



**PEGASUS HAVA TAŞIMACILIĞI ANONİM ŞİRKETİ**  
**INTERIM ACTIVITY REPORT OF THE BOARD OF DIRECTORS**  
**FOR THE PERIOD BETWEEN JANUARY 1 – JUNE 30, 2025**

**AUGUST 12, 2025**

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**(CONVENIENCE TRANSLATION OF  
INDEPENDENT AUDITOR’S REPORT ON THE MANAGEMENT’S INTERIM REPORT  
ORIGINALLY ISSUED IN TURKISH)**

**INDEPENDENT AUDITOR’S REPORT ON THE MANAGEMENT’S INTERIM REPORT**

To the General Assembly of Pegasus Hava Taşımacılığı A.Ş.

**Opinion**

We have been appointed as the independent auditors to perform a review of whether the financial information included in the interim activity report of Pegasus Hava Taşımacılığı A.Ş. (the “Company”) and its subsidiaries (the “Group”) as of 30 June 2025 is consistent with the reviewed interim condensed consolidated financial statements. The interim activity report is the responsibility of the Group’s management. Our responsibility is to conclude whether the financial information in the report is consistent with the reviewed interim condensed consolidated financial statements as at 12 August 2025 and the explanatory notes.

We conducted our review in accordance with the Independent Auditing Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. Our limited review covers the examination of whether the financial information included in the interim activity report is consistent with the reviewed interim condensed consolidated financial statements and the explanatory notes. A review is substantially less in scope than an audit conducted in accordance with Independent Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information provided in the Management’s interim report, is not presented fairly, in all material respects, and is not consistent with the reviewed interim financial statements and the explanatory notes.



*Other Matter*

The independent audit of the Group's consolidated annual report for the year ended 31 December 2024 and the independent review of the Group's consolidated annual report for the six-month period ended 30 June 2024 have been performed by another audit firm which expressed an unqualified opinion and an unqualified conclusion in the annual report dated 4 March 2025 and the six-month annual report dated 12 August 2024, respectively.

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

Cem Tovil  
Partner

İstanbul, 12 August 2025

**PEGASUS HAVA TAŞIMACILIĞI ANONİM ŞİRKETİ**  
**INTERIM ACTIVITY REPORT OF THE BOARD OF DIRECTORS**  
**FOR THE PERIOD JANUARY 1 – JUNE 30, 2025**

*This Report is prepared in accordance with the Regulation on the Determination of the Minimum Content of Company Annual Reports published by the Turkish Ministry of Commerce, the Corporate Governance Communiqué No. II-17.1 and the Corporate Governance Principles published by the Turkish Capital Markets Board and other applicable provisions of Turkish law.*

*As used in this Report, the following terms shall have the meanings indicated below:*

- **“Board”** or **“Board of Directors”** refers to the Pegasus Airlines Board of Directors.
- **“Company”** or **“Pegasus Airlines”** refers to Pegasus Hava Taşımacılığı A.Ş., more fully described in Section 1/A of this Report.
- **“Esas Holding”** or **“Esas”** refers to Esas Holding A.Ş.
- **“Hitit CS”** refers to Hitit Bilgisayar Hizmetleri A.Ş.
- **“PIN Lab”** refers to Pegasus Innovation Lab, Inc.
- **“PAT”** refers to Pegasus Havacılık Teknolojileri ve Ticaret A.Ş.
- **“Principles”** refers to the Corporate Governance Principles published by the Turkish Capital Markets Board.
- **“Report”** refers to this Annual Report of the Pegasus Airlines Board of Directors.

**1- GENERAL INFORMATION**

**A- GENERAL INFORMATION ON PEGASUS AIRLINES**

Reporting Period : January 1, 2025 – June 30, 2025  
Commercial Title : Pegasus Hava Taşımacılığı A.Ş.  
Trade Registration : Istanbul Trade Registry / 261186  
Central Registry No. : 0-7230-0470-8500017  
Headquarters : Aeropark, Yenişehir Mahallesi, Osmanlı Bulvarı, No: 11/A  
Kurtköy 34912 Pendik / Istanbul  
Contact Information : Telephone. +90 216 560 7000  
Corporate Website. [www.flypgs.com](http://www.flypgs.com)  
Investor Relations Website.  
<http://www.pegasusinvestorrelations.com>

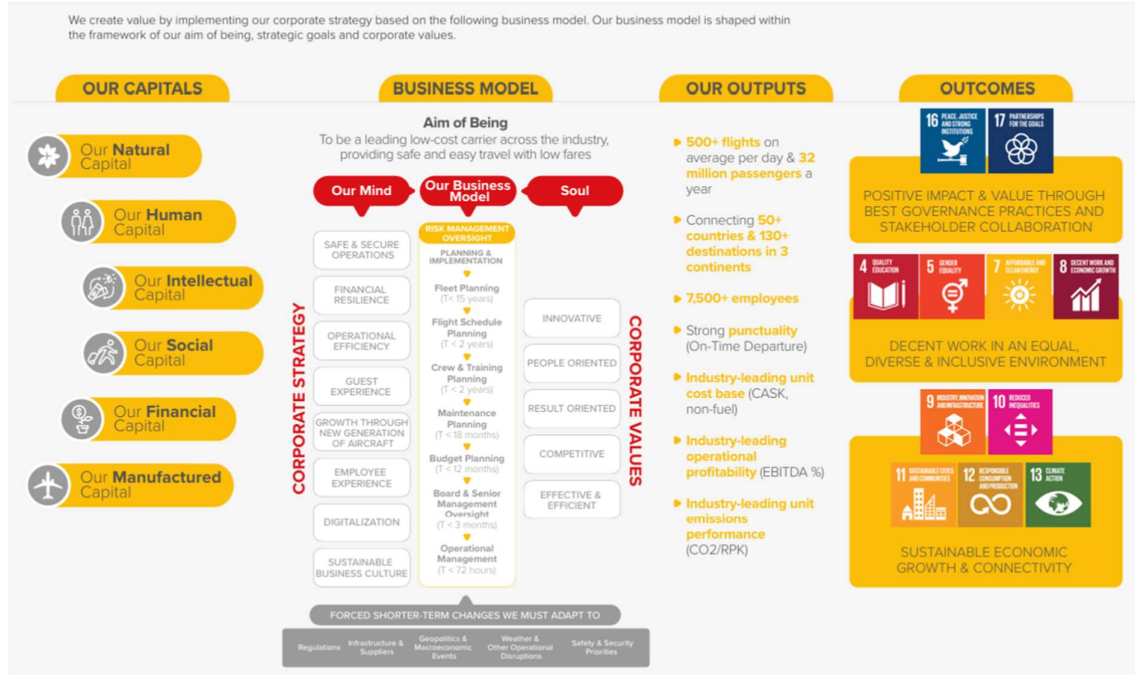
**B- VISION, MISSION, AND STRATEGIC TARGETS OF PEGASUS AIRLINES**

We operate in line with the strategic targets determined by our Board of Directors in accordance with our aim of being: *“To be a leading low-cost carrier across the industry, providing safe and easy travel with low fares”* and our motto: *“Everybody has the right to fly.”*

Our strategic targets are underpinned by our key corporate values: Innovation, People Orientation, Competitiveness, Result Orientation, and Effectiveness & Efficiency.

Our annual budget is approved by our Board of Directors before each fiscal year. Our operational and financial results are monitored by the Board of Directors on a regular basis, against budgeted targets. The Board of Directors reviews our strategic targets and the Company’s progress in terms of strategic key performance indicators on a regular basis.

Our value model, first developed in 2024 and shown below, provides a more holistic approach on the value impact of our business. For more information on our value model, please refer to the 2024 Pegasus Airlines Sustainability Report.



### C- CAPITAL, SHAREHOLDING AND ORGANIZATION STRUCTURE OF PEGASUS AIRLINES

Our issued capital is ₺500,000,000 and our authorized capital ceiling is ₺2,500,000,000. Information on our capital and shareholding structure as of January 1, 2025, and June 30, 2025, respectively, is shown in the table below.

| Shareholder        | January 1, 2025   |                    | June 30, 2025     |                    |
|--------------------|-------------------|--------------------|-------------------|--------------------|
|                    | Number of Shares  | Shareholding Ratio | Number of Shares  | Shareholding Ratio |
| Esas Holding       | 264,056,018       | 52.81%             | 264,056,018       | 52.81%             |
| Publicly Traded    | 226,866,830       | 45.37%             | 226,866,830       | 45.37%             |
| Emine KAMIŞLI      | 3,025,717         | 0.61%              | 3,025,717         | 0.61%              |
| Ali İsmail SABANCI | 3,025,717         | 0.61%              | 3,025,717         | 0.61%              |
| Kazım KÖSEOĞLU     | 1,512,859         | 0.30%              | 1,512,859         | 0.30%              |
| Can KÖSEOĞLU       | 1,512,859         | 0.30%              | 1,512,859         | 0.30%              |
| <b>Total</b>       | <b>500,000,00</b> | <b>100.00%</b>     | <b>500,000,00</b> | <b>100.00%</b>     |

As of June 30, 2025, Esas Holding is the controlling shareholder of Pegasus Airlines. Established in 2000, Esas Holding is the largest family-owned investment firm in Türkiye and is backed by the first- and second-generation family members of Şevket SABANCI, one of the five founding members of H. Ö. Sabancı Holding A.Ş., a leading Turkish conglomerate. With offices in Istanbul and London, Esas invests in various asset classes globally including private equity, real estate, venture capital and public markets.

Our Company's management organization chart as of June 30, 2025, is provided in Section 1/F of this Report.

#### D- INFORMATION ON BUSINESS ACTIVITIES

We are the leading low-cost airline in Türkiye. We operated charter flights since 1990. Following our acquisition by Esas at the beginning of 2005, we changed our business model, introducing a low-cost network carrier model for the first time and focused on providing affordable and on-time air travel service with a young fleet.

As a result of the successful implementation of this low-cost strategy, we experienced rapid expansion of our operations both in domestic and international routes. Between 2009 and 2019, our cumulative average annual passenger growth reached 18%, significantly outpacing the 9% annual average growth recorded by the Turkish market. We operate a growing young and modern fleet of 124 aircraft with 4,87 average aircraft age as of June 30, 2025.

We provide high-frequency services on short- and medium-haul, point-to-point, and transit routes on its domestic and international network primarily from our main hub in Istanbul Sabiha Gökçen International Airport. As of June 30, 2025, we offered scheduled passenger services on 37 domestic destinations in Türkiye and 114 international destinations to European (including North Cyprus), CIS, Middle Eastern and African destinations, serving a flight network covering 151 destinations in 54 different countries.

Our business model is based on a strong focus on efficient operations and cost control, and revenue generation through various services ancillary to the core air passenger services. As of June 30, 2025, our CASK, non-fuel was recorded as €2,75, while revenue recorded from ancillary services constituted 39% of total revenue for the period. As of June 30, 2025, we continued to derive revenue from other services, primarily consisting of cargo services and a relatively low volume of charter and split charter flights for tour operators, which represented 1% of total revenue for the period.

#### E- INFORMATION ON PRIVILEGED SHARES

We do not have any privileged shares. Therefore, there are no voting privileges attached to Pegasus Airlines shares or any preference in respect of the nomination of Board members or the allocation of any distribution or payment to be made from Company profits.

#### F- INFORMATION ON THE MANAGEMENT BODY, SENIOR MANAGEMENT AND PEGASUS AIRLINES EMPLOYEES

**a)- Management Body:** Our management body is the Board of Directors. Within the framework of Article 10 of our Articles of Association, the Board of Directors must be composed of at least five members. As of June 30, 2025, the Board of Directors consisted of eight members.

The identity, duty and term of office of each Board member are indicated below.

| Name / SURNAME                     | Duty                       | Serves Since <sup>(1)</sup> | Committee Duties                              |
|------------------------------------|----------------------------|-----------------------------|-----------------------------------------------|
| Mehmet Tefik NANE                  | Chairperson of the Board   | 2022                        | Member, Technology Comm.                      |
| Ali İsmail SABANCI                 | Board Member               | 2005                        | -                                             |
| Mehmet Cem KOZLU                   | Non-Executive Board Member | 2013                        | Member, Corp. Gov. Comm.                      |
| Hatice Zeynep Bodur OKYAY          | Non-Executive Board Member | 2016                        | Member, Risk Comm.                            |
| Agah UĞUR                          | Independent Board Member   | 2019                        | Chair, Audit Comm.<br>Member, Risk Comm.      |
| David Alexander Florenz<br>VISMANS | Independent Board Member   | 2022                        | Chair, Risk Comm.<br>Member, Technology Comm. |
| Ayşegül İLDENİZ                    | Independent Board Member   | 2022                        | Chair, Corp. Gov. Comm.                       |

|                                                                                                                                                                                                                            |                            |      |                                       |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------|---------------------------------------|
|                                                                                                                                                                                                                            |                            |      | Member, Audit Comm., Technology Comm. |
| Stephen Mark GRIFFITHS                                                                                                                                                                                                     | Non-Executive Board Member | 2016 | Member, Corp. Gov. Comm.              |
| <sup>(1)</sup> Board appointments are made annually at the discretion of our shareholders and our current Board members were appointed for a term of one year at the Annual General Assembly Meeting dated March 28, 2025. |                            |      |                                       |

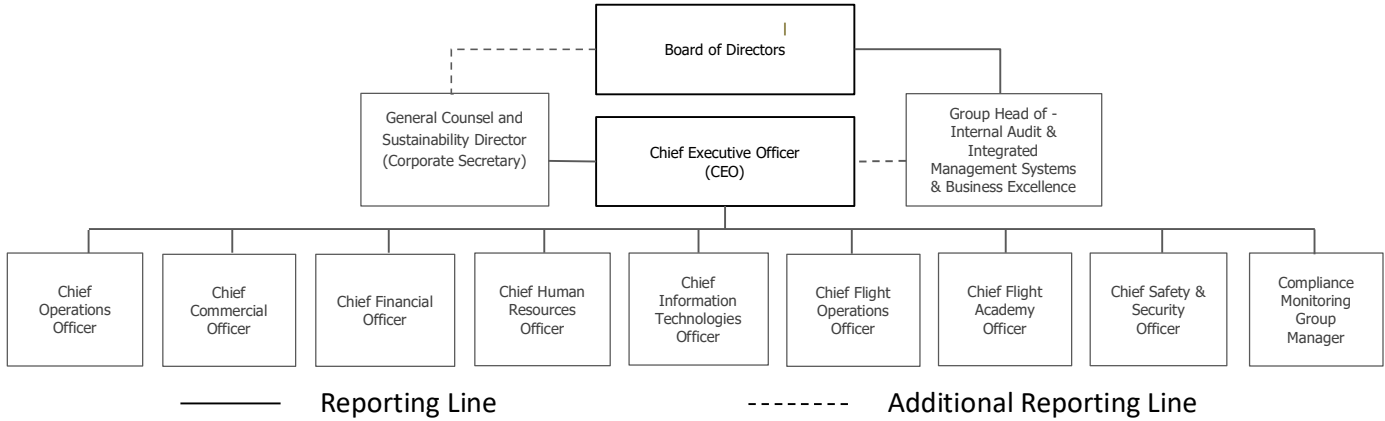
**b)- Senior Management:** Our senior management comprises the General Manager (CEO) and department heads directly reporting to the CEO. Information on Pegasus senior management and their duties as of June 30, 2025, is provided in the following chart.

| Name / SURNAME        | Duty                                                                                   | Serves Since <sup>(1)</sup> | Serves in Position Since <sup>(2)</sup> |
|-----------------------|----------------------------------------------------------------------------------------|-----------------------------|-----------------------------------------|
| Güliz ÖZTÜRK          | Chief Executive Officer                                                                | 2005                        | 2022                                    |
| M. Barbaros KUBATOĞLU | Chief Financial Officer                                                                | 2007                        | 2018                                    |
| Onur DEDEKÖYLÜ        | Chief Commercial Officer                                                               | 2010                        | 2022                                    |
| Ergün DEMİRCİ         | Chief Operations Officer                                                               | 2013                        | 2022                                    |
| Gençer KARATEPE       | Chief Flight Operations Officer                                                        | 2018                        | 2020                                    |
| Dilara OĞUR           | Chief Human Resources Officer                                                          | 2015                        | 2015                                    |
| Barış FINDIK          | Chief Information Technologies Officer                                                 | 2017                        | 2017                                    |
| Murat TÜNAY           | Chief Safety & Security Officer                                                        | 2011                        | 2020                                    |
| Yavuz Selim ÖZMEN     | Chief Flight Academy Officer                                                           | 2016                        | 2020                                    |
| Ali UZUN              | General Counsel and Sustainability Senior Director                                     | 2013                        | 2022                                    |
| Sinan Onur ÖZTUNA     | Compliance Monitoring Group Manager                                                    | 2016                        | 2020                                    |
| Ayşe Naz ÇAĞIL        | Group Head of – Internal Audit & Integrated Management Systems and Business Excellence | 2023                        | 2023                                    |

<sup>(1)</sup> Indicates service in Pegasus Airlines Group Companies.

<sup>(2)</sup> Indicates service in the stated duty.

Our management organization chart is shown below:



**c)- Number of Employees:** The total number of our full-time employees, including the employees of our consolidated subsidiary defined in Section 1/H of this Report, as of June 30, 2025, was 9.188. This number includes the members of our senior management listed above. There are no employees under a collective bargaining agreement.

## G- INFORMATION ON INVESTMENTS MADE BY PEGASUS AIRLINES IN THE RELEVANT ACCOUNTING PERIOD

Information relating to our fleet as of June 30, 2025, is shown below:

| AIRCRAFT TYPE | RANGE (KM) | NUMBER OF AIRCRAFT |            |            | SEAT CAPACITY |            |            | AVERAGE FLEET AGE |
|---------------|------------|--------------------|------------|------------|---------------|------------|------------|-------------------|
|               |            | 30.06.2025         | 30.06.2024 | Growth (%) | 30.06.2025    | 30.06.2024 | Growth (%) | 30.06.2025        |
| B737-800      | 4.163      | 9                  | 10         | -10%       | 1.701         | 1.890      | -10%       | 10,99             |
| A320CEO       | 4.074      | 6                  | 6          | 0%         | 1.092         | 1.092      | 0%         | 9,77              |
| A320NEO       | 4.740      | 46                 | 46         | 0%         | 8.556         | 8.556      | 0%         | 6,46              |
| A321NEO       | 4.237      | 60                 | 46         | 30%        | 14.340        | 10.994     | 30%        | 2,23              |
| TOTAL         |            | 121                | 108        | 12%        | 25.689        | 22.532     | 14%        | 4,87              |

In July 2012, we placed an order with Airbus for 57 firm order A320neo and 18 firm order A321neo aircraft, totaling 75, and an additional 25 optional aircraft, thereby constituting a purchase order for 100 new aircraft. This was the largest single aircraft order in Turkish civil aviation history at the time. In December 2017, we exercised our option for 25 additional aircraft and converted these option aircraft to firm orders in A321neo configuration. In October 2021, we placed an order with Airbus for 6 additional A321neo aircraft, in June 2022, we placed an order with Airbus for 8 additional A321neo aircraft and in July 2023, we placed an order with Airbus for 36 additional A321neo aircraft. The 2012 Airbus Order, as amended, comprised a total of 42 A320neo and 108 A321neo aircraft. Pegasus is the first customer of CFM-Leap series engine used on A320neo aircraft. In line with our fleet management strategy and in addition to the existing firm aircraft orders, in December 2024 we placed an order with Boeing covering up to 200 B737-10 aircraft to satisfy our aircraft requirements envisaged for 2028 and beyond. As part of this agreement, we placed a firm order for 100 B737-10 aircraft with expected deliveries starting from 2028, and secured options for up to 100 additional B737-10 aircraft, convertible to firm orders in the upcoming years. 3 A321NEO joined Pegasus fleet as of January 1, 2025, until June 30, 2025.

The delivery schedule for the A320neo/A321neo aircraft under our Airbus order is as follows:

| Aircraft Type | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030-2034 |
|---------------|------|------|------|------|------|------|-----------|
| A320neo       | 0    | 0    | 0    | 0    | 0    | 0    | 0         |
| A321neo       | 16   | 9    | 8    | 13   | 11   | 11   | 0         |
| B737-10       | 0    | 0    | 0    | 0    | 9    | 12   | 79        |

## H- INFORMATION ON DIRECT AND INDIRECT INVESTMENTS BY PEGASUS AIRLINES IN OTHER VENTURES

The table below lists information relating to our direct subsidiaries and joint ventures as of June 30, 2025. As of June 30, 2025, we did not have any indirect subsidiaries or joint ventures. We were not subject to any cross-shareholding for the same period.

| Affiliate | Nationality / Area of Activity               | Issued Share Capital | Nominal Shareholding | Share % | Affiliation with Pegasus |
|-----------|----------------------------------------------|----------------------|----------------------|---------|--------------------------|
| Hitit CS  | Türkiye / Information Technologies Solutions | ₺300,000,000         | ₺ 110,446,803*       | 36.82%  | Joint Venture            |

|         |                                                                                                     |           |           |         |            |
|---------|-----------------------------------------------------------------------------------------------------|-----------|-----------|---------|------------|
| PAT     | Türkiye / Simulated flight training                                                                 | ₺100,000  | ₺100,000  | 100.00% | Subsidiary |
| PIN Lab | U.S.A. / Collaboration for and Development of Applicable Aviation Technology and Software Solutions | \$200,000 | \$200,000 | 100.00% | Subsidiary |

\* The 1,849,518 Class C shares repurchased due to price stabilization transactions during the initial public offering process are included.

## 2-FINANCIAL STATUS

### A- PEGASUS SHARE

Pegasus shares started trading on Borsa Istanbul on April 26, 2013, at the initial public offer price of ₺18.40. As of June 30, 2025, the indices including Pegasus Airlines shares and information on Pegasus Airlines shares are as follows:

|                  |                                                                                                                                                                                                                                     |
|------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Issuer           | : PEGASUS HAVA TAŞIMACILIĞI A.Ş.                                                                                                                                                                                                    |
| Trade Platforms  | : BORSA ISTANBUL (BIST)                                                                                                                                                                                                             |
| Market Segment   | : STAR MARKET                                                                                                                                                                                                                       |
| Indices          | : BIST CORPORATE GOVERNANCE / BIST STARS / BIST ALL SHARES / BIST SUSTAINABILITY / BIST SUSTAINABILITY 25 / BIST TRANSPORTATION / BIST SERVICES / BIST 100 / BIST 50 / BIST ISTANBUL / BIST 30 / BIST LIQUID 10 EX BANKS / BIST 500 |
| BIST Ticker      | : PGSUS                                                                                                                                                                                                                             |
| Bloomberg Ticker | : PGSUS.TI                                                                                                                                                                                                                          |
| Reuters Ticker   | : PGSUS.IS                                                                                                                                                                                                                          |

Pegasus shares closed the six-month period ending June 30, 2025 at a price of 250,00 ₺/share with year-to-date increase of 21%.

### B- SALES AND PROFITABILITY IN THE REPORTING PERIOD, REVENUE GENERATION, DEBT/EQUITY RATIO AND OTHER ASPECTS THAT PROVIDE INFORMATION ON THE COMPANY'S OPERATIONAL RESULTS COMPARED AGAINST PREVIOUS YEARS

Operational and financial results of Pegasus for the period between January 1 – June 30, 2025 compared against the same period in 2024 and the year-over-year changes for the relevant line items are set out in the following charts:

| <b>Overall Traffic Results</b>                                  | <b>Jan. – June<br/>2025</b> | <b>Jan. – June<br/>2024</b> | <b>Y-O-Y Change<br/>%</b> |
|-----------------------------------------------------------------|-----------------------------|-----------------------------|---------------------------|
| Number of passengers ( <i>million</i> )                         | 19,71                       | 17,43                       | 13,1                      |
| Cycles                                                          | 108.554                     | 96.854                      | 12,1                      |
| Number of seats ( <i>million</i> )                              | 22,85                       | 19,95                       | 14,5                      |
| Load factor (%)                                                 | 86,3                        | 87,3                        | -1,1                      |
| ASK <sup>(1)</sup> ( <i>million</i> )                           | 35.974                      | 31.088                      | 15,7                      |
| Passengers per cycle                                            | 182                         | 180                         | 0,9                       |
| Avg. daily aircraft utilization ( <i>hours</i> ) <sup>(2)</sup> | 12,8                        | 12,7                        | 1,4                       |
| <b>Domestic</b>                                                 |                             |                             |                           |
| Number of passengers ( <i>million</i> )                         | 7,12                        | 6,70                        | 6,2                       |
| Cycle                                                           | 37.009                      | 36.206                      | 2,2                       |
| Number of seats ( <i>million</i> )                              | 7,89                        | 7,39                        | 6,8                       |
| Load factor (%)                                                 | 90,3                        | 90,8                        | -0,5                      |
| ASK <sup>(1)</sup> ( <i>million</i> )                           | 5.961                       | 5.532                       | 7,8                       |
| Passengers per cycle                                            | 192                         | 185                         | 3,9                       |

**International**

|                                |        |        |      |
|--------------------------------|--------|--------|------|
| Number of passengers (million) | 12,42  | 10,52  | 18,0 |
| Cycle                          | 70.544 | 59.500 | 18,6 |
| Number of seats (million)      | 14,78  | 12,36  | 19,6 |
| Load factor (%)                | 84,0   | 85,1   | -1,1 |
| ASK <sup>(1)</sup> (million)   | 29.711 | 25.228 | 17,8 |
| Passengers per cycle           | 176    | 177    | -0,4 |

**Charter**

|                                |       |       |       |
|--------------------------------|-------|-------|-------|
| Number of passengers (million) | 0,18  | 0,20  | -13,0 |
| Cycle                          | 1.001 | 1.148 | -12,8 |
| Number of seats (million)      | 0,18  | 0,21  | -14,1 |
| ASK <sup>(1)</sup> (million)   | 302   | 328   | -7,8  |

<sup>(1)</sup> Refers to available seat kilometers and is equal to the number of seats available for passengers during a specified period multiplied by the number of kilometers that those seats are flown.

<sup>(2)</sup> Refers to the hours from an aircraft's take-off to landing (including taxi time).

| <b>Summary Balance Sheet ('000 TL)</b> | <b>30.06.2025</b> | <b>31.12.2024</b> | <b>Change (%)</b> |
|----------------------------------------|-------------------|-------------------|-------------------|
| Current assets                         | 72.887.169        | 69.511.513        | 5%                |
| Non-current assets                     | 276.866.549       | 213.808.264       | 29%               |
| Total assets                           | 349.753.718       | 283.319.777       | 23%               |
| Current liabilities                    | 68.423.822        | 54.463.616        | 26%               |
| Non-current liabilities                | 184.207.534       | 153.937.068       | 20%               |
| Shareholders' equity                   | 97.122.362        | 74.919.093        | 30%               |

| <b>Summary P&amp;L ('000 TL)</b>                            | <b>30.06.2025</b> | <b>30.06.2024</b> | <b>Change (%)</b> |
|-------------------------------------------------------------|-------------------|-------------------|-------------------|
| Sales                                                       | 62.013.070        | 43.963.935        | 41%               |
| Gross (loss) / profit                                       | 7.286.636         | 5.954.780         | 22%               |
| (Loss) / profit from operations                             | (1.315.713)       | 3.938.656         | -133%             |
| Operating (loss) / profit before financial income/(expense) | 612.040           | 4.797.013         | -87%              |
| (Loss) / profit before tax                                  | 4.192.709         | (270.341)         | -1651%            |
| (Loss) / profit for the period                              | 2.497.837         | 496.188           | 403%              |
| (Loss) / profit per share                                   | 5,00              | 0,99              | 405%              |

| <b>Changes in Financial Position ('000 TL)</b> | <b>30.06.2025</b> | <b>31.12.2024</b> | <b>Change (%)</b> |
|------------------------------------------------|-------------------|-------------------|-------------------|
| Cash and cash equivalents                      | 39.529.453        | 46.258.554        | -15%              |
| Financial Investments                          | 21.642.905        | 15.719.296        | 38%               |
| Financial liabilities                          | 192.429.265       | 166.307.502       | 16%               |
| Net debt position <sup>(1)</sup>               | 131.256.907       | 104.329.652       | 26%               |

<sup>(1)</sup> Net debt position = Financial liabilities - Cash and cash equivalents – Financial Investments

**C- FINANCING SOURCES AND CAPITAL MARKETS INSTRUMENTS ISSUED BY PEGASUS**

We finance approximately 85% of the purchase price for the Boeing and Airbus aircraft acquired by way of financial lease through loans obtained from various banks. As of June 30, 2025, the outstanding balance of the total loans borrowed for the financing of 91 aircraft acquired by way of financial lease with purchase option is ₺151.965.335.250.

Furthermore, as of June 30, 2025, together with our subsidiary, we had drawn ₺8.856.612.256 on cash loans and 2.785.689.087₺ on non-cash loans under credit lines with various Turkish and foreign banks. These credit lines are open credit facilities that can be generally used for terms ranging from 12 to 24 months.

We issued debts in capital markets as a separate source of financing. Within the issuance limit of US\$750,000,000, approved by the Capital Markets Board by its decision dated April 1, 2021,

and numbered 17/524, we concluded an issue of Eurobonds with a nominal value of US\$375,000,000 on April 30, 2021. The bonds carrying the ISIN XS2337336445 and US705567AA31 were issued for a term of 1,826 days and variable rate interest coupon payment in six-month arrears and scheduled to mature on April 30, 2026 (“**2026 Eurobonds**”). As of April 30, 2025, we exercised our call option to repay the entire outstanding value of the 2026 Eurobonds, simultaneously with the eighth coupon payment. We concluded another issue of Eurobonds, within the issuance limit of US\$750,000,000, approved by the Capital Markets Board by its decision dated August 1, 2024 and numbered 41/1181, with a nominal value of US\$500,000,000 on September 11, 2024. The bonds carrying the ISIN XS2897383043 and US705567AB14 were issued for a term of 2,556 days ad variable rate interest coupon payment in six-month arrears and will mature on September 11, 2031 (“**2031 Eurobonds**”).

### **3- RISKS AND THE EVALUATION OF THE MANAGEMENT BODY**

#### **A- INFORMATION ON THE RISK MANAGEMENT POLICY ADOPTED BY PEGASUS AIRLINES WITH RESPECT TO FORSEEABLE RISKS**

Our Board of Directors is responsible for protecting the long-term benefits of our Company through a rational and prudent risk management approach by performing optimum balance between risk, growth and returns.

The Committee on the Early Detection of Risks (Risk Committee) assists the Board with respect to the determination in advance, management and mitigation of the risks that may endanger the existence, development, and the future of Pegasus Airlines.

When performing its risk detection and management duties, the Committee cooperates with other Board Committees and the Company management. In this respect, the Committee works in cooperation with the Audit Committee with respect to risks inherent to financial reporting and internal control mechanisms, with the Corporate Governance Committee with respect to human resources related risks involving the Board and the senior management.

The main risks to which the Company is exposed, the relevant departments responsible for the scrutiny and management of these risks and the measurement tools and tolerance limits applicable to these risks are determined by the Risk Committee. Risk areas thus defined are regularly reviewed, re-evaluated and the mitigating actions implemented by Company management in response to these risks are periodically submitted for the review and evaluation of the Committee. The risk evaluation analysis reviewed by the Committee and recommendations by the Committee are communicated to the Board once every two months.

### **4- OTHER MATTERS**

#### **A- MATERIAL EVENTS TAKING PLACE AFTER PERIOD END THAT MAY AFFECT THE RIGHTS AND BENEFITS OF THE SHAREHOLDERS, CREDITORS AND OTHER RELATED PERSONS AND ENTITIES**

With the aim of increasing our capabilities in digitalization and technology in the coming years and evaluating opportunities across the globe, our subsidiary Pegasus Airlines Innovation Lab, Inc. has been operating in Silicon Valley in the USA since the end of 2023. Our Board of Directors resolved on the establishment of Pegasus Airlines Ventures Limited Partnership in the USA where the Company will be the sole limited partner, with the aim of seizing investment opportunities in Artificial Intelligence focused technology ventures which our Company collaborates through Innovation Lab. Pegasus Airlines Ventures LP will be positioned as a corporate venture capital fund to evaluate investment opportunities in identified ventures.

Our 2024 TSRS Compliant Sustainability Report, prepared in line with the Turkish Sustainability Reporting Standards (TSRS) published by the Public Oversight Accounting and Auditing Standards Authority, and subject to limited assurance review by Güney Bağımsız Denetim ve SMMM A.Ş. (a member firm of Ernst & Young Global Limited) is published on August 7, 2025.

The Company's "Corporate Governance Rating Report" for the new term has been prepared by Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş., an entity authorized by the Capital Markets Board to conduct compliance rating with respect to the applicable corporate governance principles. Our previous Compliance rating of 97.90 (9.79/10.0) announced on August 12, 2024 has been revised as 98.20 (9.82/10.0) effective as of August 11, 2025.

**B- OTHER MATTERS AND ADDITIONAL INFORMATION THAT ARE NOT INCLUDED IN THE FINANCIAL STATEMENTS THAT MAY STILL BE HELPFUL FOR INTERESTED PARTIES**

The following annexes have been incorporated into this Report by reference:

- **Annex-1:** Pegasus Corporate Governance Compliance Statement (*URF*)
- **Annex-2:** Pegasus Corporate Governance Information Document (*KYBF*)

The above annexes are accessible through the following link:

<https://www.kap.org.tr/en/sirket-bilgileri/ozet/1710-pegasus-hava-tasimaciligi-a-s>

We didn't start aviation in Türkiye but  
we transformed it!

