

**TAV Havalimanları Holding A.Ş.
and its Subsidiaries**

**Interim Condensed Consolidated Financial Statements
As at and for the Nine-Month Period Ended 30 September 2022**

Report Date 26 October 2022

This report contains the “Interim Condensed Consolidated Financial Statements and their explanatory notes” comprising 50 pages.

**TAV Havalimanları Holding A.Ş.
and its Subsidiaries**

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Notes to the interim condensed consolidated financial statements

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TAV Havalimanları Holding A.Ş. and its Subsidiaries

Interim Condensed Consolidated Statement of Financial Position

As at 30 September 2022

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

	Notes	(Unaudited) 30 September 2022	Audited 31 December 2021
ASSETS			
Property and equipment		501,346	370,958
Intangible assets		18,085	12,193
Airport operation right	9	1,672,441	1,680,901
Right of use assets		56,996	58,293
Equity-accounted investees	23	756,605	319,197
Goodwill		226,593	213,441
Derivative financial instruments	19	56,030	-
Trade receivables	11	-	9,683
Non-current due from related parties	22	155,819	204,265
Other non-current assets	10	115,968	110,089
Deferred tax assets		26,917	18,468
Total non-current assets		3,586,800	2,997,488
Inventories		60,938	20,740
Financial assets	18	1,714	-
Trade receivables	11	137,520	85,471
Due from related parties	22	33,284	34,441
Other receivables and current assets	10	183,682	131,439
Cash and cash equivalents	12	261,214	92,939
Restricted bank balances	13	111,847	82,211
Total current assets		790,199	447,241
TOTAL ASSETS		4,376,999	3,444,729

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

TAV Havalimanları Holding A.Ş. and its Subsidiaries

Interim Condensed Consolidated Statement of Financial Position

As at 30 September 2022

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

	Notes	(Unaudited) 30 September 2022	Audited 31 December 2021
EQUITY			
Share capital	14	162,384	162,384
Share premium		220,286	220,286
Legal reserves		121,975	121,975
Other reserves		(32,140)	(52,523)
Treasury reserves	14	(4,282)	(4,282)
Purchase of shares of entities under common control		40,064	40,064
Cash flow hedge reserve		45,094	(17,895)
Translation reserves		12,612	(64,975)
Retained earnings		722,853	590,668
Total equity attributable to equity holders of the Company		1,288,846	995,702
Non-controlling interests	23	23,410	14,951
Total Equity		1,312,256	1,010,653
LIABILITIES			
Loans and borrowings	16	935,849	847,600
Reserve for employee severance indemnity		13,168	10,973
Due to related parties	22	459,799	153,623
Derivative financial instruments	19	213	24,521
Deferred income		14,773	13,204
Other payables	17	744,547	732,089
Liabilities from equity-accounted investees		15,969	90,076
Deferred tax liabilities		109,214	74,627
Total non-current liabilities		2,293,532	1,946,713
Bank overdraft	12	279	424
Loans and borrowings	16	493,290	344,067
Trade payables		94,283	41,931
Due to related parties	22	785	590
Derivative financial instruments	19	118	-
Current tax liabilities	7	11,157	3,296
Other payables	17	150,490	88,572
Provisions		6,903	5,147
Deferred income		13,906	3,336
Total current liabilities		771,211	487,363
Total Liabilities		3,064,743	2,434,076
TOTAL EQUITY AND LIABILITIES		4,376,999	3,444,729

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

TAV Havalimanları Holding A.Ş. and its Subsidiaries

Interim Condensed Consolidated Statement of Profit or Loss and Comprehensive Income For the Nine-Month Period Ended 30 September 2022

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

	Notes	(Unaudited) 1 January- 30 September 2022	(Unaudited) 1 July- 30 September 2022	(Unaudited) 1 January- 30 September 2021	(Unaudited) 1 July- 30 September 2021
Operating revenue	6	752,481	340,929	355,731	199,807
Other operating income		2,034	439	747	35
Cost of catering inventory sold		(24,997)	(10,852)	(11,970)	(5,707)
Cost of fuel sold		(115,777)	(45,712)	(23,080)	(15,230)
Cost of services rendered		(67,513)	(29,955)	(32,007)	(15,117)
Personnel expenses		(161,036)	(64,540)	(107,029)	(44,175)
Concession and rent expenses		(992)	(456)	-	-
Depreciation, amortisation and impairment expenses		(70,431)	(37,040)	(54,723)	(26,016)
Other operating expenses		(117,255)	(51,892)	(65,168)	(26,605)
Share of profit of equity-accounted investees, net of tax	23	47,175	41,618	(12,291)	18,490
Operating profit		243,689	142,539	50,210	85,482
Finance income	8	20,724	8,780	169,285	13,014
Finance costs	8	(118,687)	(47,131)	(104,151)	(24,955)
Net finance (cost) / income		(97,963)	(38,351)	65,134	(11,941)
Net monetary position gains		14,216	2,223	-	-
Profit before tax from continuing operations		159,942	106,411	115,344	73,541
Tax expense	7	(23,366)	(4,432)	(23,002)	(6,385)
Profit from continuing operations		136,576	101,979	92,342	67,156
(Loss) / Profit from discontinued operations		(717)	(195)	(697)	418
Profit for the period after discontinued operations		135,859	101,784	91,645	67,574
Other comprehensive income					
Items that will not be reclassified to profit or loss:					
Defined benefit obligation actuarial differences		(1,565)	10	4,102	(27)
Defined benefit obligation actuarial differences from equity accounted investees		(2,900)	174	(979)	(305)
Tax on defined benefit obligation actuarial differences		315	(2)	(816)	5
Tax on defined benefit obligation actuarial differences from equity accounted investees		31	-	418	464
Total items that will not be reclassified to profit or loss		(4,119)	182	2,725	137
Items that are or may be reclassified subsequently to profit or loss:					
Effective portion of changes in fair value of cash flow hedges		81,922	23,175	67,335	405
Effective portion of changes in fair value of cash flow hedges from equity accounted investees		1,185	1,185	3,419	(1,854)
Portion of cash flow hedges charged to profit or loss		(5,013)	-	(31,999)	-
Foreign currency translation differences for foreign operations		91,159	43,937	19,293	11,119
Foreign currency translation differences for foreign operations from equity accounted investees		(8,975)	(2,464)	(7,788)	(2,245)
Tax on cash flow hedge reserves		(15,105)	(4,536)	(1,487)	(84)
Tax on cash flow hedge reserves from equity accounted investees		-	-	(684)	371
Total items that are or may be reclassified subsequently to profit or loss		145,173	61,297	48,089	7,712
Other comprehensive income for the period, net of tax		141,054	61,479	50,814	7,849
Total comprehensive income for the period		276,913	163,263	142,459	75,423

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

TAV Havalimanları Holding A.Ş. and its Subsidiaries

Interim Condensed Consolidated Statement of Profit or Loss and Comprehensive Income For the Nine-Month Period Ended 30 September 2022

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

	(Unaudited) 1 January- 30 September 2022	(Unaudited) 1 July- 30 September 2022	(Unaudited) 1 January- 30 September 2021	(Unaudited) 1 July- 30 September 2021
Profit attributable to:				
Owners of the Company	129,037	98,218	88,117	64,876
Non-controlling interest	6,822	3,566	3,528	2,698
Profit for the period after discontinued operations	135,859	101,784	91,645	67,574
Total comprehensive income attributable to:				
Owners of the Company	265,494	157,382	137,177	71,884
Non-controlling interest	11,419	5,881	5,282	3,539
Total comprehensive income for the period	276,913	163,263	142,459	75,423
Weighted average number of shares outstanding	363,281,250	363,281,250	363,281,250	363,281,250
Basic and diluted earnings per share for continued operations	0.36	0.27	0.24	0.18
Basic and diluted (losses)/ earnings per share for discontinued operations	(0.00)	(0.00)	(0.00)	0.00

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TAV Havalimanları Holding A.Ş. and its Subsidiaries

Interim Condensed Consolidated Statement of Changes in Equity For the Nine-Month Period Ended 30 September 2022

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

	Attributable to owners of the Company											Non-Controlling Interests	Total Equity
	Share Capital	Share Premium	Legal Reserves	Other Reserves	Treasury Reserves	Purchase of Shares of Entities Under Common Control	Cash Flow Hedge Reserve	Translation Reserves	Retained Earnings	Total			
Balance at 1 January 2021	162,384	220,286	121,975	(29,645)	(4,282)	40,064	(60,612)	(66,964)	539,583	922,789	11,906	934,695	
Total comprehensive income for the period													
Profit for the period	-	-	-	-	-	-	-	-	88,117	88,117	3,528	91,645	
Other comprehensive income													
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	-	-	-	-	36,584	-	-	36,584	-	36,584	
Defined benefit obligation actuarial differences, net of tax	-	-	-	-	-	-	-	-	2,725	2,725	-	2,725	
Foreign currency translation differences for foreign operations	-	-	-	-	-	-	-	9,751	-	9,751	1,754	11,505	
Total other comprehensive income	-	-	-	-	-	-	36,584	9,751	2,725	49,060	1,754	50,814	
Total comprehensive income for the period	-	-	-	-	-	-	36,584	9,751	90,842	137,177	5,282	142,459	
Transactions with owners of the Company, recognised directly in equity													
<i>Contributions by and distributions to owners of the Company</i>													
Change in non-controlling interest	-	-	-	-	-	-	-	-	-	-	(78)	(78)	
Total transactions with owners of the Company	-	-	-	-	-	-	-	-	-	-	(78)	(78)	
Balance at 30 September 2021	162,384	220,286	121,975	(29,645)	(4,282)	40,064	(24,028)	(57,213)	630,425	1,059,966	17,110	1,077,076	
Balance at 1 January 2022	162,384	220,286	121,975	(52,523)	(4,282)	40,064	(17,895)	(64,975)	590,668	995,702	14,951	1,010,653	
Total comprehensive income for the period													
Profit for the period	-	-	-	-	-	-	-	-	129,037	129,037	6,822	135,859	
Other comprehensive income													
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	-	-	-	-	62,989	-	-	62,989	-	62,989	
Defined benefit obligation actuarial differences, net of tax	-	-	-	-	-	-	-	-	(4,119)	(4,119)	-	(4,119)	
Foreign currency translation differences for foreign operations	-	-	-	-	-	-	-	77,587	-	77,587	4,597	82,184	
Total other comprehensive income	-	-	-	-	-	-	62,989	77,587	(4,119)	136,457	4,597	141,054	
Total comprehensive income for the period	-	-	-	-	-	-	62,989	77,587	124,918	265,494	11,419	276,913	
Transactions with owners of the Company, recognised directly in equity													
<i>Contributions by and distributions to owners of the Company</i>													
Dividend distributions	-	-	-	-	-	-	-	-	-	-	(3,021)	(3,021)	
Effect of IAS 29 indexation	-	-	-	20,383	-	-	-	-	7,267	27,650	-	27,650	
Purchase of non-controlling interest	-	-	-	-	-	-	-	-	-	-	61	61	
Total transactions with owners of the Company	-	-	-	20,383	-	-	-	-	7,267	27,650	(2,960)	24,690	
Balance at 30 September 2022	162,384	220,286	121,975	(32,140)	(4,282)	40,064	45,094	12,612	722,853	1,288,846	23,410	1,312,256	

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

TAV Havalimanları Holding A.Ş. and its Subsidiaries

Interim Condensed Consolidated Statement of Cash Flows For the Nine-Month Period Ended 30 September 2022

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

	Notes	(Unaudited) 1 January- 30 September 2022	(Unaudited) 1 January- 30 September 2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit from continuing operations		136,576	92,342
Loss from discontinued operations		(717)	(697)
Adjustments for:			
Amortisation and impairment of airport operation right	9	33,315	24,437
Depreciation of property and equipment		34,904	28,686
Amortisation of intangible assets		2,212	1,600
Concession and rent expenses		992	-
Provision for employee severance indemnity		2,039	2,492
Provision for doubtful receivables		3,098	1,189
Discount on receivables, payables and financial liabilities, net		(1,377)	(146,577)
Provision set for unused vacation		179	881
Loss on sale of property and equipment		293	-
Interest income		(17,854)	(9,833)
Interest expense on financial liabilities		60,695	72,213
Tax expense	7	23,362	24,063
Unwinding of discount on concession receivable and payable		26,587	18,235
Share of profit of equity-accounted investees, net of tax	23	(47,175)	12,291
Unrealised foreign exchange differences on statement of financial position items		14,637	(30,035)
Net monetary position gains		(14,152)	-
Cash flows from operating activities		257,614	91,287
Change in current trade receivables		(45,331)	(46,786)
Change in non-current trade receivables		9,683	15,749
Change in inventories		(33,786)	8,858
Change in due from related parties		(11,274)	(1,127)
Change in other receivables and assets		(45,352)	211,280
Change in trade payables		39,304	(1,625)
Change in due to related parties		255	(745)
Change in other payables and provisions		42,552	(38,802)
Cash provided from operations		213,665	238,089
Income taxes paid	7	(15,037)	(4,851)
Retirement benefits paid		(628)	(754)
Net cash provided from operating activities		198,000	232,484

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

TAV Havalimanları Holding A.Ş. and its Subsidiaries

Interim Condensed Consolidated Statement of Cash Flows For the Nine-Month Period Ended 30 September 2022

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

	Notes	(Unaudited) 1 January- 30 September 2022	(Unaudited) 1 January- 30 September 2021
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, equipment and intangible assets		3,249	1,282
Acquisition of property and equipment		(98,672)	(15,740)
Additions to airport operation right	9	(112)	-
Acquisition of non-controlling interest net of cash acquired		-	(78)
Proceeds from treasury bonds		-	50,000
Purchase of investment funds		(1,714)	-
Acquisition of intangible assets		(611)	(482)
Acquisition of non-consolidated investments		(372,657)	-
Change in due from related parties		422	(3,738)
Dividends from equity-accounted investees		19,817	5,535
Acquisition of subsidiary, net of cash acquired		-	(305,784)
Net cash used in investing activities		(450,278)	(269,005)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		362,309	208,305
Repayment of borrowings		(156,092)	(250,115)
Dividends paid		(3,021)	-
Interest received		3,965	3,014
Interest paid		(40,670)	(37,045)
Change in due to related parties		292,837	(153,174)
Change in restricted bank balances		(29,628)	(75,208)
Change in lease liabilities		(9,002)	(7,743)
Net cash provided / (used in) from financing activities		420,698	(311,966)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS			
		168,420	(348,487)
CASH AND CASH EQUIVALENTS AT 1 JANUARY	12	92,515	603,911
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	12	260,935	255,424

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

TAV Havalimanları Holding A.Ş. and its Subsidiaries

Notes to the Interim Condensed Consolidated Financial Statements As at and for the Nine-Month Period Ended 30 September 2022

(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 Turkey 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, Turkey.

The Company is listed in Borsa İstanbul since 23 February 2007 and the Company’s shares are traded as “TAVHL”.

The interim condensed consolidated financial statements of the Company as at and for the nine-month period ended 30 September 2022 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.

Changes in ownership interest percentages of the Company’s subsidiaries since 31 December 2021 are as follows:

Name of Subsidiary	Principal Activity	Place of operation	30 September 2022		31 December 2021	
			Ownership interest %	Voting power held %	Ownership interest %	Voting power held %
MZLZ-Zemaljske usluge d.o.o (“HAVAS MZLZ”)	Group Handling Services	Croatia	100.00	100.00	-	-
Paris Lounge Network SAS (“Paris Lounge Network”)	Lounge Services	France	51.00	51.00	-	-
Gestio I Servies Trade Center S.A. (“GIS Spain”)	Lounge Services	Spain	100.00	100.00	94.25	94.25
GIS Premium France SAS (“GIS France”)	Lounge Services	France	100.00	100.00	94.25	94.25
GIS Premium Deutschland GmbH (“GIS Germany”)	Lounge Services	Germany	100.00	100.00	94.25	94.25
GIS Premium Italy SRL (“GIS Italy”)	Lounge Services	Italy	100.00	100.00	94.25	94.25
GIS Premium Mexico SAdCV (“GIS Mexico”)	Lounge Services	Mexico	100.00	100.00	94.25	94.25

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TAV Havalimanları Holding A.Ş. and its Subsidiaries

Notes to the Interim Condensed Consolidated Financial Statements As at and for the Nine-Month Period Ended 30 September 2022

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

1. REPORTING ENTITY (continued)

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) ("DHMI"), 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) ("OCA"), 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 (General Directorate of State Airports Authority of Saudi Arabia) ("GACA"). TAV Ege, TAV Milas Bodrum, TAV Gazipaşa and TAV Antalya entered into concession agreement with DHMI 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, DHMI, JSC, GMED, OCA, 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.

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, Ankara Esenboğa, Gazipaşa-Alanya, İzmir Adnan Menderes and Milas-Bodrum have been extended for two years. 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.

A tender was held on 3 May 2013 for construction of a new airport in İstanbul. It has been announced that the winning bid for the tender as per the tender specifications of İstanbul's New Airport Project to be undertaken by BOT model within the framework of the procedures and principles defined by DHMI as per the law no. 3996 and cabinet decree no. 2011/1807 was offered by a venture other than the Group. On 26 December 2019, The Group and DHMI agreed on the compensation payment related with the early closure of Atatürk Airport. As of 31 December 2019, the Group accrued a compensation income amounting to EUR 389,000 and fully reimbursed this amount in 2020 and 2021.

Covid-19 Impact and Impairment Analysis

The Covid-19 health crisis has had significant impacts on air traffic, which has largely stopped since March 2020. This sudden drop in traffic has impacts both in terms of aviation revenues and in terms of commercial revenues from investments in associates and joint ventures.

The health crisis had a significant impact on the market premium, and the betas of companies in the airport sector, both on the rise. This increase in discount rates has an unfavorable impact on the recoverable amount of the Group's assets, estimated on the basis of discounted cash flows.

Impairment tests are only performed at the end of the year unless there are signs of impairment due to the seasonality of the Group's operations, revenue and operational profits are generally higher in the second half of the year than in the first six months.

Impairment tests were carried as at 31 December 2021 on the main concession and service companies, as a result of the impairment testing performed on CGU basis no additional impairment has been identified.

TAV Havalimanları Holding A.Ş. and its Subsidiaries

Notes to the Interim Condensed Consolidated Financial Statements As at and for the Nine-Month Period Ended 30 September 2022

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

1. REPORTING ENTITY (continued)

Covid-19 Impact and Impairment Analysis (continued)

As a result of the impairment testing performed on CGU basis, EUR 10,000 impairment loss is reversed (31 December 2020: EUR 20,000 impairment loss was recognised) for TAV Tunisia.

Sensitivity tests carried out show that slower traffic recovery scenarios could cause the recoverable amount of certain airport concessions to fall below their carrying amount.

The Group, applied significant savings in the Group's operational expenses to keep the negative impact of the Covid-19 health crisis on the financial statements at a minimum level. In addition, refinancing agreements have signed with lenders and for concession agreements, time extensions have obtained from the competent authorities of the relevant states.

Due to the significant increase in vaccination rates all over the world, travel restrictions have been partially removed. With this effect, passenger numbers reached approximately 84% of first three quarter of 2019.

Seasonality of Operations

Due to seasonal nature of operations, higher revenues and operating profits are usually expected in the second half of the year rather than in the first six months. Higher sales during the period June to August are mainly attributed to the increased number of passengers during the peak season.

The Group employs 18,562 in subsidiaries (average: 17,571) and 9,586 in joint ventures (average: 9,059) people as at 30 September 2022 (31 December 2021: 15,727 in subsidiaries (average: 16,342) and 7,999 in joint ventures (average: 8,009)).

TAV İstanbul employs 3 (average: 4) (31 December 2021: 12 (average: 27)) people as at 30 September 2022.

2. BASIS OF PREPARATION

a) Statement of compliance

The interim condensed consolidated financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2021.

The interim condensed consolidated financial statements were authorized for issue by the Board of Directors on 26 October 2022. The power to change the interim condensed consolidated financial statements after the issuing of the interim condensed consolidated financial statements is held by the General Assembly. The interim condensed consolidated financial statements do not include all the notes of the type normally included in an annual consolidated financial statements. Accordingly, this interim condensed consolidated financial statements should be read in conjunction with the annual report for the year ended 31 December 2021.

b) Basis of measurement

The interim condensed 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.

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2. BASIS OF PREPARATION

c) 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 Turkey 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 ("TFRS") 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, Turkey 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 until 30 September 2022 is accounted under consolidated statement of profit or loss and comprehensive income.

Effect of IAS 29 in Groups financial statements is as shown below:

EBITDA: EUR 307

Share of profit of equity-accounted investments: EUR 10,160

Net income: EUR 18,010

Equity: EUR 27,650

d) Basis of presentation of consolidated financial statements

The Company and its Turkish subsidiaries maintain their books of account and prepare their statutory financial statements in accordance with accounting principles in the Turkish Commercial Code and tax legislation. Subsidiaries that are registered in foreign countries maintain their books of account and prepare their statutory statements in accordance with the prevailing accounting principles in their registered countries. The accompanying consolidated financial statements are based on the statutory records, with adjustments and reclassifications, for the purpose of fair presentation in accordance with IFRS.

e) Functional and presentation currency

TAV Holding and its subsidiaries operating in Turkey 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 Turkey 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.

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

The functional currencies of the Group entities and joint ventures are consistent with the Group's interim consolidated financial statements as at and for the nine-month period ended 30 September 2022.

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3. CHANGES IN ACCOUNTING POLICIES

The new standards, amendments and interpretations

a) Amendments that are mandatorily effective from 2022

Amendments to IFRS 3	Reference to the Conceptual Framework
Amendments to IAS 16	Property, Plant and Equipment – Proceeds before Intended Use
Amendments to IAS 37	Onerous Contracts – Cost of Fulfilling a Contract
Annual Improvements to IFRS Standards 2018-2020	Amendments to IFRS 1, IFRS 9
Amendments to IFRS 16	COVID-19 Related Rent Concessions beyond 30 June 2021

Amendments to IFRS 3 Reference to the Conceptual Framework

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

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

Amendments to IAS 16 Proceeds before Intended Use

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

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

Amendments to IAS 37 Onerous Contracts – Cost of Fulfilling a Contract

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

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

Annual Improvements to IFRS Standards 2018-2020 Cycle

Amendments to IFRS 1 First time adoption of International Financial Reporting Standards

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

Amendments to IFRS 9 Financial Instruments

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

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3. CHANGES IN ACCOUNTING POLICIES (continued)

The new standards, amendments and interpretations (continued)

a) Amendments that are mandatorily effective from 2022 (continued)

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

Amendments to IFRS 16 COVID-19 Related Rent Concessions beyond 30 June 2021

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

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

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

The Group assessed that the adoption of these amendments that are effective from 2022 do not have any effect on the Group’s consolidated financial statements.

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

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 supersedes IFRS 4 *Insurance Contracts* as of 1 January 2023.

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3. CHANGES IN ACCOUNTING POLICIES (continued)

The new standards, amendments and interpretations (continued)

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

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

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

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

Amendments to IAS 1 *Disclosure of Accounting Policies*

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

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

Amendments to IAS 8 *Definition of Accounting Estimates*

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

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

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

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

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

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.

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

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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 license 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.

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. Market interest for financial leasing transactions is determined according to similar lease agreements. When measuring the fair value of a liability, an entity considers the effect of its own credit risk and other factors that may affect the probability of the obligation fulfilled or not.

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4. DETERMINATION OF FAIR VALUES (continued)

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.

30 September 2022	Level 1	Level 2	Level 3
Trade receivables	-	137,520	-
Financial assets	-	1,714	-
Interest rate swap	-	55,817	-
Loans and borrowings	-	(1,429,139)	-
Bank overdrafts	-	(279)	-
Other payables (*)	-	(852,934)	-
Forward	-	(118)	-
31 December 2021	Level 1	Level 2	Level 3
Trade receivables	-	95,154	-
Loans and borrowings	-	(1,191,667)	-
Bank overdrafts	-	(424)	-
Other payables (*)	-	(804,713)	-
Interest rate swap	-	(24,521)	-

(*) Other payables do not include advances received amounting to EUR 42,103 (31 December 2021: EUR 15,948).

5. OPERATING SEGMENT

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 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, BTA France, Cakes & Bakes, BTA Tedarik, BTA Latvia, BTA Denizyolları, BTA Medinah, BTA Uluslararası Yiyecek, BTA MZLZ and ACS.

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5. OPERATING SEGMENT (continued)

- **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 Latvia, ATU Tunisia Duty Free, ATU Medinah, 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 Macedonia, Havaş Georgia and HAVAŞ MZLZ. 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 Madagascar, TAV İşletme Bermuda, Paris Lounge Network, GIS Spain, GIS France, GIS Germany, GIS Italy, GIS Mexico, GIS Argentina, GIS Brazil, GIS Colombia TAV İşletme Saudi, TAV İşletme Chile, TAV Havacılık, TAV Bilişim, TAV IT Saudi, TAV IT Netherlands, TAV IT Qatar, TAV Güvenlik, Aerosec Security, TAV Akademi, Aviator Netherlands, PMIA Aviator BV, ZAIC-A, ATU Holdings, Medinah Hotel, Holdco, AAIH, TAV Kazakhstan, VT and FBO.

While preparing the results of the reportable segments, joint ventures are included in the consolidation according to the proportional consolidation method.

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.

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5. OPERATING SEGMENT (continued)

	Nine-month period ended 30 September											
	Terminal Operations		Catering Operations		Duty Free Operations		Ground Handling and Bus Operations		Other Operations		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Total external revenues	626,971	266,556	90,719	44,077	122,692	56,977	244,953	164,913	118,809	57,358	1,204,144	589,881
Inter-segment revenue	35,899	19,632	7,240	3,853	59	79	826	478	33,040	38,770	77,064	62,812
Construction revenue	-	6,722	-	-	-	-	-	-	-	-	-	6,722
Construction expenditure	-	(6,722)	-	-	-	-	-	-	-	-	-	(6,722)
Interest income	19,958	3,221	353	257	1,530	806	7,762	4,771	18,677	16,398	48,280	25,453
Interest expense	(53,170)	(77,714)	(2,115)	(2,417)	(1,021)	(932)	(4,232)	(5,556)	(44,755)	(14,886)	(105,293)	(101,505)
Depreciation and amortisation	(134,800)	(78,654)	(5,238)	(3,915)	(7,883)	(4,008)	(12,745)	(12,732)	(7,480)	(6,833)	(168,146)	(106,142)
Reportable segment operating profit / (loss)	196,329	55,758	8,102	(66)	12,833	(1,045)	54,353	33,167	7,729	513	279,346	88,327
Capital expenditure	141,456	18,826	3,050	1,481	1,922	1,543	3,478	3,888	6,651	4,058	156,557	29,796
	As at 30 September 2022 and 31 December 2021											
	Terminal Operations		Catering Operations		Duty Free Operations		Ground Handling and Bus Operations		Other Operations		Total	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021	30 September 2022	31 December 2021	30 September 2022	31 December 2021	30 September 2022	31 December 2021	30 September 2022	31 December 2021
Reportable segment assets	4,822,098	3,654,865	44,017	13,994	156,048	144,878	282,724	210,416	1,225,430	754,929	6,530,317	4,779,082
Reportable segment liabilities	3,822,631	2,834,585	84,153	71,479	99,238	99,298	151,168	143,754	696,301	254,962	4,853,491	3,404,078

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5. OPERATING SEGMENT (continued)

	Three-month period ended 30 September											
	Terminal Operations		Catering Operations		Duty Free Operations		Ground Handling and Bus Operations		Other Operations		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Total external revenues	299,090	173,731	43,811	23,067	63,874	33,251	109,677	83,430	52,218	23,311	568,670	336,790
Inter-segment revenue	20,177	13,050	3,190	1,723	33	59	372	237	10,843	26,517	34,615	41,586
Construction revenue	-	3,476	-	-	-	-	-	-	-	-	-	3,476
Construction expenditure	-	(3,476)	-	-	-	-	-	-	-	-	-	(3,476)
Interest income	1,180	1,163	252	145	813	287	3,690	1,698	6,740	6,010	12,675	9,303
Interest expense	(19,754)	(15,889)	(646)	(878)	(345)	(309)	(1,280)	(1,662)	(10,962)	(5,334)	(32,987)	(24,072)
Depreciation and amortisation	(79,787)	(48,574)	(1,909)	(1,294)	(3,336)	(1,691)	(4,773)	(3,608)	(3,209)	(2,128)	(93,014)	(57,295)
Reportable segment operating profit	98,635	65,432	6,274	3,040	8,618	2,131	29,301	26,900	2,189	6,619	145,017	104,122
Capital expenditure	44,223	9,031	542	1,283	1,187	353	1,255	201	3,220	1,306	50,427	12,174

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5. OPERATING SEGMENT (continued)

Reconciliations of reportable segment revenues, profit / (loss) before tax, assets and liabilities and other material items

	1 January- 30 September 2022	1 July- 30 September 2022	1 January- 30 September 2021	1 July- 30 September 2021
Revenues				
Total revenue for reportable segments	1,129,359	540,224	563,287	332,024
Other revenue	151,849	63,061	96,128	49,828
Elimination of inter-segment revenue	(77,064)	(34,615)	(62,812)	(41,586)
	1,204,144	568,670	596,603	340,266
Effect of using the equity method for joint ventures	(451,663)	(227,741)	(240,872)	(140,459)
Consolidated revenue	752,481	340,929	355,731	199,807
	1 January- 30 September 2022	1 July- 30 September 2022	1 January- 30 September 2021	1 July- 30 September 2021
Operating profit				
Segment operating profit	271,617	142,828	87,814	97,503
Other operating profit	7,729	2,189	513	6,619
	279,346	145,017	88,327	104,122
Effect of using the equity method for joint ventures	(35,657)	(2,478)	(38,117)	(18,640)
Consolidated operating profit	243,689	142,539	50,210	85,482
Finance income	20,724	8,780	169,285	13,014
Finance expense	(118,687)	(47,131)	(104,151)	(24,955)
Net monetary position gain	14,216	2,223	-	-
Consolidated profit before tax from continuing operations	159,942	106,411	115,344	73,541
Assets		30 September 2022	31 December 2021	
Total assets for reportable segments		5,304,887	4,024,153	
Other assets		1,225,430	754,929	
		6,530,317	4,779,082	
Effect of using the equity method for joint ventures		(2,153,318)	(1,334,353)	
Consolidated total assets		4,376,999	3,444,729	
Liabilities		30 September 2022	31 December 2021	
Total liabilities for reportable segments		4,157,190	3,149,116	
Other liabilities		696,301	254,962	
		4,853,491	3,404,078	
Effect of using the equity method for joint ventures		(1,788,748)	(970,002)	
Consolidated total liabilities		3,064,743	2,434,076	

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5. OPERATING SEGMENT (continued)

	1 January- 30 September 2022	1 July- 30 September 2022	1 January- 30 September 2021	1 July- 30 September 2021
Interest income				
Total interest income for reportable segments	29,603	5,935	9,055	3,293
Other interest income	18,677	6,740	16,398	6,010
Elimination of inter-segment interest income	(27,986)	(3,363)	(11,140)	(4,005)
	20,294	9,312	14,313	5,298
Effect of using the equity method for joint ventures	(2,444)	(1,256)	(4,528)	(2,314)
Consolidated interest income	17,850	8,056	9,785	2,984
	1 January- 30 September 2022	1 July- 30 September 2022	1 January- 30 September 2021	1 July- 30 September 2021
Interest expense				
Total interest expense for reportable segments	(60,538)	(22,025)	(86,619)	(18,738)
Other interest expense	(44,755)	(10,962)	(14,886)	(5,334)
Elimination of inter-segment interest expense	26,348	3,222	11,141	4,005
	(78,945)	(29,765)	(90,364)	(20,067)
Effect of using the equity method for joint ventures	18,250	7,765	18,251	6,565
Consolidated interest expense	(60,695)	(22,000)	(72,113)	(13,502)

Geographical information

The main geographical segments of the Group and its joint ventures are comprised of Turkey, Kazakhstan, Georgia, Tunisia, Macedonia, Latvia, Oman, Spain 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.

	1 January- 30 September 2022	1 July- 30 September 2022	1 January- 30 September 2021	1 July- 30 September 2021
Revenue				
Turkey	293,755	145,806	197,417	108,351
Kazakhstan	229,637	87,743	56,954	37,540
Georgia	70,907	33,071	36,628	21,452
Macedonia	29,131	13,441	17,714	9,916
Tunisia	20,901	12,463	8,060	4,977
Oman	14,301	6,042	6,705	2,791
Latvia	14,010	5,753	8,171	4,766
Spain	8,164	3,167	3,511	1,838
Saudi Arabia	7,176	2,278	7,923	1,993
Other	64,499	31,165	12,648	6,183
Consolidated revenue	752,481	340,929	355,731	199,807

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5. OPERATING SEGMENT (continued)

Non-current assets	30 September 2022	31 December 2021
Turkey	2,341,583	1,892,942
Kazakhstan	536,963	364,415
Tunisia	433,824	431,389
Macedonia	99,411	95,050
Georgia	90,283	74,331
Oman	12,468	12,273
Spain	4,526	5,158
Latvia	2,017	906
Saudi Arabia	944	865
Other	64,781	120,159
Consolidated non-current assets	3,586,800	2,997,488

6. OPERATING REVENUE

An analysis of the Group's operating revenue for the period ended 30 September are as follows:

	1 January- 30 September 2022	1 July- 30 September 2022	1 January- 30 September 2021	1 July- 30 September 2021
Aviation income	313,908	137,490	108,620	71,826
Ground handling income	160,667	75,856	102,484	56,482
Catering services income	81,177	38,615	39,378	20,819
Commission from sales of duty free goods	39,019	22,803	20,134	14,225
Hardware sales income	33,921	17,287	6,172	3,746
Income from lounge services and prime class	33,502	15,416	12,378	7,899
Area allocation income	21,075	7,905	11,614	5,843
Income from car parking operations and valet service income	11,467	4,683	7,014	3,249
Security services income	8,883	3,649	7,140	2,524
Software sales income	5,710	1,775	11,564	2,266
Bus services income	5,186	2,326	4,934	2,490
Rent income from sublease	3,451	1,930	1,577	1,080
Utility and general participation income	3,107	1,261	2,061	816
Operating financial revenue	2,880	760	4,289	1,814
Hotel and reservation income	2,840	1,203	1,865	864
Advertising income	2,764	1,205	1,613	735
Loyalty card income	394	164	546	222
Other operating revenue	22,530	6,601	12,348	2,907
Total operating revenue	752,481	340,929	355,731	199,807

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7. TAX EXPENSE

An analysis of the Group's tax expense for the nine-month periods ended 30 September 2022 and 2021 are as follows:

Tax recognised in profit or loss

	<u>2022</u>	<u>2021</u>
<u>Current tax expense</u>		
Current year tax expense	20,546	3,660
Adjustments for prior periods	2,348	-
	<u>22,894</u>	<u>3,660</u>
<u>Deferred tax expense</u>		
Origination and reversal of temporary differences	3,858	19,569
Change in previously recognised investment incentives	(4,500)	(2,102)
Recognition of current period tax losses	1,114	1,875
	<u>472</u>	<u>19,342</u>
Total tax expense	<u>23,366</u>	<u>23,002</u>

The reported tax expenses for the periods ended 30 September 2022 and 2021 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:

	%	<u>2022</u>	%	<u>2021</u>
Profit before tax from continuing operations		159,942		115,344
(Loss) / Profit before tax from discontinued operations		(721)		364
Profit before tax		<u>159,221</u>		<u>115,708</u>
Tax using the Company's domestic tax rate	23	36,621	25	28,927
Tax effects of:				
- non-deductible expenses	6	9,402	7	7,645
- translation of non-monetary items according to IAS 21	3	4,386	1	699
- change in previously recognised investment incentives	(3)	(4,500)	(2)	(2,102)
- tax exempt income	(3)	(4,605)	(13)	(14,741)
- used tax loss carry forwards which no deferred tax asset is recognised	(1)	(414)	(3)	(3,062)
- current year losses for which no deferred tax asset is recognised	1	626	10	12,011
- effect of different tax rates for foreign jurisdictions	(2)	(3,415)	(4)	(4,251)
- under / (over) provided in prior years	1	2,348	-	-
- adjustment for equity accounted investees	(7)	(10,850)	3	3,073
- effect of different tax rates	(2)	(2,472)	(5)	(6,095)
- other consolidation adjustments	(2)	(3,765)	1	1,959
Tax expense	<u>14</u>	<u>23,362</u>	<u>20</u>	<u>24,063</u>
Total tax expense from continuing operations		23,366		23,002
Total tax expense from discontinued operations		(4)		1,061

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7. TAX EXPENSE (continued)

Corporate tax:

	<u>30 September 2022</u>	<u>31 December 2021</u>
Corporate tax provision from continuing operations	20,546	11,328
Corporate tax provision from discontinued operations	4	1,022
Corporate tax provision	<u>20,550</u>	<u>12,350</u>
Adjustments for prior periods	2,348	-
Add: taxes payable from previous year	3,296	3,024
Less: corporation taxes paid during the year	<u>(15,037)</u>	<u>(12,078)</u>
Current tax liabilities	<u>11,157</u>	<u>3,296</u>

8. FINANCE INCOME AND FINANCE COSTS

Recognised in profit or loss

An analysis of the Group's finance income and finance costs for the period ended 30 September are as follows:

	<u>1 January- 30 September 2022</u>	<u>1 July- 30 September 2022</u>	<u>1 January- 30 September 2021</u>	<u>1 July- 30 September 2021</u>
Interest income on bank deposits and intercompany loans	17,850	8,056	9,785	2,984
Discount income (*)	1,377	9	145,773	750
Foreign exchange gain, net	-	-	13,061	9,260
Other finance income	1,497	715	666	20
Finance income	<u>20,724</u>	<u>8,780</u>	<u>169,285</u>	<u>13,014</u>
	<u>1 January- 30 September 2022</u>	<u>1 July- 30 September 2022</u>	<u>1 January- 30 September 2021</u>	<u>1 July- 30 September 2021</u>
Interest expense on financial liabilities and intercompany loans	(60,695)	(22,000)	(72,113)	(13,502)
Discount expense (**)	(29,467)	(10,233)	(22,524)	(9,296)
Bank charges (***)	(5,224)	(1,826)	(6,819)	(1,180)
Commission expense	(2,531)	(926)	(1,466)	(578)
Foreign exchange loss, net	(1,903)	(1,534)	-	-
Interest expense provision on employee benefit obligation	(1,216)	(397)	(1,229)	(399)
Fair value of derivatives	(118)	(15)	-	-
Other finance costs (****)	<u>(17,533)</u>	<u>(10,200)</u>	<u>-</u>	<u>-</u>
Finance cost	<u>(118,687)</u>	<u>(47,131)</u>	<u>(104,151)</u>	<u>(24,955)</u>
Net finance (costs) / income	<u>(97,963)</u>	<u>(38,351)</u>	<u>65,134</u>	<u>(11,941)</u>

(*) EUR 144,866 of the discount income was related with the amortised loan liabilities and fair value adjustment of participation rights for TAV Tunisia loan restructuring process as of 30 September 2021.

(**) Discount expense is related with the unwinding of discount on concession payables amounting to EUR 29,467 as of 30 September 2022 (30 September 2021: EUR 22,524).

(***) Bank charges are related with consultancy expenses charged in accordance with the requirements of project financing facilities.

(****) Other finance costs include financial expenses due to the application of IAS 28 (Note 22).

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8. FINANCE INCOME AND FINANCE COSTS (continued)

Recognised in other comprehensive income

	<u>1 January- 30 September 2022</u>	<u>1 July- 30 September 2022</u>	<u>1 January- 30 September 2021</u>	<u>1 July- 30 September 2021</u>
Foreign currency translation differences for foreign operations	91,159	43,937	19,293	11,119
Effective portion of changes in fair value of cash flow hedges	83,107	24,360	70,754	(1,449)
Tax on cash flow hedge reserves	(15,105)	(4,536)	(1,487)	(84)
Portion of cash flow hedges charged to profit or loss	<u>(5,013)</u>	<u>-</u>	<u>(31,999)</u>	<u>-</u>
Finance costs recognised in other comprehensive income, net of tax	<u>154,148</u>	<u>63,761</u>	<u>56,561</u>	<u>9,586</u>

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9. AIRPORT OPERATION RIGHT

	İzmir Adnan Menderes International Airport	Tbilisi International Airport	Enfidha International Airport	Alanya Gazipaşa Airport	Skopje International Airport	Milas-Bodrum Airport	Almaty Airport	Total
Cost								
Balance at 1 January 2021	779,834	83,380	595,488	48,198	132,077	493,401	-	2,132,378
Effect of movements in exchange rates	-	9,622	-	-	-	-	2,436	12,058
Effect of acquisitions of a subsidiary (*)	-	-	-	-	-	-	77,732	77,732
Transfers (**)	28,873	-	-	-	-	28,303	-	57,176
Balance at 30 September 2021	808,707	93,002	595,488	48,198	132,077	521,704	80,168	2,279,344
Balance at 1 January 2022	808,788	95,574	595,488	48,198	132,077	522,088	81,777	2,283,990
Additions	-	-	-	-	-	112	-	112
Effect of movements in exchange rates	-	25,791	-	-	-	-	13,204	38,995
Balance at 30 September 2022	808,788	121,365	595,488	48,198	132,077	522,200	94,981	2,323,097

(*) Effect of acquisitions of a subsidiary is related with acquisition of AIA. Some portion of the provisional goodwill which is accounted in the consolidated financial statements of the Group as at 30 June 2021, is converted into airport operation right after the completion of PPA (Purchase Price Allocation) work in the 31 December 2021 consolidated financial statements.

(**) Transfer amounting to EUR 57,176 is related to 2 year extension on İzmir Adnan Menderes International Airport and Milas-Bodrum Airport as of 30 September 2021

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9. AIRPORT OPERATION RIGHT (continued)

	<u>İzmir Adnan Menderes International Airport</u>	<u>Tbilisi International Airport</u>	<u>Enfidha International Airport</u>	<u>Alanya Gazipaşa Airport</u>	<u>Skopje International Airport</u>	<u>Milas-Bodrum Airport</u>	<u>Almaty Airport</u>	<u>Total</u>
<u>Accumulated amortization</u>								
Balance at 1 January 2021	232,528	40,471	156,335	11,872	38,370	83,664	-	563,240
Effect of movements in exchange rates	-	4,794	-	-	-	-	-	4,794
Amortisation for the period	11,473	2,013	1,147	524	3,055	6,225	-	24,437
Balance at 30 September 2021	244,001	47,278	157,482	12,396	41,425	89,889	-	592,471
Balance at 1 January 2022	248,626	49,929	157,889	12,611	42,641	90,831	562	603,089
Effect of movements in exchange rates	-	14,108	-	-	-	-	144	14,252
Amortisation for the period	18,849	5,014	3,634	674	4,919	9,599	626	43,315
Impairment reversals	-	-	(10,000)	-	-	-	-	(10,000)
Balance at 30 September 2022	267,475	69,051	151,523	13,285	47,560	100,430	1,332	650,656
<u>Carrying amounts</u>								
At 30 September 2021	564,706	45,724	438,006	35,802	90,652	431,815	80,168	1,686,873
At 31 December 2021	560,162	45,645	437,599	35,587	89,436	431,257	81,215	1,680,901
At 30 September 2022	541,313	52,314	443,965	34,913	84,517	421,770	93,649	1,672,441

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10. OTHER RECEIVABLES, CURRENT AND NON-CURRENT ASSETS

At 30 September 2022 and 31 December 2021, other receivables and current assets comprised the following:

<u>Other receivables and current assets</u>	<u>30 September 2022</u>	<u>31 December 2021</u>
Advances to suppliers	113,566	58,034
VAT deductible	19,552	16,593
Other prepaid expense	15,670	19,912
Prepaid taxes and funds	12,163	8,865
Income accruals	12,067	16,073
Prepaid insurance	2,096	789
Deposits and guarantees given	1,908	1,138
Advances given to personnel	1,465	863
Other receivables	5,195	9,172
	<u>183,682</u>	<u>131,439</u>

<u>Other non-current assets</u>	<u>30 September 2022</u>	<u>31 December 2021</u>
Financial assets (*)	79,747	86,243
Other non-current receivables	36,221	23,846
	<u>115,968</u>	<u>110,089</u>

(*) 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.

11. TRADE RECEIVABLES

At 30 September 2022 and 31 December 2021, trade receivables comprised the following:

<u>Trade receivables:</u>	<u>30 September 2022</u>	<u>31 December 2021</u>
Trade receivables	113,420	59,401
Guaranteed passenger fee receivable from DHMİ (*)	23,265	24,664
Doubtful receivables	49,333	45,778
Allowance for doubtful receivables (-)	(49,333)	(45,778)
Notes receivables	835	1,406
	<u>137,520</u>	<u>85,471</u>

(*) Guaranteed passenger fee receivable represents the remaining discounted guaranteed passenger fee to be received from DHMİ according to the agreement made for the operations of Ankara Esenboğa Airport as a result of IFRIC 12 application.

<u>Non-current trade receivables:</u>	<u>30 September 2022</u>	<u>31 December 2021</u>
Guaranteed passenger fee receivable from DHMİ (*)	-	9,683
	<u>-</u>	<u>9,683</u>

(*) Guaranteed passenger fee receivable represents the remaining discounted guaranteed passenger fee to be received from DHMİ according to the agreements made for the operations of Ankara Esenboğa Airport as a result of IFRIC 12 application.

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12. CASH AND CASH EQUIVALENTS

At 30 September 2022 and 31 December 2021, cash and cash equivalents comprised the following:

	30 September 2022	31 December 2021
Cash on hand	614	430
Cash at banks		
- Demand deposits	174,929	66,014
- Time deposits	85,223	26,207
Other liquid assets	448	288
Cash and cash equivalents	261,214	92,939
Bank overdrafts used for cash management purposes	(279)	(424)
Cash and cash equivalents in the statement of cash flows	260,935	92,515

The details of the Group's time deposits, maturities and interest rates as at 30 September 2022 and 31 December 2021 are as follows:

30 September 2022			
<u>Original Currency</u>	<u>Maturity</u>	<u>Interest rate %</u>	<u>Balance</u>
USD	October – December 2022	0.01 – 2.25	46,133
EUR	October 2022	0.01 – 3.00	36,935
TRL	October 2022	5.00 – 18.50	1,512
Other	October 2022	11.90	643
			85,223
31 December 2021			
<u>Original Currency</u>	<u>Maturity</u>	<u>Interest rate %</u>	<u>Balance</u>
EUR	January – February 2022	0.01 – 0.30	15,529
USD	January – March 2022	0.01 – 1.00	9,405
TRL	January 2022	5.00 – 15.00	1,265
Other	February 2022	0.06	8
			26,207

The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in Note 20.

There is no blockage or restriction on the use of cash and cash equivalents as at 30 September 2022 and 31 December 2021.

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13. RESTRICTED BANK BALANCES

At 30 September 2022 and 31 December 2021, restricted bank balances comprised the following:

	30 September 2022	31 December 2021
Project reserve and funding accounts (*)	111,847	82,211
	111,847	82,211

(*) TAV Esenboğa, TAV Tunisia, TAV Macedonia, TAV Kazakhstan, TAV Milas Bodrum, TAV Ege and TAV Holding (“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 2021: TAV Esenboğa, TAV Tunisia, TAV Macedonia, TAV Milas Bodrum, TAV Ege and TAV Holding) and other purposes. As a result of pledges regarding the project bank loans as explained in Note 16, all cash except for cash on hand are classified in these accounts for TAV Esenboğa, 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.

30 September 2022

<u>Original Currency</u>	<u>Interest rate %</u>	<u>Balance</u>
EUR	0.75	104,970
TRL	16.25	3,705
USD	1.25	2,846
Other		326
		111,847

31 December 2021

<u>Original Currency</u>	<u>Interest rate %</u>	<u>Balance</u>
EUR	0.10	81,356
USD	0.45	202
TRL	14.50	578
Other		75
		82,211

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14. CAPITAL AND RESERVES

At 30 September 2022 and 31 December 2021, the shareholding structure of the Company was as follows:

<u>Shareholders</u>	(%)	30 September 2022
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 30 September 2022		20,027
Effect of non-cash increases and exchange rates		142,357
Paid in capital EUR		162,384

<u>Shareholders</u>	(%)	31 December 2021
Tank ÖWA Alpha GmbH (*)	46.12	167,542
Tepe İnşaat	5.06	18,375
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 2021		24,080
Effect of non-cash increases and exchange rates		138,304
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.

Treasury reserves

Group’s buyback transactions have reached 2,047,331 shares in 2022 (2021: 2,047,331). With buyback of own shares, the Group has recognized a reserve of EUR 4,282 under equity as treasury shares reserve (31 December 2021:EUR 4,282).

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15. EARNINGS PER SHARE

The calculation of basic and diluted EPS at 30 September 2022 was based on the profit attributable to ordinary shareholders of EUR 129,754 (30 September 2021: profit attributable to ordinary shareholders of EUR 88,814) and a weighted average number of ordinary shares outstanding of 363,281,250 (30 September 2021: 363,281,250) as follows:

	1 January- 30 September 2022	1 July- 30 September 2022	1 January- 30 September 2021	1 July- 30 September 2021
Numerator:				
Profit for the period attributable to owners of the Company from continued operations	129,754	98,413	88,814	64,458
(Loss)/profit for the period attributable to owners of the Company from discontinued operations	(717)	(195)	(697)	418
Denominator:				
Weighted average number of shares	363,281,250	363,281,250	363,281,250	363,281,250
Basic and diluted profit per share for continued operations (full EUR)	0.36	0.27	0.24	0.18
Basic and diluted (loss) / profit per share for discontinued operations (full EUR)	(0.00)	(0.00)	(0.00)	0.00
		1 January- 30 September 2022	1 January- 30 September 2021	
Issued ordinary shares at 1 January		363,281,250	363,281,250	
Weighted average number of ordinary shares		363,281,250	363,281,250	

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16. LOANS AND BORROWINGS

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings, which are measured at amortized cost and at fair value through profit or loss. For more information about the Group's exposure to foreign currency risk arising from these loans and borrowings, see Note 20.

	<u>30 September 2022</u>	<u>31 December 2021</u>
Non-current liabilities		
Secured bank loans (*)	845,508	566,772
Unsecured bank loans	14,436	202,570
Lease liabilities	52,673	54,502
Financial liabilities at fair value through profit or loss (**)	23,232	23,756
	<u>935,849</u>	<u>847,600</u>
Current liabilities		
Short term secured bank loans (*)	49,432	40,806
Current portion of long term secured bank loans (*)	156,106	158,774
Short term unsecured bank loans	269,205	128,683
Current portion of long term unsecured bank loans	13,091	9,546
Current portion of long term lease liabilities	5,456	6,258
	<u>493,290</u>	<u>344,067</u>

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

(**) 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 lease liabilities as at 30 September 2022 and 31 December 2021 are as follows:

	<u>30 September 2022</u>	<u>31 December 2021</u>
Bank loans	1,347,778	1,107,151
Lease liabilities	58,129	60,760
Financial liabilities at fair value through profit or loss	23,232	23,756
	<u>1,429,139</u>	<u>1,191,667</u>

The Group's bank loans as at 30 September 2022 are as follows:

	Presented as		Total
	Current liabilities	Non-current liabilities	
TAV Kazakhstan	22,768	307,908	330,676
TAV Holding	250,207	-	250,207
TAV Tunisia	15,399	226,769	242,168
TAV Ege	40,236	174,264	214,500
TAV Milas Bodrum	20,222	103,644	123,866
HAVAŞ	56,650	10,288	66,938
BTA	28,956	13,276	42,232
TAV İşletme	16,598	5,396	21,994
TAV Esenboğa	19,890	-	19,890
Other	16,908	18,399	35,307
	<u>487,834</u>	<u>859,944</u>	<u>1,347,778</u>

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16. LOANS AND BORROWINGS (continued)

The Group's bank loans as at 31 December 2021 are as follows:

	Presented as		Total
	Current liabilities	Non-current liabilities	
TAV Holding	123,054	174,277	297,331
TAV Tunisia (*)	12,699	227,527	240,226
TAV Ege	52,936	178,577	231,513
TAV Milas Bodrum	12,343	109,332	121,675
HAVAŞ	52,317	23,689	76,006
BTA	14,857	26,854	41,711
TAV Esenboğa	33,113	-	33,113
TAV İşletme	16,267	7,270	23,537
TAV Gazipaşa	12,112	-	12,112
Other	8,111	21,816	29,927
	337,809	769,342	1,107,151

(*) As a consequence of the "Arab Spring" of 2011 and the attacks of 2015, expected passenger traffic in Tunisia could not be reached and TAV Tunisia stopped paying its agreed bank debt instalments. Since then, negotiations started with lenders and the Tunisian authorities (granting authority). Negotiation terms have been agreed in February 2021 leading to:

- TAV Tunisia's debt reduction which, after restructuring amounts to €234 million and;
- The issuance of TAV Tunisia's "titres participatifs" to the lenders benefit for a market value of EUR 23,232 (31 December 2021: EUR 23,756). These equity securities are qualified as financial instruments and do not confer any voting rights in the management bodies of TAV Tunisia. Holders of these securities benefit from a fixed remuneration, as well as a variable remuneration, according to TAV Tunisia's results until the end of the concession on May 2047.
- The impact of the restructuring is a net deferred tax income of EUR 109,333 as of 31 December 2021.

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16. LOANS AND BORROWINGS (continued)

Redemption schedules of the Group's bank loans according to original maturities as at 30 September 2022 and 31 December 2021 are as follows:

	<u>30 September 2022</u>	<u>31 December 2021</u>
On demand or within one year	487,834	337,809
Between one and five years	427,680	520,264
After five years	<u>432,264</u>	<u>249,078</u>
	<u>1,347,778</u>	<u>1,107,151</u>

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 30 September 2022 are between 1.50% - 5.50%, USD denominated loans as at 30 September 2022 are between 0.90% - 9.50% (31 December 2021: Spreads for EUR and USD denominated loans are between 0.75% - 5.50% and 0.90% - 3.00%, respectively).

Interest payments of 88%, 100%, 100%, 100%, 90%, 70% and 61% of floating bank loans for TAV Ege, TAV Macedonia, TAV İşletme, TAV İşletme America, TAV Milas Bodrum, TAV Kazakhstan and AIA respectively are fixed with interest rate swaps.

The Group has obtained project financing loans to finance construction of its BOT and BTO concession projects, namely TAV Esenboğa, 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.

Covenants

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

The Group provided waiver letters from lenders and there is no breach of financial agreements as at 30 September 2022.

17. OTHER PAYABLES

At 30 September 2022 and 31 December 2021, other payables comprised the following:

	<u>30 September 2022</u>	<u>31 December 2021</u>
Other short term payables		
Concession payable (*)	70,198	44,501
Advances received	42,103	15,948
Expense accruals	17,646	9,320
Taxes and duties payable	8,045	10,820
Due to personnel	7,095	5,333
Social security premiums payable	2,945	2,634
Other accruals and liabilities	<u>2,458</u>	<u>16</u>
	<u>150,490</u>	<u>88,572</u>
Other long term payables		
Concession payable (*)	649,265	654,848
Deferred payment liability	92,470	76,088
Other accruals and liabilities	<u>2,812</u>	<u>1,153</u>
	<u>744,547</u>	<u>732,089</u>

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17. OTHER PAYABLES (continued)

The Group's exposure to currency and liquidity risk is related to other payables is disclosed in Note 20.

(*) 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 DHMI 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 298,422 as of 30 September 2022 (31 December 2021: EUR 286,100). 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.

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, Gazipaşa-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.

The concession payable of the international and domestic terminal of İzmir Adnan Menderes Airport is presented in financials EUR 283,142 as of 30 September 2022 (31 December: 2021: EUR 271,450).

18. FINANCIAL ASSETS

At 30 September 2022 and 31 December 2021, financial assets comprised the following:

	30 September 2022	31 December 2021
Other financial assets (*)	1,714	-
	1,714	-

(*) Other financial assets consist of investment funds.

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19. DERIVATIVE FINANCIAL INSTRUMENTS

At 30 September 2022 and 31 December 2021, derivative financial instruments comprised the following:

	30 September 2022		
	Assets	Liabilities	Net Amount
Interest rate swap	56,030	(213)	55,817
Forward	-	(118)	(118)
	56,030	(331)	55,699
	31 December 2021		
	Assets	Liabilities	Net Amount
Interest rate swap	-	(24,521)	(24,521)
	-	(24,521)	(24,521)

Interest rate swap:

TAV Ege uses interest rate swap to manage its exposure to interest rate fluctuations on its bank borrowings. As at 30 September 2022, 88% 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 2021: 92%).

TAV Milas Bodrum uses interest rate swap to manage its exposure to interest rate fluctuations on its bank borrowings. As at 30 September 2022, 90% of total loan is hedged through IRS contract (31 December 2021: 94%).

TAV Macedonia uses interest rate swap to manage its exposure to interest rate fluctuations on its bank borrowings. As at 30 September 2022, 100% of total loan is hedged through IRS contract (31 December 2021: 100%).

TAV İşletme uses interest rate swap to manage its exposure to interest rate fluctuations on its bank borrowings. As at 30 September 2022, 100% of total loan is hedged through IRS contract (31 December 2021: 100%).

TAV İşletme America uses interest rate swap to manage its exposure to interest rate fluctuations on its bank borrowings. As at 30 September 2022, 100% of total loan is hedged through IRS contract (31 December 2021: 100%).

TAV Kazakhstan uses interest rate swap to manage its exposure to interest rate fluctuations on its bank borrowings. As at 30 September 2022, 70% of total loan is hedged through IRS contract (31 December 2021: 100%).

AIA uses interest rate swap to manage its exposure to interest rate fluctuations on its bank borrowings. As at 30 September 2022, 61% of total loan is hedged through IRS contract (31 December 2021: 100%).

The fair value of derivatives at 30 September is estimated at profit of EUR 55,699. This amount is based on market values of equivalent instruments at the reporting date. Since the Group applied hedge accounting as at 30 September 2022, changes in the fair value of these interest rate swaps are reflected to other comprehensive income resulting to an income of EUR 61,804 net of tax.

Fair value disclosures:

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

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20. FINANCIAL INSTRUMENTS

Currency risk

Exposure to currency risk:

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

30 September 2022

Foreign currency denominated financial assets	USD	EUR (*)	TRL	Other	Total
Other non-current assets	84,887	-	1,653	439	86,979
Trade receivables	11,180	2,991	5,657	16,458	36,286
Due from related parties	2,102	1,656	6,453	1,443	11,654
Other receivables and current assets	13,683	3,853	5,353	74,555	97,444
Restricted bank balances	1,029	-	727	432	2,188
Cash and cash equivalents	45,287	6,030	1,034	12,159	64,510
	158,168	14,530	20,877	105,486	299,061
Foreign currency denominated financial liabilities					
Loans and borrowings	(20,875)	(49,909)	(9,896)	(1,793)	(82,473)
Trade payables	(2,412)	(1,632)	(6,581)	(54,891)	(65,516)
Due to related parties	62	(76)	(51)	(8)	(73)
Other payables	(76,336)	(19)	(2,565)	(40,068)	(118,988)
	(99,561)	(51,636)	(19,093)	(96,760)	(267,050)
Net exposure	58,607	(37,106)	1,784	8,726	32,011

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

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20. FINANCIAL INSTRUMENTS (continued)

Currency risk (continued)

Exposure to currency risk (continued):

31 December 2021

Foreign currency denominated financial assets	USD	EUR (*)	TRL	Other	Total
Other non-current assets	89,103	-	11,859	510	101,472
Trade receivables	7,179	1,629	3,934	9,980	22,722
Due from related parties	12,152	324	284	950	13,710
Other receivables and current assets	23,792	3,166	4,231	26,712	57,901
Restricted bank balances	202	-	580	75	857
Cash and cash equivalents	11,861	2,012	721	6,932	21,526
	144,289	7,131	21,609	45,159	218,188
Foreign currency denominated financial liabilities					
Loans and borrowings	(25,894)	(42,620)	(11,134)	(3,660)	(83,308)
Trade payables	(2,371)	(970)	(3,753)	(17,741)	(24,835)
Due to related parties	(60)	(87)	(8)	(32)	(187)
Other payables	(67,382)	(1,510)	(3,473)	(46,308)	(118,673)
	(95,707)	(45,187)	(18,368)	(67,741)	(227,003)
Net exposure	48,582	(38,056)	3,241	(22,582)	(8,815)

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

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20. FINANCIAL INSTRUMENTS (continued)

Sensitivity analysis:

The Group's principal currency risk relates to changes in the value of the Euro 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 30 September 2022 and 31 December 2021 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
30 September 2022				
USD	-	-	(5,861)	5,861
TRL	-	-	(179)	179
Other	-	-	(872)	872
Total	-	-	(6,912)	6,912
31 December 2021				
USD	-	-	(4,858)	4,858
TRL	-	-	(324)	324
Other	-	-	2,258	(2,258)
Total	-	-	(2,924)	2,924

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20. FINANCIAL INSTRUMENTS (continued)

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:

	Note	30 September 2022		31 December 2021	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets					
Financial assets	18	1,714	1,714	-	-
Trade receivables - non current	11	-	-	9,683	10,323
Trade receivables - current	11	137,520	137,985	85,471	86,612
Due from related parties	22	189,103	189,103	238,706	238,706
Restricted bank balances	13	111,847	111,847	82,211	82,211
Cash and cash equivalents	12	261,214	261,214	92,939	92,939
Derivative financial instruments	19	56,030	56,030	-	-
Financial liabilities					
Bank overdraft	12	(279)	(279)	(424)	(424)
Loans and borrowings	16	(1,429,139)	(1,430,564)	(1,191,667)	(1,193,092)
Trade payables (**)		(94,283)	(94,283)	(41,931)	(41,931)
Due to related parties	22	(460,584)	(460,584)	(154,213)	(154,213)
Derivative financial instruments	19	(331)	(331)	(24,521)	(24,521)
Other payables (**)		(852,934)	(868,254)	(804,713)	(822,418)
		(2,080,122)	(2,096,402)	(1,708,459)	(1,725,808)

(*) Non-financial instruments such as prepaid expenses, prepaid taxes and dues and advances given are excluded from other receivables and current assets.

(**) 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.

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21. COMMITMENTS, CONTINGENCIES AND CONTRACTUAL OBLIGATIONS

Commitments and contingencies

	<u>30 September 2022</u>	<u>31 December 2021</u>
Letters of guarantee given to third parties	876,800	300,714
Letters of guarantee given to DHMİ	84,704	160,451
Letters of guarantee given to Tunisian Government	19,083	17,869
Letters of guarantee given to Saudi Arabian Government	13,590	11,715
Letters of guarantee given to Macedonian Government	250	250
	<u>994,427</u>	<u>490,999</u>

The Group is obliged to give a letter of guarantee at an amount equivalent of USD 13,590 (EUR 13,312) (31 December 2021: USD 13,260 (EUR 11,715)) to GACA according to the BTO agreement signed with GACA in Saudi Arabia. Furthermore, the Group is not obliged to provide a letter of guarantee as of 30 September 2022 (31 December 2021: USD 162,883 (EUR 143,906)) to National Commercial Bank which was included in letters of guarantee given to third parties. This letter of guarantee was also provided to back an Equity Bridge Loan which was rolled in 2019 within a maturity of 2021. The total obligation has been provided by the Group and is no longer valid.

The Group is obliged to give a letter of guarantee at an amount equivalent of EUR 9,338 (31 December 2021: EUR 9,157) to the Ministry of State Property and Land Affairs and EUR 9,745 (31 December 2021: 8,713) 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.

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

The Group was obliged to give a letter of guarantee for TAV Antalya Yatırım at an amount equivalent of EUR 76,525 to DHMİ as at 31 December 2021. As at 30 September 2022, this commitment has been undertaken by TAV Antalya Yatırım.

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 673,000.

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.

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21. COMMITMENTS, CONTINGENCIES AND CONTRACTUAL OBLIGATIONS (continued)

Almaty (continued)

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. This amount is not included in Group's commitments. On the other hand, the Group received 10% (USD 19,650) performance bond which covers the obligations of constructor under EPC Contract. Additionally, the Group received (USD 14,672) advance bond from the constructor.

22. RELATED PARTIES

The major immediate parents and ultimate controlling party of the Group is Group Aéroport de Paris.

Key management personnel compensation:

Key management personnel consists of members of Board of Directors of TAV Holding and Senior Management of TAV Holding and its subsidiaries. The compensation of key management personnel includes salaries, bonus, health insurance, communication and transportation and total amount of compensation is explained below. The remuneration of key management personnel during the year were as follows:

	1 January- 30 September 2022	1 July- 30 September 2022	1 January- 30 September 2021	1 July- 30 September 2021
Short-term benefits (salaries, bonuses etc.)	8,381	2,858	6,294	2,328
	8,381	2,858	6,294	2,328

As at 30 September 2022 and 31 December 2021, 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:

	30 September 2022	31 December 2021
Current loan provided to related parties	22,674	11,400
Due from related parties	10,610	23,041
	33,284	34,441
	30 September 2022	31 December 2021
Non-current loan provided to related parties	155,819	204,265
	155,819	204,265

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22. RELATED PARTIES (continued)

Due from related parties	30 September 2022	31 December 2021
ATU (1) (*)	9,125	6,744
TGS (1) (**)	5,965	62
Tibah Operation (1)	4,322	3,772
BTA Medinah (1)	2,918	176
Aéroports de Paris SA	-	7
Other related parties	344	639
	22,674	11,400

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

(**) Receivables from TGS comprise of dividend receivables.

(1) Joint venture

Current loan provided to related parties	30 September 2022	31 December 2021
ZAIC-A (1)	2,616	1,253
Saudi Havaş (1)	2,435	2,099
BTA Medinah (1)	2,069	4,171
Paris Lounge Network (1)	1,323	-
TAV İşletme Saudi (1)	639	1,208
Tibah Development (1)	-	10,394
Medinah Hotel (1)	-	2,610
Other related parties	1,528	1,306
	10,610	23,041

Non-current loan provided to related parties	30 September 2022	31 December 2021
Tibah Development (1) (*)	131,845	201,405
TAV Antalya Yatırım (1)	20,000	-
Saudi HAVAŞ (1)	3,451	2,860
Other related parties	523	-
	155,819	204,265

(*) 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 3% 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 2024. 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.

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

22. RELATED PARTIES (continued)

	30 September 2022	31 December 2021
Non-current loan provided from related parties	459,799	153,623
Due to related parties	785	530
Current loan provided from related parties	-	60
	460,584	154,213
	30 September 2022	31 December 2021
Non-current loan provided from related parties		
Tank ÖWA alpha GmbH (1) (*)	459,799	153,623
	459,799	153,623
	30 September 2022	31 December 2021
Due to related parties		
Aéroports de Paris SA	17	226
Other related parties	768	304
	785	530
	30 September 2022	31 December 2021
Current loan provided from related parties		
Other related parties	-	60
	-	60
	30 September 2022	31 December 2021
Short term deferred income from related parties		
TAV Antalya (2)	6,404	-
ATU (2) (**)	990	990
	7,394	990
	30 September 2022	31 December 2021
Long term deferred income from related parties		
ATU (2) (**)	12,134	12,874
	12,134	12,874

(*) 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.

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

(1) Shareholder

(2) Joint venture

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22. RELATED PARTIES (continued)

	1 January- 30 September 2022	1 July- 30 September 2022	1 January- 30 September 2021	1 July- 30 September 2021
Services rendered to related parties				
ATU (1) (*)	46,918	26,024	23,732	16,157
Tibah Operation (1)	5,966	1,971	6,719	3,200
TAV Antalya (1)	1,599	644	1,439	643
TGS (1)	1,388	569	1,172	403
Other related parties	80	54	1,928	12
	55,951	29,262	34,990	20,415

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

	1 January- 30 September 2022	1 July- 30 September 2022	1 January- 30 September 2021	1 July- 30 September 2021
Services rendered by related parties				
Other related parties	5,140	4,132	1,304	772
	5,140	4,132	1,304	772

On 16 June 2021, TAV Construction and Almaty International Airport JSC entered into an early works agreement for an amount of USD 20,000 upstream of the final works contract (the EPC contract) for the construction of a new terminal of the Almaty airport in Kazakhstan. This early works agreement covers the preparation of the detailed design of the works, obtaining the necessary approvals and licenses, the purchase of goods and materials as well as the construction of a reception hall. Contractual amount has been fully paid to the constructor.

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.

Group signed an EPC contract with a joint venture formed by TAV Construction and Sera related to additional investments for the capacity increase of Antalya Airport.

	1 January- 30 September 2022	1 July- 30 September 2022	1 January- 30 September 2021	1 July- 30 September 2021
Interest (expense) / income from related parties (net)				
Tank ÖWA alpha GmbH (2)	(11,876)	(4,773)	(5,466)	(1,436)
Other related parties	3,395	325	85	32
	(8,481)	(4,448)	(5,381)	(1,404)

The average interest rate used within the Group is 3.77% per annum (31 December 2021: 3.46%). 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.

Dividend distribution

In 2022, the Group did not distribute any dividend to the shareholders in accordance with its dividend policy (2021: None). Dividend per share is none (2021: None).

- (1) Joint venture
(2) Shareholder

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23. INTERESTS IN OTHER ENTITIES

Non-controlling interests in subsidiaries

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

	30 September 2022		
	TAV Tbilisi	Other immaterial subsidiaries	Total
NCI Percentage	20.00%		
Non-current assets	62,213		
Current assets	44,404		
Non-current liabilities	12,837		
Current liabilities	7,188		
Net assets	86,592		
Carrying amount of NCI	17,318	6,092	23,410
	1 January – 30 September 2022		
	TAV Tbilisi	Other immaterial subsidiaries	Total
Revenue	57,155		
Profit	28,931		
Total comprehensive income	42,459		
Profit allocated to NCI	5,786	1,036	6,822
	1 July – 30 September 2022		
	TAV Tbilisi	Other immaterial subsidiaries	Total
Revenue	25,512		
Profit	13,834		
Total comprehensive income	20,678		
Profit allocated to NCI	2,767	799	3,566

In 2022 the Company distributed dividends to non-controlling shareholders amounting to EUR 3,021.

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23. INTERESTS IN OTHER ENTITIES (continued)

Non-controlling interests in subsidiaries (continued)

	31 December 2021		
	TAV Tbilisi	Other immaterial subsidiaries	Total
NCI Percentage	20.00%		
Non-current assets	53,033		
Current assets	13,605		
Non-current liabilities	7,697		
Current liabilities	4,222		
Net assets	54,719		
Carrying amount of NCI	10,944	4,007	14,951
	1 January – 30 September 2021		
	TAV Tbilisi	Other immaterial subsidiaries	Total
Revenue	28,986		
Profit	13,248		
Total comprehensive income	18,396		
Profit allocated to NCI	2,650	878	3,528
	1 July – 30 September 2021		
	TAV Tbilisi	Other immaterial subsidiaries	Total
Revenue	16,060		
Profit	8,654		
Total comprehensive income	10,897		
Profit allocated to NCI	1,731	967	2,698
		30 September 2022	31 December 2021
Joint ventures		755,012	318,268
Associates		1,593	929
		756,605	319,197

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23. INTERESTS IN OTHER ENTITIES (continued)

	1 January- 30 September 2022	1 July- 30 September 2022	1 January- 30 September 2021	1 July- 30 September 2021
Joint ventures	47,697	42,226	(11,249)	18,452
Associates	(522)	(608)	(1,042)	38
	47,175	41,618	(12,291)	18,490

Joint Ventures

Carrying amounts of the Group's joint ventures in the statement of financial position as at 30 September 2022 and 31 December 2021 are as follows:

	30 September 2022	31 December 2021
TAV Antalya Invest	367,379	-
TAV Antalya	288,407	272,053
TGS	63,272	19,572
ATU	34,864	23,317
Tibah Operation	483	3,205
Other (*)	607	121
	755,012	318,268

(*) The share of companies with negative net assets in the Group's net assets is reclassified to liabilities from investments accounted by the equity method.

Group's share of profit / (loss) of the Group's joint ventures in the statement of comprehensive income for the period ended 30 September are as follows:

	1 January- 30 September 2022	1 July- 30 September 2022	1 January- 30 September 2021	1 July- 30 September 2021
TAV Antalya	23,649	23,513	14,072	20,484
TGS	21,220	10,122	6,403	6,886
ATU	11,669	9,659	(1,863)	1,780
Tibah Operation	834	307	669	263
Tibah Development	-	-	(26,861)	(10,031)
TAV Antalya Invest	(7,897)	(706)	-	-
Other	(1,778)	(669)	(3,669)	(930)
	47,697	42,226	(11,249)	18,452

(*) Due to application of 38th and 39th paragraphs of IAS 28, the Group will no longer account loss or gain of Tibah Development under "Share of profit of equity-accounted investees, net of tax" in consolidated statement of profit or loss. 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.

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23. INTERESTS IN OTHER ENTITIES (continued)

Associates

Carrying amount of the Group's associate in the statement of financial position as at 30 September 2022 and 31 December 2021 are as follows:

	<u>30 September 2022</u>	<u>31 December 2021</u>
ZAIC-A	531	-
Other	<u>1,062</u>	<u>929</u>
	<u><u>1,593</u></u>	<u><u>929</u></u>

24. ACQUISITIONS OF SUBSIDIARY

Almaty Airport Investment Holding BV, a consortium led by the Group, signed on May 7, 2020 an agreement to buy 100% stake in the Almaty Airport; and fuel related businesses carried on by Venus Trading LLP for an amount USD 417,074 composed by;

- USD 365,010 paid on April 29, 2021
- USD 6,639 paid in July 2021 as an adjustment to take into account the net indebtedness, working capital requirement and cash of acquired companies on the acquisition date;
- and USD 45,425 payable no later than 2030 or earlier depending on traffic levels.

Closing took place on April 29, 2021, since then the Group has ownership of 85% of shares of Venus Trading LLP, Almaty International Airport JSC and its subsidiaries Almaty Catering Services LLP and Almaty FBO LLP, 100% subsidiary of Almaty International Airport JSC. The consortium partner KIF Warehouses Coöperatief U.A. (investment fund owned by VPE Capital and Kazina Capital Management) holds the remaining 15%. The latter 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 was estimated at EUR 40,043. As the Group has the capacity to impose its decisions on relevant activities, the companies acquired are fully consolidated.

According to IFRS 3 "Business Combinations", the acquisition price has been allocated between the various identifiable assets and liabilities of the companies acquired. This work to identify and measure assets and liabilities at fair value on April 29, 2021 was carried out with the help of a consulting firm and resulted in the recognition of a partial goodwill for an amount of USD 87,332 (EUR 89,210).

25. SUBSEQUENT EVENTS

The consortium formed by the Group, Nahco Management Services Ltd and Planet Project Limited (the Consortium), submitted a bid for the tender to operate and develop the international passenger & cargo terminals of Lagos Airport in Nigeria for a period of 20 years. According to the announcement made by the Federal Airports Authority of Nigeria (FAAN), the Consortium has been selected as the "preferred bidder". This selection is subject to the necessary official approvals. After the necessary approvals are obtained, the next step in the tender process is a negotiation stage between FAAN and the Consortium. The result of this negotiation stage will be disclosed through the Public Disclosure Platform and if the negotiations conclude affirmatively then detailed operating conditions will also be shared with the public.