footnote between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation. Details of balances between the Group and other related parties are disclosed below.

Key management personnel compensation:

The remuneration of directors and other members of key management during the year comprised the following:

	2024	**2023**
Short-term benefits (salaries, bonuses etc.)	18,837	15,530
	18,837	**15,530**

As at 31 December 2024 and 2023, none of the Group's directors and executive officers has outstanding personnel loans from the Group.

The details of the transactions between the Group and any other related parties are disclosed below:

Other related party transactions:

	31 December 2024	**31 December 2023**
Due from related parties	9,598	6,577
Current loan to related parties	9,109	9,679
	18,707	**16,256**

	31 December 2024	**31 December 2023**
Non-current loan to related parties	134,529	86,039
	134,529	**86,039**

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

35. RELATED PARTIES (continued)

Other related party transactions (continued):

Due from related parties	**31 December 2024**	**31 December 2023**
ATÜ (1) (*)	3,837	2,570
Tibah Operation (1)	3,333	2,503
TAV İşletme SASA (1)	504	22
TAV Antalya Yatırım (1)	471	-
TGS (1)	278	179
TAV Antalya (1)	250	346
AMS (1)	179	91
BTA Medinah (1)	7	404
ZAIC-A (1)	-	33
Other related parties	739	429
	9,598	**6,577**

(*) Receivables from ATU comprise of concession fee duty-free receivables.

Current loan to related parties	**31 December 2024**	**31 December 2023**
ZAIC-A (1)	4,273	3,896
ATU Medinah (1)	1,657	1,558
TAV İşletme GIS SASA (1)	1,441	946
TAV İşletme Chile (1)	507	454
Saudi Havaş (1)	417	1,015
BTA Medinah (1)	296	390
Tibah Development (1)	180	-
Paris Lounge Network (1) (*)	-	1,420
Other related parties	338	-
	9,109	**9,679**

(1) Joint Ventures

(*) Subsidiary in 2024.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

35. RELATED PARTIES (continued)

Other related party transactions (continued):

Non-current loan to related parties	**31 December 2024**	**31 December 2023**
TAV Antalya Yatırım (1)	84,348	40,250
Tibah Development (1) (*)	45,445	40,986
Medine Hotel (1)	4,284	3,766
Saudi Havaş (1)	426	1,010
Other related parties	26	27
	134,529	**86,039**

(*) The Group has provided a shareholder loan of 218 million US dollars to Tibah Development, of which 193 million EUR with an interest rate of 7% has been mostly used to repay the equity bridge loan maturing in 2021 and will be paid back to the Group depending on the available cash after debt service of Tibah Development. The maturity of the shareholder loan provided is 31 December 2032. The excess cash flows will be shared between the Group and GACA where weight will be given to Groups' shareholder loan. The sharing of the excess cash flows with GACA will stop once all rent due for the force majeure period is paid.

Due to application of 38th and 39th paragraphs of IAS 28, negative net assets of Tibah Development which was accounted under "Liabilities from equity-accounted investees", has been netted-off from the Group's non-current loan to Tibah Development. In subsequent periods, comprehensive income or loss of this entity will be netted-off from the Group's non-current loan to Tibah Development. In case of a comprehensive income, a financial income, in case of a comprehensive loss, a financial expense will be booked to the consolidated financial statements of the Group.

	31 December 2024	**31 December 2023**
Due to related parties	1,545	319
Current loan from related parties	11,580	-
	13,125	**319**
Non-current loan from related parties	300,000	465,375
	300,000	**465,375**

Non-current loan from related parties	**31 December 2024**	**31 December 2023**
Tank ÖWA alpha GmbH (2) (*)	300,000	465,375
	300,000	**465,375**

(*) The Group has obtained a shareholder loan amount of EUR 300,000 with a maturity of 14 May 2021, with a 3% interest rate, from Tank ÖWA alpha GmbH in 2018. Based on the additional agreement made in 2021, EUR 150,000 has been paid, and the remaining amount of EUR 150,000 has been converted into a new shareholder loan with 3.8% interest rate, with a maturity of 14 November 2024. Second shareholder loan amount of EUR 300,000 with a maturity of 23 March 2026, with a 4.88% interest rate is obtained by the Group from Tank ÖWA alpha GmbH by the Group in 2022. The Group has repaid the shareholder loan amount of EUR 150.000 as of 14 October 2024.

(1) Joint Ventures
(2) Shareholders

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

35. RELATED PARTIES (continued)

Other related party transactions (continued):

Short term deferred income from related parties	**31 December 2024**	**31 December 2023**
ATÜ (1) (*)	990	992
	990	**992**

Long term deferred income from related parties	**31 December 2024**	**31 December 2023**
ATÜ (1) (*)	9,900	10,892
	9,900	**10,892**

(*) Deferred income from related parties is related with the unearned portion of concession rent income from ATU.

Services rendered to related parties	**2024**	**2023**
ATÜ (1) (*)	93,924	73,129
Tibah Operation (1)	10,175	9,150
TAV Antalya Yatırım (1)	3,784	4,040
TAV Antalya (1)	2,863	2,980
TGS (1)	2,453	2,696
AMS (1)	390	331
Tibah Development (1)	57	80
Other related parties	361	675
	114,007	**93,081**

(*) Services rendered to ATU comprise of concession fee for duty-free operations.

(1) Joint Ventures

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

35. RELATED PARTIES (continued)

Services rendered by related parties	**2024**	**2023**
TAV Antalya (1)	5,472	5,130
TGS (1)	115	119
ATÜ (1)	38	87
AMS	-	1,231
Other related parties	49	32
	5,674	**6,599**

On 23 September 2021, TAV Construction and Almaty International Airport JSC entered into an engineering, procurement and construction (EPC) contract for an amount of USD 196,500 related to the construction of a new terminal building, a new general aviation building and a new governmental VIP building.

The Group signed an EPC contract for an amount of EUR 657,000, with a joint venture formed by TAV Construction and Sera related to additional investments for the capacity increase of Antalya Airport. On top of EPC amount, there is a price adjustment mechanism up to 7.5% of the total EPC amount. The remaining amount from the EPC contract is EUR 40,782.

The group signed an EPC contract for an amount of EUR 202,104, with a joint venture formed by TAV Construction and Sera related to additional investments for the capacity increase of Ankara Esenboğa Airport. On top of EPC amount, there is a price adjustment mechanism up to 7.5% of the total EPC amount. The remaining amount from the EPC contract is EUR 8,351.

Interest (expense) / income from related parties (net)	**2024**	**2023**
Tibah Development (1)	5,647	9,055
TAV Antalya Yatırım (1)	5,498	1,657
ATÜ (1)	92	-
Tank ÖWA alpha GmbH (3)	(19,518)	(20,436)
Other related parties	716	844
	(7,565)	**(8,880)**

The average interest rate used within the Group is 8.68% per annum (31 December 2023: 8.67%). The Group converts related party TRL loan receivable and payable balances to USD at month end using the Central Bank’s announced exchange rates and then charges interest on the USD balances.

(1) Joint Ventures
(2) Subsidiary of shareholders
(3) Shareholders

Dividend distribution

In 2024, the Group did not distribute any dividend to the shareholders in accordance with its dividend policy (2023: None). Dividend per share is none (2023: None).

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

36. INTERESTS IN OTHER ENTITIES

a) Non-controlling interests in subsidiaries

The following table summarises the information relating to each of the Group's subsidiaries that has material non-controlling interests ("NCI") before any intra group eliminations.

	31 December 2024		
	TAV Tbilisi	**Other immaterial subsidiaries**	**Total**
NCI Percentage	**20.00%**		
Non-current assets	37,864		
Current assets	34,389		
Non-current liabilities	6,909		
Current liabilities	7,462		
Net assets	**57,882**		
Carrying amount of NCI	11,576	3,607	15,183
Change in non-controlling interest	-	-	-
	11,576	**3,607**	**15,183**

	2024		
	TAV Tbilisi	**Other immaterial subsidiaries**	**Total**
Revenue	117,652		
Profit	61,222		
Total comprehensive income	**62,142**		
Profit allocated to NCI	12,244	1,760	14,004

In 2024, the Company distributed dividends to the non-controlling interests in subsidiaries amounting to EUR 14,352 (2023: EUR 13,678)

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

36. INTERESTS IN OTHER ENTITIES (continued)

a) Non-controlling interests in subsidiaries (continued)

	31 December 2023		
	TAV Tbilisi	**Other immaterial subsidiaries**	
NCI Percentage	**20.00%**		
Non-current assets	49,223		
Current assets	19,818		
Non-current liabilities	6,480		
Current liabilities	5,824		
Net assets	**56,737**		
Carrying amount of NCI	11,347	3,876	15,223
Change in non-controlling interest	-	-	-
	11,347	**3,876**	**15,223**

	2023		
	TAV Tbilisi	**Other immaterial subsidiaries**	**Total**
Revenue	93,336		
Profit	46,176		
Total comprehensive income	**44,807**		
Profit allocated to NCI	9,235	120	9,355

In 2023, the Company distributed dividends to the non-controlling interests in subsidiaries amounting to EUR 13,678 (2022: EUR 6,830).

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

36. INTERESTS IN OTHER ENTITIES (continued)

b) Joint Ventures and Associates

As of 31 December 2024 and 2023, equity-accounted investments in consolidated statement of financial position comprise the following:

	31 December 2024	31 December 2023
Joint Ventures	724,180	751,195
Associates	1,327	3,203
	725,507	**754,398**

For the years ended 31 December 2024 and 2023, share of profit equity-accounted investments, net of tax in consolidated statement of comprehensive income comprises the following:

	2024	2023
Joint Ventures	60,619	149,004
Associates	(1,248)	1,947
	59,371	**150,951**

i) Joint Ventures

Carrying amounts of the Group's joint ventures in the statement of financial position as at 31 December 2024 and 2023 are as follows:

	31 December 2024	31 December 2023
TAV Antalya Yatırım	383,166	399,908
TAV Antalya	206,343	237,481
TGS	67,630	56,766
ATÜ	65,406	54,504
Tibah Operation	1,179	1,065
Other	456	1,471
	724,180	**751,195**

Group's share of profit / (loss) of the Group's joint ventures in the statement of comprehensive income for the years ended 31 December 2024 and 2023 are as follows:

	2024	2023
TAV Antalya	36,582	27,475
TGS	27,189	23,924
ATÜ	14,199	22,838
Tibah Operation	1,245	1,161
TAV Antalya Yatırım	(16,743)	35,922
Tibah Development (*)	-	37,785
Other	(1,853)	(101)
	60,619	**149,004**

(*) Gain of Tibah Development is related with the share sale of Tibah Development. Please refer to note 35.

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

36. INTERESTS IN OTHER ENTITIES (continued)

b) Joint Ventures and Associates (continued)

i) Joint Ventures (continued)

The Group has the following significant interests in joint ventures:

TAV Antalya

- 49.00% equity shareholding with 50.00% voting power in TAV Antalya, a joint venture established in Türkiye. The following tables summarise the financial information of TAV Antalya. The tables also reconcile the summarised financial information to the carrying amount of the Group's interest in TAV Antalya, which is accounted for using the equity method:

	31 December 2024	31 December 2023
Percentage of interest	**50 %**	**50 %**
Non-current assets	578,466	859,011
Current assets	204,016	165,757
including cash and cash equivalents amounting to	*134,022*	*21,726*
Non-current liabilities	231,069	330,031
Current liabilities	138,728	219,775
including trade and other payables and provisions amounting to	*138,728*	*160,265*
Net assets	**412,685**	**474,962**
Group's share of net assets	206,343	237,481
Carrying amount in the statement of financial position	206,343	237,481

	2024	2023
Revenue	488,270	443,099
Depreciation and amortisation	236,018	219,149
Interest expense	2,706	8,268
Tax expense	17,829	49,797
Profit for the period	**73,163**	**54,950**
Other comprehensive income	-	404
Total comprehensive income	**73,163**	**55,354**
Group's share of profit for the period	36,582	27,475
Cash dividends received by the Group	67,721	50,581

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

36. INTERESTS IN OTHER ENTITIES (continued)

b) Joint Ventures and Associates (continued)

i) Joint Ventures (continued)

TAV Antalya Yatırım

- 51.00% equity shareholding with 50.00% voting power in TAV Antalya Yatırım, a joint venture established in Türkiye. The following tables summarise the financial information of TAV Antalya Yatırım. The tables also reconcile the summarised financial information to the carrying amount of the Group's interest in TAV Antalya Yatırım, which is accounted for using the equity method:

	31 December 2024	**31 December 2023**
Percentage of interest	**50%**	**50%**
Non-current assets	1,332,530	925,179
Current assets	1,896,527	1,885,285
including cash and cash equivalents amounting to	*51,003*	*51,747*
Non-current liabilities	236,554	735,314
Current liabilities	2,226,171	1,275,333
including trade and other payables and provisions amounting to	*32,409*	*51,786*
Net assets	**766,332**	**799,817**
Group's share of net assets	383,166	399,909
Carrying amount in the statement of financial position	383,166	399,909

	2024	**2023**
Revenue	6,072	42
Depreciation and amortisation	26	20
Interest expense	5,676	3,324
Tax income	(2,004)	(87,115)
Profit / (loss) for the period	**(33,485)**	**71,844**
Other comprehensive income	-	-
Total comprehensive income	**(33,485)**	**71,844**
Group's share of profit / (loss) for the period	(16,743)	35,922
Cash dividends received by the Group	-	-

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

36. INTERESTS IN OTHER ENTITIES (continued)

b) Joint Ventures and Associates (continued)

i) Joint Ventures (continued)

ATU

- 50.00% equity shareholding with 50% voting power in ATU, a joint venture established in Türkiye. The following tables summarise the financial information of ATU. The tables also reconcile the summarised financial information to the carrying amount of the Group's interest in ATU, which is accounted for using the equity method.

	31 December 2024	31 December 2023
Percentage of interest	**50%**	**50%**
Non-current assets	82,576	58,029
Current assets	275,766	163,098
including cash and cash equivalents amounting to	*51,637*	*37,753*
Non-current liabilities	15,479	29,738
Current liabilities	231,892	82,381
including trade and other payables and provisions amounting to	*35,263*	*50,037*
Net assets	**110,971**	**109,008**
Group's share of net assets	65,406	54,504
Carrying amount in the statement of financial position	65,406	54,504

	2024	2023
Revenue	603,767	522,815
Depreciation and amortisation	13,220	12,089
Interest expense	359	602
Tax expense	735	13,075
Profit for the period	**28,398**	**45,676**
Other comprehensive income	(602)	(1,994)
Total comprehensive income	**27,796**	**43,682**
Group's share of profit for the period	14,199	22,838
Cash dividends received by the Group	2,773	2,623

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

36. INTERESTS IN OTHER ENTITIES (continued)

b) Joint Ventures and Associates (continued)

i) Joint Ventures (continued)

TGS

- 50% equity shareholding with 50% voting power, in TGS, a joint venture established in Türkiye. The following tables summarise the financial information of TGS. The tables also reconcile the summarised financial information to the carrying amount of the Group's interest in TGS, which is accounted for using the equity method:

	31 December 2024	**31 December 2023**
Percentage of interest	**50%**	**50%**
Non-current assets	192,524	136,425
Current assets	195,243	141,770
including cash and cash equivalents amounting to	*6,969*	*36,016*
Non-current liabilities	65,674	43,074
Current liabilities	186,834	121,590
including trade and other payables and provisions amounting to	*39,599*	*108,730*
Net assets	**135,259**	**113,531**
Group's share of net assets	67,630	56,766
Carrying amount in the statement of financial position	67,630	56,766

	2024	**2023**
Revenue	669,817	374,028
Depreciation and amortisation	11,735	11,131
Interest expense	13,974	3,017
Tax expense	13,247	14,998
Profit for the period	**54,378**	**47,848**
Other comprehensive income	(14,368)	(67,442)
Total comprehensive income	**40,010**	**(19,594)**
Group's share of profit for the period	27,189	23,924
Cash dividends received by the Group	22,385	11,007

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

36. INTERESTS IN OTHER ENTITIES (continued)

b) Joint Ventures and Associates (continued)

i) Joint Ventures (continued)

Tibah Operation

- 51.00% equity shareholding with 51.00% voting power in Tibah Operation, a joint venture established in Saudi Arabia. The following tables summarise the financial information of Tibah Operation. The tables also reconcile the summarised financial information to the carrying amount of the Group's interest in Tibah Operation, which is accounted for using the equity method:

	31 December 2024	31 December 2023
Percentage of interest	**51%**	**51%**
Non-current assets	761	616
Current assets	22,919	16,920
including cash and cash equivalents amounting to	*2,428*	*8,742*
Non-current liabilities	7,058	5,912
Current liabilities	14,311	9,536
including trade and other payables and provisions amounting to	*13,597*	*8,811*
Net assets	**2,311**	**2,088**
Group's share of net assets	1,179	1,065
Carrying amount in the statement of financial position	1,179	1,065

	2024	2023
Revenue	60,778	56,807
Depreciation and amortisation	-	-
Interest expense	-	-
Tax expense	323	349
Profit for the period	**2,441**	**2,277**
Other comprehensive income	86	473
Total comprehensive income	**2,527**	**2,750**
Group's share of profit for the period	1,245	1,161
Cash dividends received by the Group	1,160	1,100

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

36. INTERESTS IN OTHER ENTITIES (continued)

b) Joint Ventures and Associates (continued)

i) Joint Ventures (continued)

Tibah Development

26.00% equity shareholding with 26.00% voting power in Tibah Development, a joint venture established in Saudi Arabia. The following tables summarise the financial information of Tibah Development. The tables also reconcile the summarised financial information to the carrying amount of the Group's interest in Tibah Development, which is accounted for using the equity method:

	31 December 2024	31 December 2023
Percentage of interest	**26%**	**26%**
Non-current assets	1,163,511	1,110,241
Current assets	149,962	174,934
including cash and cash equivalents amounting to	*26*	*7*
Non-current liabilities	1,115,536	1,213,798
Current liabilities	197,937	71,377
including trade and other payables and provisions amounting to	*133,860*	*2,323*
Net assets	**-**	**-**
Group's share of net assets	-	-
Carrying amount in the statement of financial position	-	-

	2024	2023
Revenue	325,432	290,777
Depreciation and amortisation	38,600	31,893
Interest expense	67,063	67,975
Tax expense	(1,380)	(3,889)
Profit / (loss) for the period	**-**	**-**
Other comprehensive income	(577)	585
Total comprehensive income	**(577)**	**585**
Group's share of profit / (loss) for the period	-	-
Cash dividends received by the Group	-	-

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

36. INTERESTS IN OTHER ENTITIES (continued)

b) Joint Ventures and Associates (continued)

i) Joint Ventures (continued)

Other

	31 December 2024	31 December 2023
Carrying amount of interest in joint ventures (*)	456	1,471

	2024	2023
Share of:		
Loss for the period	(1,853)	(101)
Other comprehensive income	(32)	762
Total comprehensive income	**(1,885)**	**661**
Cash dividens received by the Group	17	-

(*) The companies have negative net assets amounting to EUR 6,509 has reclassed to other liabilities from equity-accounted investments as of 31 December 2024 (31 December 2023: EUR 4,093)

ii) Associates

Carrying amounts of the Group's associates in the statement of financial position as at 31 December 2024 and 2023 are as follows:

	31 December 2024	31 December 2023
ZAIC-A	1,213	3,053
Other	114	150
	1,327	**3,203**

Group's share of profit of the Group's associates in the statement of comprehensive income for the years ended 31 December are as follows:

	2024	2023
ZAIC-A	(1,213)	1,941
AMS	(35)	6
	(1,248)	**1,947**

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

36. INTERESTS IN OTHER ENTITIES (continued)

b) Joint Ventures and Associates (continued)

ii) Associates (continued)

ZAIC–A

- 15.81.% equity shareholding with 15.81% voting power in ZAIC-A, an associate established in United Kingdom (31 December 2023: 15.00.% equity shareholding with 15.00% voting power). The following tables summarise the financial information of ZAIC-A. The tables also reconcile the summarised financial information to the carrying amount of the Group's interest in ZAIC-A, which is accounted for using the equity method:

	31 December 2024	31 December 2023
Percentage of interest	**15.81%**	**15%**
Non-current assets	304,722	311,696
Current assets	32,256	33,365
including cash and cash equivalents amounting to	*20,300*	*588*
Non-current liabilities	250,968	271,355
Current liabilities	78,338	53,356
including trade and other payables and provisions amounting to	*27,096*	*22,729*
Net assets	**7,672**	**20,350**
Group's share of net assets	1,213	3,053
Carrying amount in the statement of financial position	1,213	3,053

	2024	2023
Revenue	89,389	71,783
Expense	(97,061)	(58,844)
Profit / (loss) for the period	**(7,672)**	**12,939**
Other comprehensive income	(5,009)	3,547
Total comprehensive income	**(12,681)**	**16,486**
Group's share of profit / (loss) for the period	(1,213)	1,941
Cash dividends received by the Group	-	-

(Amounts expressed in thousands of Euro unless otherwise stated. Currencies other than Euro also expressed in thousands unless otherwise stated.)

37. AUDIT FEES

The Group's explanation regarding the fees for the services received from the independent audit firms, which is based on the letter of POA dated August 19, 2021, the preparation principles of which are based on the Board Decision published in the Official Gazette on March 30, 2021, are as follows:

	2024 (*)			**2023 (*)**		
	IAF (**)	**Other (***)**	**Total**	**IAF (**)**	**Other (***)**	**Total**
Audit and assurance fee	1,177	790	1,967	1,412	668	2,080
Tax consulting fee	92	602	694	6	463	469
Other assurance services fee	-	26	26	20	40	60
	1,269	**1,418**	**2,687**	**1,438**	**1,171**	**2,609**

(*) The fees above have been determined through including the legal audit and other related service fees of all subsidiaries and joint ventures, and foreign currency fees of foreign subsidiaries and affiliates have been converted into EUR using the annual average rates of the relevant years.

(**) IAF refers to Deloitte.

(***) Other refers to other independent audit firms.

38. SUBSEQUENT EVENTS

On 22 January 2025, The Group has submitted a bid for the operation and maintenance tender for Kuwait International Airport Terminal 4 which is organized by the Kuwait Civil Aviation Authority.