

(CONVENIENCE TRANSLATION OF
THE REPORT AND FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH)

**PEGASUS HAVA TAŞIMACILIĞI
ANONİM ŞİRKETİ AND ITS SUBSIDIARIES**

INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS FOR THE
NINE MONTH PERIOD ENDED
30 SEPTEMBER 2025

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PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 30 SEPTEMBER 2025**

(Amounts are expressed in full TL and full Euros unless otherwise stated.)

		Current Period (Not Reviewed) TL 30 September 2025	Prior Period (Audited) TL 31 December 2024	(*) EUR 30 September 2025	(*) EUR 31 December 2024
	Notes				
ASSETS					
Current assets		84.372.036.149	69.511.513.150	1.734.340.766	1.891.835.243
Cash and cash equivalents	27	50.433.677.329	46.258.554.416	1.036.708.210	1.258.979.406
Financial assets	22	18.030.258.508	11.098.130.886	370.627.684	302.048.311
Trade receivables	6	4.469.637.556	2.699.417.383	91.877.297	73.467.728
<i>Trade receivables from third parties</i>		<i>4.469.637.556</i>	<i>2.699.417.383</i>	<i>91.877.297</i>	<i>73.467.728</i>
Other receivables	6	730.605.351	106.274.871	15.018.230	2.892.392
<i>Other receivables from third parties</i>		<i>730.605.351</i>	<i>106.274.871</i>	<i>15.018.230</i>	<i>2.892.392</i>
Derivative financial instruments	21	-	145.642.867	-	3.963.837
Inventories		2.145.376.330	1.525.572.961	44.100.081	41.520.211
Prepaid expenses	7	8.230.162.989	7.418.285.764	169.178.176	201.897.122
Current income tax assets		323.646.452	85.510.906	6.652.835	2.327.277
Other current assets		8.671.634	174.123.096	178.253	4.738.959
Non-Current assets		303.910.943.856	213.808.263.691	6.247.151.373	5.819.032.995
Financial assets	22	6.876.204.608	4.621.164.674	141.346.381	125.770.276
Other receivables	6	3.855.936.028	3.119.881.195	79.262.127	84.911.131
<i>Other receivables from third parties</i>		<i>3.855.936.028</i>	<i>3.119.881.195</i>	<i>79.262.127</i>	<i>84.911.131</i>
Investments accounted by using the equity method	3	1.007.968.150	775.860.767	20.719.664	21.115.937
Property and equipment	8	25.390.401.334	17.304.831.905	521.918.783	470.967.606
Intangible assets	9	1.552.044.796	883.542.517	31.903.634	24.046.619
Right of use assets	10	213.234.850.021	153.299.548.290	4.383.228.259	4.172.222.342
Prepaid expenses	7	33.916.907.724	18.118.510.039	697.191.610	493.115.950
Deferred tax assets		18.076.631.195	15.684.924.304	371.580.915	426.883.134
TOTAL ASSETS		388.282.980.005	283.319.776.841	7.981.492.139	7.710.868.238

(*)The functional currency of the Company is Euro. However, the presentation currency is determined as Turkish Lira. See Note 2.1 for the conversion of Euro and Turkish Lira amounts.

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 30 SEPTEMBER 2025

(Amounts are expressed in full TL and full Euros unless otherwise stated.)

		Current Period (Not Reviewed) TL 30 September 2025	Prior Period (Audited) TL 31 December 2024	(*) EUR 30 September 2025	(*) EUR 31 December 2024
Notes					
LIABILITIES					
Current liabilities		74.812.770.893	54.463.615.723	1.537.841.734	1.482.289.523
Short term borrowings	22	11.462.002.891	6.321.566.673	235.611.463	172.048.659
Short term portion of long term borrowings	22	2.939.818.721	8.017.762.712	60.430.537	218.212.572
Short term portion of long term lease liabilities	22	21.309.111.839	14.911.498.531	438.027.373	405.833.468
Trade payables	6	14.623.825.136	7.942.864.589	300.605.476	216.174.134
<i>Trade payables to related parties</i>	5	<i>58.502.894</i>	<i>43.890.717</i>	<i>1.202.578</i>	<i>1.194.536</i>
<i>Trade payables to third parties</i>		<i>14.565.322.242</i>	<i>7.898.973.872</i>	<i>299.402.898</i>	<i>214.979.598</i>
Employee benefit obligations		1.641.687.942	540.280.976	33.746.327	14.704.364
Other payables	6	1.028.898.123	460.006.050	21.149.898	12.519.590
<i>Other payables to third parties</i>		<i>1.028.898.123</i>	<i>460.006.050</i>	<i>21.149.898</i>	<i>12.519.590</i>
Contract liabilities	7	15.149.727.045	12.269.986.013	311.415.848	333.941.687
Derivative financial instruments	21	624.101.525	170.696.233	12.828.951	4.645.693
Deferred income	7	3.556.391.825	1.470.323.469	73.104.735	40.016.533
Short term provisions		2.477.205.846	2.358.630.477	50.921.126	64.192.823
<i>Short term provisions for employee benefits</i>		<i>803.057.496</i>	<i>2.301.423.398</i>	<i>16.507.547</i>	<i>62.635.867</i>
<i>Other short term provisions</i>		<i>1.674.148.350</i>	<i>57.207.079</i>	<i>34.413.579</i>	<i>1.556.956</i>
Non-Current liabilities		200.772.532.617	153.937.068.322	4.127.054.459	4.189.573.178
Long term borrowings	22	23.994.846.956	17.261.724.196	493.235.000	469.797.544
Long term lease liabilities	22	159.618.792.040	119.794.949.520	3.281.103.440	3.260.356.410
Derivative financial instruments	21	24.743.684	13.387.018	508.628	364.343
Deferred income	7	9.793.560.551	7.457.506.238	201.315.176	202.964.552
Long term provisions		7.340.589.386	9.409.501.350	150.892.215	256.090.329
<i>Long term provisions for employee benefits</i>		<i>2.616.986.781</i>	<i>1.768.183.978</i>	<i>53.794.445</i>	<i>48.123.147</i>
<i>Other long term provisions</i>		<i>4.723.602.605</i>	<i>7.641.317.372</i>	<i>97.097.770</i>	<i>207.967.182</i>
SHAREHOLDERS' EQUITY		112.697.676.495	74.919.092.796	2.316.595.946	2.039.005.537
Paid-in share capital	14	500.000.000	500.000.000	230.037.951	230.037.951
Share premiums on capital stock		57.986.732	57.986.732	24.595.488	24.595.488
Other comprehensive income/expense not to be reclassified to profit or loss					
Actuarial losses on defined benefit plans		(212.328.478)	(156.636.746)	(4.364.597)	(4.263.048)
Currency translation differences		59.292.701.032	34.562.833.340	-	-
Other comprehensive income/expense to be reclassified to profit or loss					
Currency translation differences		571.937.514	414.885.536	7.011.677	8.451.525
Hedge fund		(486.633.895)	(138.062.439)	(10.003.184)	(3.757.527)
Gain on financial assets measured at fair value		36.014.186	66.754.501	740.303	1.816.800
Restricted profit reserves		20.459.941	20.459.941	4.047.406	4.047.406
Retained earnings		39.590.871.931	26.305.434.254	1.778.076.942	1.416.584.246
Net income for the period		13.326.667.532	13.285.437.677	286.453.960	361.492.696
TOTAL LIABILITIES AND EQUITY		388.282.980.005	283.319.776.841	7.981.492.139	7.710.868.238

(*)The functional currency of the Company is Euro. However, the presentation currency is determined as Turkish Lira. See Note 2.1 for the conversion of Euro and Turkish Lira amounts.

(Convenience Translation of The Report and Financial Statements Originally Issued in Turkish)

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Amounts are expressed in full TL and full Euros unless otherwise stated.)

		Current Period (Not Reviewed) TL 1 January- 30 September 2025	Prior Period (Not Reviewed) TL 1 January- 30 September 2024	Current Period (Not Reviewed) TL 1 July - 30 September 2025	Prior Period (Not Reviewed) TL 1 July - 30 September 2024	(*) EUR 1 January- 30 September 2025	(*) EUR 1 January- 30 September 2024	(*) EUR 1 July - 30 September 2025	(*) EUR 1 July - 30 September 2024
Profit or loss	Notes								
Sales	15	114.405.094.895	84.046.387.728	52.392.024.842	40.082.452.433	2.600.637.236	2.373.341.712	1.102.952.451	1.091.401.249
Cost of sales (-)	15	(91.787.387.656)	(63.773.878.459)	(36.992.351.792)	(25.661.742.944)	(2.096.205.703)	(1.806.420.840)	(776.161.032)	(692.605.390)
Gross profit		22.617.707.239	20.272.509.269	15.399.673.050	14.420.709.489	504.431.533	566.920.872	326.791.419	398.795.859
General administrative expenses (-)	16	(3.194.740.789)	(2.005.770.628)	(1.334.361.184)	(841.595.866)	(74.062.468)	(57.423.483)	(28.615.851)	(22.926.347)
Marketing expenses (-)	16	(2.427.117.732)	(1.708.157.251)	(922.429.180)	(694.750.241)	(55.724.470)	(48.269.994)	(19.658.512)	(18.572.937)
Other operating income	17	16.100.637	14.131.779	(469.403)	4.789.421	324.106	422.705	(15.226)	136.209
Other operating expenses (-)	17	(6.139.166.617)	(667.061.368)	(953.917.699)	(922.157.432)	(141.914.696)	(19.136.331)	(14.811.688)	(26.543.964)
Operating profit		10.872.782.738	15.905.651.801	12.188.495.584	11.966.995.371	233.054.005	442.513.769	263.690.142	330.888.820
Income from investing activities	18	2.569.892.849	1.440.867.750	703.627.773	411.183.497	59.153.403	39.109.669	13.969.551	10.030.871
Expenses from investing activities (-)	18	(1.499.897)	(238.182.318)	(509.707)	(24.644.845)	(33.566)	(6.227.904)	(10.907)	(163.679)
Share of investments income accounted for using the equity method	3	103.196.017	63.505.152	40.717.817	21.295.636	2.388.623	1.812.701	860.155	575.724
Operating profit before financial expense		13.544.371.707	17.171.842.385	12.932.331.467	12.374.829.659	294.562.465	477.208.235	278.508.941	341.331.736
Financial income	19	10.491.507.258	1.626.368.421	1.628.972.563	2.288.516.613	240.062.051	46.775.852	26.086.476	66.231.680
Financial expense (-)	19	(8.213.157.536)	(7.050.049.420)	(2.931.291.916)	(2.644.844.210)	(190.395.728)	(201.549.475)	(61.623.251)	(71.702.094)
Profit/(loss) before tax		15.822.721.429	11.748.161.386	11.630.012.114	12.018.502.062	344.228.788	322.434.612	242.972.166	335.861.322
Tax income/(expense)		(2.496.053.897)	(427.880.382)	(801.181.735)	(1.194.408.715)	(57.774.828)	(12.213.485)	(16.311.426)	(34.677.098)
Deferred tax income/(expense)	26	(2.496.053.897)	(427.880.382)	(801.181.735)	(1.194.408.715)	(57.774.828)	(12.213.485)	(16.311.426)	(34.677.098)
Profit for the period		13.326.667.532	11.320.281.004	10.828.830.379	10.824.093.347	286.453.960	310.221.127	226.660.740	301.184.224
Income/(loss) per share (TL) / (EUR)	20	26,65	22,64	21,66	21,65	0,57	0,62	0,45	0,60

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

(Convenience Translation of The Report and Financial Statements Originally Issued in Turkish)

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Amounts are expressed in full TL and full Euros unless otherwise stated.)

	Current Period (Not Reviewed) TL 1 January- 30 September 2025	Prior Period (Not Reviewed) TL 1 January- 30 September 2024	Current Period (Not Reviewed) TL 1 July - 30 September 2025	Prior Period (Not Reviewed) TL 1 July - 30 September 2024	(*) EUR 1 January- 30 September 2025	(*) EUR 1 January- 30 September 2024	(*) EUR 1 July - 30 September 2025	(*) EUR 1 July - 30 September 2024
Other comprehensive income								
Items not to be reclassified to profit or loss								
Actuarial (losses) / gains on defined benefit plans	(74.255.660)	(63.121.323)	(5.589.687)	(18.465.975)	(135.399)	(1.038.993)	141.858	(83.302)
Deferred tax effect	18.563.915	15.780.331	1.397.422	4.616.494	33.850	259.748	(35.465)	20.826
Currency translation differences	24.729.867.692	9.561.588.697	4.566.523.552	5.471.373.177	-	-	-	-
Items to be reclassified to profit or loss								
Currency translation differences	157.051.978	85.345.902	36.841.932	25.671.221	(1.439.848)	127.496	(42.249)	(628.090)
Gain on financial assets measured at fair value	(40.987.100)	62.567.471	(9.698.982)	73.681.673	(1.435.330)	1.362.458	(252.772)	1.822.699
Cash flow hedge	(464.761.958)	(331.820.400)	206.112.842	(866.861.028)	(8.327.543)	(7.966.004)	5.027.841	(23.583.951)
Deferred tax effect	126.437.300	67.313.198	(49.103.413)	198.294.845	2.440.719	1.650.886	(1.193.766)	5.440.313
Other comprehensive income / (expense)	24.451.916.167	9.397.653.876	4.746.483.666	4.888.310.407	(8.863.551)	(5.604.409)	3.645.447	(17.011.505)
Total comprehensive income / (expense)	37.778.583.699	20.717.934.880	15.575.314.045	15.712.403.754	277.590.409	304.616.718	230.306.187	284.172.719

(*)The functional currency of the Company is Euro. However, the presentation currency is determined as Turkish Lira. See Note 2.1 for the conversion of Euro and Turkish Lira amounts.

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(Convenience Translation of The Report and Financial Statements Originally Issued in Turkish)

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2025**

(Amounts are expressed in full TL and full Euros unless otherwise stated.)

				Other comprehensive income items not to be reclassified to profit or loss		Other comprehensive income items to be reclassified to profit or loss				Retained earnings		
		Paid in share capital	Share premiums on capital stock	Actuarial gains/(losses) on defined benefit plans	Currency translation differences	Currency translation differences	Hedge reserve	Gain on financial assets measured at fair value	Restricted profit reserves	Retained earnings	Net profit/(loss) for the year	Shareholders' equity
As at 1 January 2024	TL	102.299.707	455.687.025	(105.998.793)	27.604.819.459	368.154.236	(129.997.940)	48.328.332	20.459.941	5.397.932.457	20.907.501.797	54.669.186.221
Transfers	TL	397.700.293	(397.700.293)	-	-	-	-	-	-	20.907.501.797	(20.907.501.797)	-
Net profit/(loss) for the period	TL	-	-	-	-	-	-	-	-	-	11.320.281.004	11.320.281.004
Other comprehensive income / (expense)	TL	-	-	(47.340.993)	9.561.588.697	85.345.902	(248.865.307)	46.925.577	-	-	-	9.397.653.876
As at 30 September 2024	TL	500.000.000	57.986.732	(153.339.786)	37.166.408.156	453.500.138	(378.863.247)	95.253.909	20.459.941	26.305.434.254	11.320.281.004	75.387.121.101
As at 1 January 2025	TL	500.000.000	57.986.732	(156.636.746)	34.562.833.340	414.885.536	(138.062.439)	66.754.501	20.459.941	26.305.434.254	13.285.437.677	74.919.092.796
Transfers	TL	-	-	-	-	-	-	-	-	13.285.437.677	(13.285.437.677)	-
Net profit/(loss) for the period	TL	-	-	-	-	-	-	-	-	-	13.326.667.532	13.326.667.532
Other comprehensive income / (expense)	TL	-	-	(55.691.732)	24.729.867.692	157.051.978	(348.571.456)	(30.740.315)	-	-	-	24.451.916.167
As at 30 September 2025	TL	500.000.000	57.986.732	(212.328.478)	59.292.701.032	571.937.514	(486.633.895)	36.014.186	20.459.941	39.590.871.931	13.326.667.532	112.697.676.495

Within the registered capital ceiling of TL 500.000.000, the Company's issued capital amounting to TL 102.299.707 was increased by TL 397.700.293 to TL 500.000.000, all of which was covered from the amounts in the "Share Premiums on Capital Stock" account, and capital increase was registered with the Trade Registry on May 30, 2024.

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

(Convenience Translation of The Report and Financial Statements Originally Issued in Turkish)

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2025**

(Amounts are expressed in full TL and full Euros unless otherwise stated.)

				Other comprehensive income items not to be reclassified to profit or loss	Other comprehensive income items to be reclassified to profit or loss				Retained earnings		
		Paid in share capital	Share premiums on capital stock	Actuarial gains/(losses) on defined benefit plans	Currency translation differences	Hedge reserve	Gain on financial assets measured at fair value	Restricted profit reserves	Retained earnings	Net profit/(loss) for the year	Shareholders' equity
As at 1 January 2024	EUR	60.544.134	194.089.305	(3.254.102)	8.808.787	(3.990.862)	1.483.652	4.047.406	626.643.772	789.940.474	1.678.312.566
Transfers	EUR	169.493.817	(169.493.817)	-	-	-	-	-	789.940.474	(789.940.474)	-
Net profit/(loss) for the period	EUR	-	-	-	-	-	-	-	-	310.221.127	310.221.127
Other comprehensive income / (expense)	EUR	-	-	(779.245)	127.496	(5.974.503)	1.021.843	-	-	-	(5.604.409)
As at 30 September 2024	EUR	230.037.951	24.595.488	(4.033.347)	8.936.283	(9.965.365)	2.505.495	4.047.406	1.416.584.246	310.221.127	1.982.929.284
As at 1 January 2025	EUR	230.037.951	24.595.488	(4.263.048)	8.451.525	(3.757.527)	1.816.800	4.047.406	1.416.584.246	361.492.696	2.039.005.537
Transfers	EUR	-	-	-	-	-	-	-	361.492.696	(361.492.696)	-
Net profit/(loss) for the period	EUR	-	-	-	-	-	-	-	-	286.453.960	286.453.960
Other comprehensive income / (expense)	EUR	-	-	(101.549)	(1.439.848)	(6.245.657)	(1.076.497)	-	-	-	(8.863.551)
As at 30 September 2025	EUR	230.037.951	24.595.488	(4.364.597)	7.011.677	(10.003.184)	740.303	4.047.406	1.778.076.942	286.453.960	2.316.595.946

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PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Amounts are expressed in full TL and full Euros unless otherwise stated.)

		Current Period (Not Reviewed) TL 1 January- 30 September 2025	Prior Period (Not Reviewed) TL 1 January- 30 September 2024	(*) EUR 1 January- 30 September 2025	(*) EUR 1 January- 30 September 2024
	Notes	30 September 2025	30 September 2024	30 September 2025	30 September 2024
A. CASH FLOWS FROM OPERATING ACTIVITIES					
Income/(loss) for the period		13.326.667.532	11.320.281.004	286.453.960	310.221.127
Adjustments to reconcile the income/(loss)					
Depreciation and amortization	8-9-10	13.250.330.204	8.736.670.720	306.698.333	249.382.550
Adjustments related with impairments		(54.317.310)	235.554.054	(1.096.926)	6.152.882
Provision for doubtful receivable		7.571.259	(2.628.265)	175.248	(75.022)
Adjustments related with financial investment impairments		(61.888.569)	238.182.319	(1.272.174)	6.227.904
Adjustments related with provisions		1.476.576.283	1.695.916.410	34.177.524	44.648.484
Provision for employee benefits		1.352.385.903	1.677.961.011	31.302.955	44.135.962
Legal provision		124.190.380	17.955.399	2.874.569	512.522
Interest and commission income		3.798.118.365	4.554.431.360	90.544.559	131.759.953
Adjustments related with fair value expense (income)		40.987.100	(62.567.470)	842.526	(1.645.733)
Adjustments related with fair value expense (income) of financial assets		40.987.100	(62.567.470)	842.526	(1.645.733)
Gain on equity investments accounted for using the equity method	3	(103.196.017)	(63.505.152)	(2.388.623)	(1.812.701)
Current tax (income)/expense		2.496.053.897	427.880.382	57.774.828	12.213.485
Adjustments for (income)/expense caused by sale or changes in share of joint ventures		(60.566.036)	-	(1.138.222)	-
Other provisions related with investing or financing activities		9.430.679.920	(553.301.076)	(38.455.949)	(15.525.840)
Changes in working capital					
Increase in trade receivables		(802.922.401)	(1.034.243.835)	(18.584.817)	(29.521.619)
Increase in other receivables, prepayments and other assets		(2.144.514.303)	(2.782.856.518)	(49.637.930)	(108.382.776)
Increase in inventories		(111.458.479)	(142.435.696)	(2.579.870)	(4.065.707)
Increase in trade payables		3.647.698.883	1.980.126.199	84.431.342	56.521.035
Increase in deferred income, other payables and other current liabilities		(1.024.860.995)	3.433.320.109	(24.232.806)	118.271.390
Net cash generated from operating activities		43.165.276.643	27.745.270.491	722.807.929	768.216.530
Payment for the employee benefits provisions		(3.136.868.689)	(965.038.610)	(71.808.504)	(27.642.310)
Payment for other provisions		(74.055.332)	(972.063)	(1.714.119)	(27.747)
		39.954.352.622	26.779.259.818	649.285.306	740.546.473
B. CASH FLOWS FROM INVESTING ACTIVITIES					
Net cash changes from acquisition and sale of debt instruments of other entities		(5.230.899.211)	29.156.667	(128.582.462)	(2.624.554)
Net cash changes from purchase and sale of property, equipment and intangible assets		(2.699.485.125)	2.395.415.979	(58.110.216)	63.582.380
Interest received from financial investment		1.818.715.735	1.130.504.263	46.097.030	33.062.751
Changes in cash advances and payables		(8.320.188.572)	(4.960.155.514)	(192.582.971)	(141.583.462)
Other cash changes (**)		(37.426.287)	8.816.135.307	(866.286)	273.013.992
		(14.469.283.460)	7.411.056.702	(334.044.905)	225.451.107
C. CASH FLOWS FROM FINANCING ACTIVITIES					
Increase in borrowings		13.977.739.038	20.693.628.024	296.200.607	556.110.541
Repayment of borrowings		(13.702.278.235)	(12.903.714.346)	(291.917.043)	(346.613.064)
Repayment of principal in lease liabilities		(12.829.231.537)	(8.997.070.693)	(296.951.385)	(256.813.807)
Interest and commission paid		(6.253.201.750)	(6.696.404.551)	(186.908.778)	(196.293.675)
Interest received		2.067.172.493	1.252.455.957	47.847.740	36.443.069
		(16.739.799.991)	(6.651.105.609)	(431.728.859)	(207.166.936)
NET DECREASE IN CASH AND CASH EQUIVALENTS					
BEFORE TRANSLATION EFFECT (A+B+C)		8.745.269.171	27.539.210.911	(116.488.458)	758.830.644
D. TRANSLATION DIFFERENCES EFFECT ON CASH AND CASH EQUIVALENTS		(4.570.146.258)	3.423.041.176	(105.782.738)	(15.102.303)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C+D)		4.175.122.913	30.962.252.087	(222.271.196)	743.728.341
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD					
AT THE BEGINNING OF THE PERIOD	27	46.258.554.416	16.078.358.927	1.258.979.406	493.596.374
AT THE END OF THE PERIOD (A+B+C+D+E)	27	50.433.677.329	47.040.611.014	1.036.708.210	1.237.324.715

(*)The functional currency of the Company is Euro. However, the presentation currency is determined as Turkish Lira. See Note 2.1 for the conversion of Euro and Turkish Lira amounts.

(**) The change in time deposits with a maturity of more than three months, classified as financial investments, has been presented.

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2025**

(Amounts are expressed in full TL and full Euros unless otherwise stated.)

NOTE 1 - ORGANIZATION AND OPERATIONS OF THE GROUP

Pegasus Hava Taşımacılığı A.Ş. (the “Company” or “Pegasus”) and its subsidiaries (together “the Group”) is a low cost airline company. The Group operates under a low cost business model and employs low cost airline business practices which focus on providing affordable, reliable and simple service.

The shareholders and ownership of the Company as of 30 September 2025 and 31 December 2024 are as follows:

	30 September 2025	31 December 2024
Esas Holding A.Ş. (“Esas Holding”)	52,81%	52,81%
Publicly held	45,37%	45,37%
Sabancı Family Members	1,82%	1,82%
Total	100,00%	100,00%

Shares of the Company have been started to be traded in İstanbul Stock Exchange since 26 April 2013, after the book building between the dates of 18-19 April 2013.

The Group’s total number of full time employees as of 30 September 2025 is 9.223 (31 December 2024: 8.459). The address of its principal office is Aeropark Yenışehir Mah. Osmanlı Bulvarı No: 11/A Kurtkoy-Pendik İstanbul.

Approval of Financial Statements

The interim condensed consolidated financial statements of the Company and its subsidiaries for the nine month ended 30 September 2025 were authorised for issue in accordance with a resolution of the Board of Directors on 7 November 2025.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of Presentation

Statement of Compliance with TAS

The Company and its subsidiaries registered in Türkiye maintain their books of account and prepare their statutory financial statements in accordance with accounting principles in the Turkish Commercial Code and Tax Legislation.

The accompanying condensed consolidated financial statements are prepared in accordance with the requirements of Capital Markets Board (“CMB”) Communiqué Serial II, No: 14.1 “Basis of Financial Reporting in Capital Markets”, which were published in the Official Gazette No:28676 on 13 June 2013. The accompanying financial statements are prepared based on the Turkish Accounting Standards Turkish Financial Reporting Standards and interpretations (“TAS/TFRS”) that have been put into effect by the Public Oversight Accounting and Auditing Standards Authority (“POA”) under Article 5 of the Communiqué.

The interim condensed consolidated financial statements for the six month ended 30 September 2025 have been prepared in accordance with TAS 34 Interim Financial Reporting. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements as at 31 December 2024.

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2025**

(Amounts are expressed in full TL and full Euros unless otherwise stated.)

**NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS
(cont'd)**

2.1 Basis of Presentation (cont'd)

Statement of Compliance with TAS (cont'd)

The interim condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values. The accompanying interim condensed consolidated financial statements are based on the statutory records, with adjustments and reclassifications for the purpose of fair presentation in accordance with Turkish Accounting Standards.

The interim condensed consolidated financial statements have been prepared on a going concern basis, with the assumption that the Group will benefit from its assets and fulfill its liabilities in the subsequent year and in the natural process of its business operations.

Functional and Presentation Currency

Although there is no prominent currency affecting revenue and cost of sales, the Company's functional currency is determined as Euro because; significant portion of scheduled flight revenues, which represents the Company's primary operations, is generated from European flights, Euro represents a significant component of the financial liabilities of the Company and management reports and budget enabling the Group's management to make executive decisions are prepared in Euro. The functional currency of the Company, its subsidiary and associates, other than Hitit Bilgisayar Hizmetleri A.Ş. ("Hitit Bilgisayar") and Pegasus Innovation Lab, Inc. ("PIL") and Pegasus Airlines Ventures LP ("PAV") is Euro. Hitit Bilgisayar's, PIL's and PAV's functional currency is US Dollars.

If the legal records are kept in a currency other than the functional currency, the financial statements are initially translated into the functional currency and then translated to the Group's presentation currency, Turkish Lira ("TL").

For the companies in Türkiye that maintain financial records in TL, currency translation from TL to the functional currency is made under the framework described below:

- Monetary assets and liabilities have been converted to the functional currency with the Central Bank of Turkish Republic (CBRT) foreign exchange rate.
- Non-monetary items have been converted into the functional currency at the exchange rates prevailing at the transaction date.
- Profit or loss accounts have been converted into the functional currency using the exchange rates at the transaction date, except for depreciation expenses.
- The capital is followed according to historical costs.

The translation differences resulting from the above mentioned conversions are recognized under financial income / expenses in the statement of profit or loss.

Presentation currency of the Group's financial statements is TL. Financial Statements have been translated from Euro to TL in accordance with the relevant provisions of TAS 21 ("The Effects of Changes in Foreign Exchange Rates") as follows:

- Assets and liabilities are translated using the Central Bank of the Republic of Türkiye ("TCMB") Euro rate prevailing at the reporting date,
- Incomes are converted from Euros to TL using the monthly average exchange rates and expense items at the registered exchange rates on the relevant transaction date.

Translation gains or losses arising from the translations stated above are presented as foreign currency translation reserve under equity. Share capital amount, representing the nominal share capital of the Company, all other equity items are presented in historic TL terms where all translation gains or losses in relation to these balances are accounted under foreign currency translation reserve.

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2025**

(Amounts are expressed in full TL and full Euros unless otherwise stated.)

**NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS
(cont'd)**

2.1 Basis of Presentation (cont'd)

Financial Reporting in Hyperinflationary Economies

In accordance with the POA's announcement dated 23 November 2023, companies applying Turkish Financial Reporting Standards are required to present their financial statements for the annual reporting periods ending on or after 31 December 2024, adjusted for the effects of inflation in accordance with the relevant accounting principles in Turkish Accounting Standard 29 "Financial Reporting in Hyperinflationary Economies" (TAS 29). Since the Company's functional currency is Euro as of the reporting date, there is no need to make any adjustments within the scope of TAS 29 in its financial statements to be prepared in accordance with TFRS. However, the financial statements as of 31 December 2024 and 30 September 2025 are prepared in accordance with the Tax Law, have been subject to inflation correction in accordance with the legislation.

Euro Amounts in the Consolidated Financial Statements

The Euro amounts presented on the face of interim condensed consolidated financial statements refer to the original Euro (functional currency) denominated interim condensed consolidated financial statements as described under the Functional and Presentation Currency section above.

Comparative Information and Reclassification of Prior Period Financial Statements

Condensed consolidated financial statements of the Group are prepared in comparison to prior period in order to identify financial position and performance trends. In order to maintain consistency with current period condensed consolidated financial statements, comparative information is reclassified and material changes are disclosed if necessary. The Group has not made any reclassification in the prior period consolidated financial statements in order to maintain consistency with current period condensed consolidated financial statements.

Basis of Consolidation

The following table illustrates the condensed consolidated subsidiaries and the Group's ownership percentage in these subsidiaries as of 30 September 2025 and 31 December 2024:

<u>Name of the Company</u>	<u>Principal activity</u>	<u>Ownership rate</u>		<u>Country of registration and operation</u>
		<u>30 September 2025</u>	<u>31 December 2024</u>	
Pegasus Havacılık Teknolojileri ve Ticaret A.Ş.	Simulator technical support and maintenance	100%	100%	Türkiye
Pegasus Airlines Innovation Lab, Inc.	Technology – R&D	100%	100%	USA
Pegasus Airlines Ventures LP(*)	Technology – R&D	100%	0%	USA

(*) Pegasus Airlines Ventures LP, in which the Group holds a 100% ownership stake, was incorporated in the United States as of August 20, 2025, to evaluate investment opportunities in innovative technology and software solution ventures focused on the practical application of artificial intelligence in air transportation, with a capital amount of USD 1,000,000.

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2025**

(Amounts are expressed in full TL and full Euros unless otherwise stated.)

**NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS
(cont'd)**

2.1 Basis of Presentation (cont'd)

Basis of Consolidation

The following table illustrates the affiliates and joint ventures then indicates the Group's ownership percentage in these joint ventures as of 30 September 2025, 31 December 2024:

<u>Name of the Company</u>	<u>Principal activity</u>	<u>Ownership rate</u>		<u>Ownership type</u>	<u>Country of registration and operation</u>
		<u>30 September 2025</u>	<u>31 December 2024</u>		
Pegasus Uçuş Eğitim Merkezi A.Ş. ("PUEM") (**)	Simulator training	-	49,40%	Joint venture	Türkiye
Hitit Bilgisayar	Information system solutions	36,20%	36,82%	Joint venture	Türkiye

(**) The liquidation process of PUEM, in which the Company held a 49.40% stake, was completed and the entity was deregistered from the trade registry as of February 27, 2025.

2.2 Changes in Accounting Estimates

Changes in accounting estimates are applied prospectively. If the change is effective for a specific period, it impacts only that period. If they relates to future periods, they are recognized prospectively both in the current period and in the future period. Significant errors identified by the Group in the accounting estimates are applied retrospectively and prior period financial statements are restated. The Group has not made any changes in accounting estimates in the current reporting period.

2.3 New and Amended Turkish Financial Reporting Standards

a) Amendments that are mandatorily effective from 2025

Amendments to TAS 21 Lack of Exchangeability

Amendments to TAS 21 *Lack of Exchangeability*

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

The Group evaluates the effects of these standards, amendments and improvements on the consolidated financial statements. The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2025**

(Amounts are expressed in full TL and full Euros unless otherwise stated.)

**NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS
(cont'd)**

2.3 New and Amended Turkish Financial Reporting Standards (cont'd)

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

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

TFRS 17	<i>Insurance Contracts</i>
Amendments to TFRS 17	<i>Initial Application of TFRS 17 and TFRS 9 — Comparative Information</i>
TFRS 18	<i>Presentation and Disclosures in Financial Statements</i>
<i>Amendments TFRS 9 and TFRS 7</i>	<i>Classification and measurement of financial instruments</i>
<i>Amendments TFRS 9 and TFRS 7</i>	<i>Power purchase arrangements</i>
<i>TFRS 19</i>	<i>Subsidiaries without Public Accountability: Disclosures</i>
Annual Improvements	<i>Annual Improvements to TFRS Accounting Standards — Volume 11</i>

TFRS 17 *Insurance Contracts*

TFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. TFRS 17 has been deferred for insurance, reinsurance and pension companies for a further year and will replace *TFRS 4 Insurance Contracts* on 1 January 2026.

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

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

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

TFRS 18 *Presentation and Disclosures in Financial Statements*

TFRS 18 includes requirements for all entities applying TFRS for the presentation and disclosure of information in financial statements. Applicable to annual reporting periods beginning on or after 1 January 2027.

Amendments TFRS 9 and TFRS 7 *regarding the classification and measurement of financial instruments*

The amendments address matters identified during the post-implementation review of the classification and measurement requirements of TFRS 9 *Financial Instruments*. Amendments are effective from annual reporting periods beginning on or after 1 January 2026.

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2025**

(Amounts are expressed in full TL and full Euros unless otherwise stated.)

**NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS
(cont'd)**

Amendments TFRS 9 and TFRS 7 regarding power purchase arrangements

The amendments aim at enabling entities to include information in their financial statements that in the IASB's view more faithfully represents contracts referencing nature-dependent electricity. Amendments are effective from annual reporting periods beginning on or after 1 January 2026.

TFRS 19 Subsidiaries without Public Accountability: Disclosures

TFRS 19 specifies the disclosure requirements an eligible subsidiary is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards. Applicable to annual reporting periods beginning on or after 1 January 2027.

Annual Improvements to TFRS Accounting Standards - Volume 11

The pronoun

ncement comprises the following amendments:

- TFRS 1: Hedge accounting by a first-time adopter
- TFRS 7: Gain or loss on derecognition
- TFRS 7: Disclosure of deferred difference between fair value and transaction price
- TFRS 7: Introduction and credit risk disclosures
- TFRS 9: Lessee derecognition of lease liabilities
- TFRS 9: Transaction price
- TFRS 10: Determination of a 'de facto agent'
- TAS 7: Cost method

Annual reporting periods beginning on or after 1 January 2026.

2.4 Seasonality on Operations

Due to seasonality of air passenger transportation, it's expected to incur higher revenues in the second half of the year compared to the first half. Besides, as a result of higher sales with the effect of summer season and growth in operations of the Company, trade receivables and passenger flight liabilities increased as of 30 September 2025 compared to last year-end.

2.5 Going Concern

The Group has prepared its financial statements in accordance with the going concern principle.

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2025**

(Amounts are expressed in full TL and full Euros unless otherwise stated.)

NOTE 3 - INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

The details of investments accounted for using the equity method are as follows:

	30 September 2025	31 December 2024
Joint ventures		
Hitit Bilgisayar	1.007.968.150	775.860.767
	1.007.968.150	775.860.767

Total profit from investments accounted for using the equity method is as follows:

	1 January- 30 September 2025	1 January- 30 September 2024	1 July - 30 September 2025	1 July - 30 September 2024
Hitit Bilgisayar	103.196.017	67.621.456	40.717.817	23.933.428
PUEM	-	(4.116.304)	-	(2.637.792)
Net profit	103.196.017	63.505.152	40.717.817	21.295.636

The summarized financial information of the investment accounted by using the equity method is as follows:

Hitit Bilgisayar

	30 September 2025	31 December 2024
Current assets	1.034.953.165	903.513.291
Non-current assets	2.390.751.566	1.712.410.293
Current liabilities	(439.094.778)	(381.450.727)
Non-current liabilities	(216.105.896)	(138.932.230)
Net assets of joint venture	2.770.504.057	2.095.540.627
Group's ownership interest in the joint venture	36,20%	36,82%
Goodwill	5.045.681	4.282.708
Group's share in the net assets of the joint venture	1.007.968.150	775.860.767

	1 January- 30 September 2025	1 January- 30 September 2024
Revenue	1.203.814.369	781.679.080
Depreciation and amortisation expense	(245.559.570)	(143.351.988)
Interest income/(expense), net	136.640.375	25.551.414
Profit for the year	280.271.637	183.654.144
Group's weighted average ownership interest	36,82%	36,82%
Group's share in the net profit of the joint venture	103.196.017	67.621.456

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2025**

(Amounts are expressed in full TL and full Euros unless otherwise stated.)

NOTE 4 - SEGMENT REPORTING

The Group is managed as a single business unit that provides low fares airline-related services, including scheduled services, charter services, ancillary services and other services. The Group's Chief Operating Decision Maker is the Board of Directors. The resource allocation decisions are based on the entire network and the deployment of the entire aircraft fleet. The objective in making resource allocation decisions is to maximise condensed consolidated financial results, rather than results on individual routes within the network. All other assets and liabilities have been allocated to the Group's single reportable segment.

NOTE 5 - RELATED PARTY TRANSACTIONS

The ultimate parent and controlling party of the Group is Esas Holding. The Group has a number of operating and financial relationships with its shareholders and other entities owned by its shareholders (which will be referred to as "other related parties" below). The related party receivables and payables resulting from operating activities are generally not secured and interest free.

(i) Balances with Related Parties:

a) Trade payables to related parties

	30 September 2025	31 December 2024
Balances with joint ventures:		
Hitit Bilgisayar	52.082.230	39.628.684
Balances with other related parties:		
Esasburda İnşaat Sanayi ve Ticaret A.Ş. ("Esasburda")	300.664	947.033
Ere Avm İnşaat A.Ş. ("Ere Avm")	6.120.000	3.315.000
	58.502.894	43.890.717

(ii) Significant Transactions with Related Parties:

Until May 2024 , the Group leased their head office building from Esasburda, another Esas Holding subsidiary. Esasburda also charged dues, electricity, water and heating expenses for the head office, which is disclosed within "purchases of goods and services" section below.

The Group receives software and software support services from Hitit Bilgisayar that provides information system solutions for transportation industry.

The Group receives health services from Alarm Sağlık.

The Group receives project consultancy services from Ere Avm İnşaat for the hangar project.

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2025**

(Amounts are expressed in full TL and full Euros unless otherwise stated.)

NOTE 5 - RELATED PARTY TRANSACTIONS (cont'd)

a) Purchases of goods or services

	1 January- 30 September 2025	1 January- 30 September 2024	1 July - 30 September 2025	1 July - 30 September 2024
Transactions with joint ventures:				
Hitit Bilgisayar	286.186.100	189.204.694	108.119.616	71.120.418
Transactions with other related parties:				
Ere Avm	48.000.000	-	12.000.000	-
Esasburda	4.001.504	17.427.086	-	6.775.470
Alarm Sağlık	-	800.000	-	200.000
Other	90.000	8.927	90.000	-
	338.277.604	207.440.707	120.209.616	78.095.888

b) Lease expenses

	1 January- 30 September 2025	1 January- 30 September 2024	1 July - 30 September 2025	1 July - 30 September 2024
Esasburda (*)	-	10.690.698	-	-
	-	10.690.698	-	-

(*) Lease expenses are recorded as depreciation and interest under TFRS 16 leases standard. Amounts presented above represent issued invoices. In May 2024, the Group decided to purchase the office building which is the basis of the lease expense.

(iii) Compensation of Key Management Personnel:

Key management personnel include members of the board of directors, general managers and assistant general managers. The remuneration of key management paid during the period ended 30 September 2025 and 30 September 2024 are as follows:

	1 January- 30 September 2025	1 January- 30 September 2024	1 July - 30 September 2025	1 July - 30 September 2024
Salaries and benefits	614.352.944	159.805.851	224.911.330	16.761.025
	614.352.944	159.805.851	224.911.330	16.761.025

NOTE 6 – TRADE RECEIVABLES AND PAYABLES AND OTHER RECEIVABLES

Short term trade receivables

The details of short term trade receivables as of 30 September 2025 and 31 December 2024 are as follows:

	30 September 2025	31 December 2024
Trade receivables	2.577.223.178	1.525.875.736
Credit card receivables	2.007.418.628	1.198.921.535
Income accruals	75.688.974	121.627.213
	4.660.330.780	2.846.424.484
Allowance for credit risk adjustment under TFRS 9	(190.693.224)	(147.007.101)
	4.469.637.556	2.699.417.383

The average collection period of trade receivables is approximately 16 days (31 December 2024: 19 days)

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2025**

(Amounts are expressed in full TL and full Euros unless otherwise stated.)

NOTE 6 – TRADE RECEIVABLES AND PAYABLES AND OTHER RECEIVABLES (cont'd)

Short term trade payables

The details of short term trade payables as of 30 September 2025 and 31 December 2024 are as follows:

	30 September 2025	31 December 2024
Trade payables	3.910.944.519	4.869.502.621
Accrued direct operational costs	10.654.377.723	3.029.471.251
Trade payables to related parties (Note 5)	58.502.894	43.890.717
	14.623.825.136	7.942.864.589

The average payment period of trade payables is approximately 32 days (31 December 2024: 30 days).

Short term other receivables

The details of short term other receivables as of 30 September 2025 and 31 December 2024 are as follows:

	30 September 2025	31 December 2024
Deposits and guarantees given (*)	311.616.648	52.004.903
Receivables from pilots for flight training	266.051.901	10.457.594
Receivables from tax office	35.365.592	26.611.446
Other receivables	117.571.210	17.200.928
	730.605.351	106.274.871

(*) The amount of TL 239.824.416 in deposits given, consists of guarantees given from the banks regarding the valuation of derivative transactions.

Long term other receivables

The details of long term other receivables as of 30 September 2025 and 31 December 2024 are as follows:

	30 September 2025	31 December 2024
Receivables from pilot trainings	1.918.211.985	1.570.320.465
Deposits given	1.937.724.043	1.549.560.730
	3.855.936.028	3.119.881.195

Short term other payables

	30 September 2025	31 December 2024
Taxes payables	633.361.474	373.700.528
Deposits received	395.536.649	86.305.522
	1.028.898.123	460.006.050

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 7 - PREPAYMENTS, DEFERRED INCOME AND PASSENGER FLIGHT LIABILITIES

The details of prepayments as of 30 September 2025 and 31 December 2024 are as follows:

Short term prepayments

	30 September 2025	31 December 2024
Advances on aircraft purchases	3.432.191.041	4.514.154.692
Advances to suppliers	4.241.993.414	1.882.368.567
Prepaid insurance expenses	224.000.428	661.458.633
Other prepaid expenses	331.978.106	360.303.872
	8.230.162.989	7.418.285.764

Long term prepayments

	30 September 2025	31 December 2024
Advances on aircraft purchases	6.712.049.246	2.102.247.620
Prepaid maintenance expenses	27.204.265.266	16.007.193.652
Other prepaid expenses	593.212	9.068.767
	33.916.907.724	18.118.510.039

Deferred Income

Contract Liabilities

The details of passenger flight liabilities as of 30 September 2025 and 31 December 2024 are as follows:

	30 September 2025	31 December 2024
Flight liability from ticket sales	9.459.794.183	8.044.008.774
Passenger airport fees received from customers (*)	3.586.156.155	2.688.310.065
Flight liability from flight points	2.103.776.707	1.537.667.174
	15.149.727.045	12.269.986.013

(*) Passenger airport fees received from customers is included in the ticket price, but it is not recognized as revenue when the flight carried out. The amount represents the costs to be paid to airport operators and authorities in cash.

Deferred Income (excluding contract liabilities)

Short term deferred income

	30 September 2025	31 December 2024
Advances received from customers	1.954.601.522	1.010.942.220
Other deferred income	1.601.790.303	459.381.249
	3.556.391.825	1.470.323.469

Long term deferred income

	30 September 2025	31 December 2024
Deferred income (**)	9.793.560.551	7.457.506.238
	9.793.560.551	7.457.506.238

(**) Long term deferred income represent discounts received in advance from supplier contracts.

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NOTE 8 - PROPERTY AND EQUIPMENT

30 September 2025	Machinery and equipment	Motor vehicles	Furniture and fixtures	Leasehold improvements	Components, spare engine and repairables	Owned Aircraft	Construction in progress	Total
Cost:								
Opening	1.303.701.112	1.010.293.292	1.512.661.810	507.848.125	13.723.562.101	10.513.994.905	346.274.429	28.918.335.774
Additions	42.990.793	102.655.382	194.532.475	231.553	2.968.143.996	15.654.803	1.502.025.688	4.826.234.690
Transfers (*)	-	-	-	-	(958.680.262)	-	-	(958.680.262)
Currency translation differences	427.827.821	340.280.637	514.631.141	164.576.126	4.699.512.374	3.408.593.237	301.491.559	9.856.912.895
Closing	1.774.519.726	1.453.229.311	2.221.825.426	672.655.804	20.432.538.209	13.938.242.945	2.149.791.676	42.642.803.097
Accumulated depreciation:								
Opening	(554.684.002)	(373.011.823)	(1.082.433.842)	(490.834.178)	(3.761.138.727)	(5.351.401.297)	-	(11.613.503.869)
Depreciation for the year	(75.847.409)	(92.252.645)	(102.444.393)	(3.282.911)	(939.919.844)	(452.312.021)	-	(1.666.059.223)
Currency translation differences	(189.280.974)	(132.485.206)	(363.628.175)	(159.448.022)	(1.337.094.989)	(1.790.901.305)	-	(3.972.838.671)
Closing	(819.812.385)	(597.749.674)	(1.548.506.410)	(653.565.111)	(6.038.153.560)	(7.594.614.623)	-	(17.252.401.763)
Net book value	954.707.341	855.479.637	673.319.016	19.090.693	14.394.384.649	6.343.628.322	2.149.791.676	25.390.401.334

(*) Transfers at “components, spare engine and repairables” represent derecognition of components that are used as part of delivery maintenance provisions.

(Convenience Translation of The Report and Financial Statements Originally Issued in Turkish)

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

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NOTE 8 - PROPERTY AND EQUIPMENT (cont'd)

30 September 2024	Machinery and equipment	Motor vehicles	Furniture and fixtures	Leasehold improvements	Components, spare engine and repairables	Owned Aircraft	Construction in progress	Total
Cost:								
Opening	1.103.684.197	717.367.948	1.176.005.452	438.645.278	6.680.691.335	8.978.203.654	262.907.397	19.357.505.261
Additions	38.699.974	89.526.158	158.560.437	3.359.287	5.654.142.218	204.872.629	17.952.990	6.167.113.693
Transfers (*)	-	-	-	-	(1.112.817.952)	-	-	(1.112.817.952)
Currency translation differences	187.756.476	127.521.130	210.054.709	73.597.294	1.503.811.509	1.517.987.285	45.469.355	3.666.197.758
Closing	1.330.140.647	934.415.236	1.544.620.598	515.601.859	12.725.827.110	10.701.063.568	326.329.742	28.077.998.760
Accumulated depreciation:								
Opening	(419.628.926)	(288.077.159)	(866.899.542)	(432.379.083)	(2.658.594.566)	(4.314.225.458)	-	(8.979.804.734)
Depreciation for the year	(57.562.077)	(51.174.586)	(74.829.730)	(2.327.507)	(534.361.709)	(340.858.481)	-	(1.061.114.090)
Currency translation differences	(75.036.710)	(52.506.204)	(151.260.441)	(72.462.120)	(489.856.111)	(750.078.038)	-	(1.591.199.624)
Closing	(552.227.713)	(391.757.949)	(1.092.989.713)	(507.168.710)	(3.682.812.386)	(5.405.161.977)	-	(11.632.118.448)
Net book value	777.912.934	542.657.287	451.630.885	8.433.149	9.043.014.724	5.295.901.591	326.329.742	16.445.880.312

(*) Transfers at “components, spare engine and repairables” represent derecognition of components that are used as part of delivery maintenance provisions.

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NOTE 9 - INTANGIBLE ASSETS

Software	30 September 2025	30 September 2024
Cost:		
Opening	2.361.587.141	1.714.023.225
Additions	642.679.030	261.015.687
Currency translation differences	846.168.461	308.702.348
Closing	3.850.434.632	2.283.741.260
Accumulated amortization:		
Opening	(1.478.044.624)	(1.070.519.120)
Amortization for the year	(303.231.331)	(192.140.858)
Currency translation differences	(517.113.881)	(195.285.461)
Closing	(2.298.389.836)	(1.457.945.439)
Net book value	1.552.044.796	825.795.821

NOTE 10 – RIGHT OF USE ASSETS

30 September 2025	Field Rental	Building	Aircraft	Other	Total
Cost:					
Opening	535.372.779	908.784.706	191.782.214.946	11.440.385	193.237.812.816
Additions	457.157.455	-	21.981.026.651	-	22.438.184.106
Disposals (*)	-	-	(3.199.291.013)	-	(3.199.291.013)
Currency translation differences	231.079.346	294.453.675	64.506.011.692	3.706.778	65.035.251.491
Closing	1.223.609.580	1.203.238.381	275.069.962.276	15.147.163	277.511.957.400
Accumulated depreciation:					
Opening	(490.171.366)	(14.554.598)	(39.422.098.177)	(11.440.385)	(39.938.264.526)
Depreciation for the period	(98.718.348)	(20.035.671)	(11.162.285.631)	-	(11.281.039.650)
Disposals (*)	-	-	1.177.537.848	-	1.177.537.848
Currency translation differences	(171.260.709)	(7.240.844)	(14.053.132.720)	(3.706.778)	(14.235.341.051)
Closing	(760.150.423)	(41.831.113)	(63.459.978.680)	(15.147.163)	(64.277.107.379)
Net book value	463.459.157	1.161.407.268	211.609.983.596	-	213.234.850.021

(*) Aircraft which are sold presented as disposals.

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 10 – RIGHT OF USE ASSETS (cont'd)

30 September 2024	Field Rental	Building	Aircraft	Other	Total
Cost:					
Opening	474.627.190	253.614.344	148.302.857.702	10.142.312	149.041.241.548
Additions	-	843.129.828	25.340.812.413	-	26.183.942.241
Disposals (*)	-	(272.763.854)	(14.494.018.343)	-	(14.766.782.197)
Currency translation differences	79.324.793	90.977.256	25.709.630.048	1.695.092	25.881.627.189
Closing	553.951.983	914.957.574	184.859.281.820	11.837.404	186.340.028.781
Accumulated depreciation:					
Opening	(367.824.706)	(161.309.673)	(34.992.941.609)	(10.142.312)	(35.532.218.300)
Depreciation for the period	(82.804.622)	(25.959.613)	(7.374.651.537)	-	(7.483.415.772)
Disposals (*)	-	226.004.336	9.567.814.172	-	9.793.818.508
Transfers	35.094.536	(35.094.536)	-	-	-
Currency translation differences	(65.539.324)	(12.907.402)	(5.503.055.423)	(1.695.092)	(5.583.197.241)
Closing	(481.074.116)	(9.266.888)	(38.302.834.397)	(11.837.404)	(38.805.012.805)
Net book value	72.877.867	905.690.686	146.556.447.423	-	147.535.015.976

(*) Aircraft which are sold presented as disposals.

NOTE 11 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES**Litigation**

The Group is involved in lawsuits and claims that have been filed against, the total amount of claims, excluding reserved rights for excess claims, litigation risks, and interest, is TL 227.143.336 as of 30 September 2025 (31 December 2024: TL 187.141.480). These lawsuits and fines have been evaluated by the Group's management and a litigation provision of TL 107.342.127 (31 December 2024: TL 57.207.079) has been provided against claims for which management believes it is probable it will be required to make a payment. Disputes arise from guest complaints, claims by former employees of the Group and a limited number of commercial disputes.

Tax Inspection

The Company's VAT transactions regarding loyalty card practices in year 2018 have been examined in 2020. The Company have been notified with a report stating "no subject to be examined have been found" in May 2021. However the report evaluation commission has objected this verdict and TL 1.780.660 of tax assessment has been declared to the Company. Against this tax assessment, the Company filed a tax lawsuit on September 6, 2021, the petition of the counter party was received on October 25, 2021 and the petition was answered on November 23, 2021. The 7th Tax Court of Istanbul decided to accept our case and reject all assessments on June 29, 2022, and the defendant Revenue Administration objected to the decision in August and submitted the petition of appeal to the Tax Court. The petition of appeal was notified to Company on September 28, 2022 and this petition answered within one month. Following the rejection of the opposite party's appeal, this time an appeal was made, and the defendant's appeal was served in April 2023. This petition was also answered by the Company within the time limit. The said lawsuit continues as of September 30, 2025. The Company has not recognized any provision in the consolidated financial statements in line with the opinions received from its lawyers regarding the aforementioned case.

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NOTE 11 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (cont'd)

Passenger Service Fee

T&T Havalimanı İşletmeciliği İnşaat Sanayi ve Ticaret Şirketi Limited filed three lawsuits against the Company before North Cyprus Lefkoşa Court of First Instance with claims of Euro 765.689, Euro 988.985 and Euro 475.031, respectively. All three lawsuits act on same claims and the airports act no. 5/2013 whereby the plaintiff, as the operator of the Ercan Airport under North Cyprus Airports Services and Charges Law, claims Euro 15 passenger service fee for each Turkish Army Staff member traveling on the Company flights for the period between March 2013 and August 2020. Turkish Army Staff departing from North Cyprus are subject to an exemption from this fee under the law. The plaintiff's argument is based on the assumption that the Company has not carried any Turkish Army Staff members in this period of time. The Court of First Instance merged the first two lawsuits and rendered a judgment against the Company for a total principal payment obligation of Euro 1.679.114. No decision has yet been issued regarding the third lawsuit. The Company is of the opinion that it is legally impossible to obtain the requested documents related to the transported passengers from the relevant public authorities, and that the responsibility for implementing the requested additional inspections lies with the operating plaintiff. A legal appeal process has been initiated against the unfavorable first-instance court decision. In prior reporting periods, no provisions were recognized in relation to these cases, as the claims were not supported by concrete evidence and were based on unreasonable assumptions. Following the Company's appeal, upon the approval of the first-instance court's decision as of April 18, 2025, the payment related to the first two consolidated case files, amounting to a principal of Euro 1.679.114, was made together with interest and a provision corresponding to the claimed amount has been recognized for the ongoing third lawsuit as of the end of the interim period ended September 30, 2025.

NOTE 12 - COMMITMENTS

Purchase Commitments

	30 September 2025	31 December 2024
Commitments to purchase aircraft	1.203.303.036.588	1.071.592.413.029
	1.203.303.036.588	1.071.592.413.029

As of 30 September 2025, the Group holds the right to purchase 143 aircraft on firm order. In accordance with agreement the expected deliveries are 8 aircraft in 2026, 13 aircraft in 2027, 20 aircraft in 2028, 23 aircraft in 2029, 16 aircraft in 2030, 17 aircraft in 2031, 16 aircraft in 2032, 15 aircraft in 2033, 15 aircraft in 2034. The purchase commitments for these aircraft were calculated based on their list prices and actual purchase prices are typically lower than the list prices.

The Group has provided advances on aircraft purchases amounting to TL 10.144.240.287 (31 December 2024: TL 6.616.402.312). Of this amount, TL 3.432.191.041 is reclassified as short-term, and TL 6.712.049.246 is reclassified as long-term prepayments (31 December 2024: TL 4.514.154.692 is reclassified as short-term, TL 2.102.247.620 is reclassified as long-term prepayments).

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NOTE 12 – COMMITMENTS (cont'd)

Collaterals-Pledges-Mortgages(“CPM”)

The details of the CPMs given by the Group as of 30 September 2025 is as follows:

30 September 2025	TL TOTAL	USD	EUR	TL	Other
A. Total amounts of CPM given on behalf of its own legal entity					
-Collateral	2.457.646.658	22.456.235	27.177.460	27.307.070	176.315.409
-Pledge	-	-	-	-	-
-Mortgage	-	-	-	-	-
B. Total amounts of CPM given on behalf of subsidiaries that are included in full consolidation					
-Collateral	-	-	-	-	-
-Pledge	-	-	-	-	-
-Mortgage	-	-	-	-	-
C. Total amounts of CPM given in order to guarantee third parties debts for routine trade operations					
-Collateral	-	-	-	-	-
-Pledge	-	-	-	-	-
-Mortgage	-	-	-	-	-
D. Total amounts of other CPM given					
i. Total amount of CPM given on behalf of the Parent					
-Collateral	-	-	-	-	-
-Pledge	-	-	-	-	-
-Mortgage	-	-	-	-	-
ii. Total amount of CPM given on behalf of other group companies not covered in B and C					
-Collateral	-	-	-	-	-
-Pledge	-	-	-	-	-
-Mortgage	-	-	-	-	-
iii. Total amount of CPM given on behalf of third parties not covered in C					
-Collateral	-	-	-	-	-
-Pledge	-	-	-	-	-
-Mortgage	-	-	-	-	-
	2.457.646.658	22.456.235	27.177.460	27.307.070	176.315.409

The CPMs given by the Group are consisted of collaterals given to airports and terminals operators, aircraft leasing companies and service suppliers.

The other CPMs (in the scope of item D) given by the Group constitute 0% of the Group's equity as of 30 September 2025.

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NOTE 12 – COMMITMENTS (cont'd)

Collaterals-Pledges-Mortgages(“CPM”) (cont'd)

The details of the CPMs given by the Group as of 31 December 2024 is as follows:

31 December 2024	TL TOTAL	USD	EUR	TL	Other
A. Total amounts of CPM given on behalf of its own legal entity					
-Collateral	1.391.002.578	19.818.530	12.544.285	109.847.593	122.167.548
-Pledge	-	-	-	-	-
-Mortgage	-	-	-	-	-
B. Total amounts of CPM given on behalf of subsidiaries that are included in full consolidation					
-Collateral	-	-	-	-	-
-Pledge	-	-	-	-	-
-Mortgage	-	-	-	-	-
C. Total amounts of CPM given in order to guarantee third parties debts for routine trade operations					
-Collateral	-	-	-	-	-
-Pledge	-	-	-	-	-
-Mortgage	-	-	-	-	-
D. Total amounts of other CPM given					
i. Total amount of CPM given on behalf of the Parent					
-Collateral	-	-	-	-	-
-Pledge	-	-	-	-	-
-Mortgage	-	-	-	-	-
ii. Total amount of CPM given on behalf of other group companies not covered in B and C					
-Collateral	-	-	-	-	-
-Pledge	-	-	-	-	-
-Mortgage	-	-	-	-	-
iii. Total amount of CPM given on behalf of third parties not covered in C					
-Collateral	-	-	-	-	-
-Pledge	-	-	-	-	-
-Mortgage	-	-	-	-	-
	1.391.002.578	19.818.530	12.544.285	109.847.593	122.167.548

The CPMs given by the Group are consisted of collaterals given to airports and terminals operators, aircraft leasing companies and service suppliers.

The other CPMs (in the scope of item D) given by the Group constitute 0% of the Group’s equity as of 31 December 2024.

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NOTE 13 - EXPENSES BY NATURE

The details of expenses by nature for the years periods 30 September 2025 and 30 September 2024 are as follows:

	1 January- 30 September 2025	1 January- 30 September 2024	1 July - 30 September 2025	1 July - 30 September 2024
Jet fuel expenses	28.943.848.163	23.607.205.744	12.002.383.249	8.972.676.157
Personnel expenses	20.363.098.757	12.635.792.723	7.835.297.043	5.967.672.775
Depreciation and amortisation expenses	13.250.330.204	8.736.728.145	5.131.791.667	3.152.138.681
Handling and station fees	8.476.998.263	5.758.693.505	3.530.746.357	2.350.562.224
Navigation expenses	7.754.274.626	4.738.135.246	3.242.376.047	1.931.532.634
Maintenance expenses	3.976.520.718	2.839.924.626	1.531.339.155	1.050.411.307
Landing expenses	4.121.579.582	2.696.504.125	1.673.519.610	1.096.043.018
Passenger service and catering expenses	1.445.566.881	991.501.322	577.164.669	472.818.930
Advertising expenses	834.290.252	475.939.556	324.874.642	135.222.781
Commission expenses	785.215.313	673.464.107	307.695.100	335.157.361
Short term operational lease expenses	898.236.545	40.657.687	753.927.292	692.488
Other expenses	6.559.286.873	4.293.259.552	2.338.027.325	1.733.160.695
	97.409.246.177	67.487.806.338	39.249.142.156	27.198.089.051

NOTE 14 - SHAREHOLDERS' EQUITY

The Company's shareholding structure as of 30 September 2025 and 31 December 2024 are as follows:

	30 September 2025		31 December 2024	
Shareholders	(%)	TL	(%)	TL
Esas Holding	52,81	264.056.018	52,81	264.056.018
Publicly held	45,37	226.866.830	45,37	226.866.830
Emine Kamışlı	0,61	3.025.717	0,61	3.025.717
Ali İsmail Sabancı	0,61	3.025.717	0,61	3.025.717
Kazım Köseoğlu	0,30	1.512.859	0,30	1.512.859
Can Köseoğlu	0,30	1.512.859	0,30	1.512.859
TL historic capital	100,00	500.000.000	100,00	500.000.000

The Company's share capital consists of 500.000.000 shares of par value TL 1 each (31 December 2024: 500.000.000 shares).

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NOTE 15 - REVENUE AND COST OF SALES

The details of revenue and cost of sales for the periods ended 30 September 2025 and 30 September 2024 are as follows:

Revenue:

	1 January- 30 September 2025	1 January- 30 September 2024	1 July - 30 September 2025	1 July - 30 September 2024
Scheduled flight and service revenue	112.675.293.599	82.465.679.803	51.561.078.742	39.285.260.518
<i>International flight revenue</i>	<i>56.041.103.282</i>	<i>44.015.367.822</i>	<i>27.074.772.122</i>	<i>22.278.905.246</i>
<i>Domestic flight revenue</i>	<i>15.480.930.577</i>	<i>10.993.548.833</i>	<i>7.224.041.125</i>	<i>5.323.488.279</i>
<i>Service revenue</i>	<i>41.153.259.740</i>	<i>27.456.763.148</i>	<i>17.262.265.495</i>	<i>11.682.866.993</i>
Charter flight and service revenue	1.407.682.990	1.298.282.396	759.329.800	687.775.044
<i>Charter flight revenue</i>	<i>1.407.682.990</i>	<i>1.298.282.396</i>	<i>759.329.800</i>	<i>687.775.044</i>
Other revenue	322.118.306	282.425.529	71.616.300	109.416.871
	114.405.094.895	84.046.387.728	52.392.024.842	40.082.452.433

The Group's revenue is disaggregated into revenue from scheduled flights, revenue from chartered flights, and other revenues in accordance with the TFRS 15 "Revenue from Contracts with Customers" standard. However, although the Group does not consider service revenues within these disaggregated revenue items as a separate performance obligation, it presents additional information due to their frequent disclosure to investors and continuous review by the authorities empowered to make decisions regarding operations.

Geographical details of revenue from the scheduled flights are as follows:

	1 January- 30 September 2025	1 January- 30 September 2024	1 July - 30 September 2025	1 July - 30 September 2024
Europe	43.861.016.937	33.564.931.888	22.498.538.796	17.971.919.518
Domestic	15.480.930.577	10.993.548.833	7.224.041.125	5.323.488.279
Other	12.180.086.345	10.450.435.934	4.576.233.326	4.306.985.728
	71.522.033.859	55.008.916.655	34.298.813.247	27.602.393.525

Cost of sales:

	1 January- 30 September 2025	1 January- 30 September 2024	1 July - 30 September 2025	1 July - 30 September 2024
Jet fuel expenses	28.943.848.163	23.607.205.744	12.002.383.249	8.972.676.157
Personnel expenses	18.835.866.350	11.688.108.269	7.247.649.765	5.520.097.317
Depreciation and amortisation expenses	12.652.936.942	8.350.345.270	4.902.838.210	3.010.866.564
Handling and station fees	8.476.998.263	5.758.693.505	3.530.746.357	2.350.562.224
Navigation expenses	7.754.274.626	4.738.135.246	3.242.376.047	1.931.532.634
Maintenance expenses	3.976.520.718	2.839.924.626	1.531.339.155	1.050.411.307
Landing expenses	4.121.579.582	2.696.504.125	1.673.519.610	1.096.043.018
Passenger service and catering expenses	1.445.566.881	991.501.322	577.164.669	472.818.930
Insurance expenses	548.351.488	464.024.453	182.141.569	151.814.697
Short term lease expenses	898.236.545	40.657.687	818.866.458	692.488
Other expenses	4.133.208.098	2.598.778.212	1.283.326.703	1.104.227.608
	91.787.387.656	63.773.878.459	36.992.351.792	25.661.742.944

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NOTE 16 - GENERAL ADMINISTRATIVE EXPENSES AND SELLING AND MARKETING EXPENSES

	1 January- 30 September 2025	1 January- 30 September 2024	1 July - 30 September 2025	1 July - 30 September 2024
General administrative expenses	3.194.740.789	2.005.770.628	1.334.361.184	841.595.866
Marketing expenses	2.427.117.732	1.708.157.251	922.429.180	694.750.241
	5.621.858.521	3.713.927.879	2.256.790.364	1.536.346.107

The details of general administrative expenses and marketing expenses for the periods ended 30 September 2025 and 30 September 2024 are as follows (there are no research & development expenses in the periods ended in respective dates):

General administrative expenses:

	1 January- 30 September 2025	1 January- 30 September 2024	1 July - 30 September 2025	1 July - 30 September 2024
Personnel expenses	1.119.970.432	694.968.600	430.941.337	328.222.003
IT expenses	801.470.771	511.399.837	316.602.369	199.289.267
Depreciation and amortisation expenses	477.914.610	309.106.300	183.162.766	113.017.694
Consultancy expenses	220.189.738	146.720.131	90.681.150	53.905.660
Office utility expenses	75.269.669	55.523.255	27.250.507	21.732.786
Legal and notary expenses	204.937.516	76.884.783	145.060.876	46.158.649
Communication expenses	66.915.985	67.875.295	34.959.180	22.895.072
Travel expenses	126.902.175	88.507.486	77.024.877	47.708.362
Training expenses	13.524.545	7.636.171	4.686.866	5.038.692
Other expenses	87.645.348	47.148.770	23.991.256	3.627.681
	3.194.740.789	2.005.770.628	1.334.361.184	841.595.866

Marketing expenses:

	1 January- 30 September 2025	1 January- 30 September 2024	1 July - 30 September 2025	1 July - 30 September 2024
Advertising expenses	834.290.252	475.939.556	324.874.642	135.222.781
Commission expenses	785.215.313	673.464.107	307.695.100	335.157.361
Personnel expenses	407.261.975	252.715.854	156.705.941	119.353.455
Call center expenses	194.650.004	156.985.783	58.603.609	51.810.508
Depreciation and amortisation expenses	119.478.652	77.276.575	45.790.691	28.254.423
Other expenses	86.221.536	71.775.376	28.759.197	24.951.713
	2.427.117.732	1.708.157.251	922.429.180	694.750.241

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NOTE 17 - OTHER OPERATING INCOME AND EXPENSES

The details of other operating income and expenses for the periods ended 30 September 2025 and 30 September 2024 are as follows:

Other operating income:

	1 January- 30 September 2025	1 January- 30 September 2024	1 July - 30 September 2025	1 July - 30 September 2024
Reversal of doubtful cash and cash equivalents	14.672.988	-	(1.123.778)	-
Reversal of doubtful provision	1.427.649	-	654.375	-
Other	-	14.131.779	-	4.789.421
	16.100.637	14.131.779	(469.403)	4.789.421

Other operating expenses:

	1 January- 30 September 2025	1 January- 30 September 2024	1 July - 30 September 2025	1 July - 30 September 2024
Foreign exchange loss from operating activities, net	5.817.630.341	507.709.355	848.065.010	823.895.131
Legal provision and penalty expense	163.347.547	9.615.070	25.739.232	-
Doubtful receivable allowance expense	-	16.747.499	-	15.016.828
Trade receivables allowance expense	18.367.550	8.168.026	(6.097.877)	-
Cash and cash equivalents allowance expense	-	15.679.871	-	11.568.103
Other	139.821.179	109.141.547	86.211.334	71.677.370
	6.139.166.617	667.061.368	953.917.699	922.157.432

NOTE 18 - INCOME AND EXPENSES FROM INVESTING ACTIVITIES

The details of income from investing activities for the periods ended 30 September 2025 and 30 September 2024 are as follows:

Income from investing activities:

	1 January- 30 September 2025	1 January- 30 September 2024	1 July - 30 September 2025	1 July - 30 September 2024
Interest income from time deposits	904.353.842	552.841.543	17.915.708	205.349.425
Gain arising from aircraft sale	323.129.385	236.962.782	26.549.078	-
Interest income from eurobond	1.170.015.408	606.415.227	594.622.148	201.907.875
Gain on sale of joint venture shares	60.566.036	-	60.566.036	-
Gain from eurobond sales (*)	33.173.172	41.795.833	15.714.117	3.926.197
Income from sale of fixed assets	61.888.569	-	(15.720.317)	-
Other income	16.766.437	2.852.365	3.981.003	-
	2.569.892.849	1.440.867.750	703.627.773	411.183.497

(*) The amounts represents gains arising from the sale of financial investments that are carried at fair value through other comprehensive income.

Expense from investing activities:

	1 January- 30 September 2025	1 January- 30 September 2024	1 July - 30 September 2025	1 July - 30 September 2024
Loss from eurobond sales	1.499.897	-	509.707	-
Financial investments allowance expense	-	238.182.318	-	24.644.845
	1.499.897	238.182.318	509.707	24.644.845

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NOTE 19 - FINANCIAL INCOME AND EXPENSES

The details of financial income and expenses for the periods ended 30 September 2025 and 30 September 2024 are as follows:

Financial income:

	1 January- 30 September 2025	1 January- 30 September 2024	1 July - 30 September 2025	1 July - 30 September 2024
Foreign exchange gain, net	8.412.278.794	389.895.954	909.734.128	1.801.532.387
Interest income	2.079.228.464	1.236.472.467	719.238.435	486.984.226
	10.491.507.258	1.626.368.421	1.628.972.563	2.288.516.613

Financial expenses:

	1 January- 30 September 2025	1 January- 30 September 2024	1 July - 30 September 2025	1 July - 30 September 2024
Interest expense on leases	4.827.658.539	4.439.136.828	1.645.078.632	1.535.044.638
Interest expense on issued debt instruments	1.393.443.740	807.169.445	522.607.562	248.137.943
Commission and other expenses	1.371.614.699	1.267.664.594	510.542.378	628.808.349
Losses from derivative contracts	261.441.457	99.888.823	68.437.937	139.988.655
Interest expense on bank loans	358.999.101	436.189.730	184.625.407	92.864.625
	8.213.157.536	7.050.049.420	2.931.291.916	2.644.844.210

NOTE 20 - EARNINGS PER SHARE

Earnings per share disclosed in the condensed consolidated statements of income are determined by dividing the net income by the weighted number of shares that have been outstanding during the period concerned. Weighted average number of shares for 2024 and 2025 is calculated using the actual number of shares outstanding during the period, taking into consideration the actual date of capital increase.

Number of total shares and calculation of earnings per share at 30 September 2025 and 30 September 2024 are as follows:

	1 January- 30 September 2025	1 January- 30 September 2024	1 July - 30 September 2025	1 July - 30 September 2024
Net profit	13.326.667.532	11.320.281.004	10.828.830.379	10.824.093.347
Weighted average number of shares issued in the year	500.000.000	500.000.000	500.000.000	500.000.000
Income per share	26,65	22,64	21,66	21,65

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NOTE 21 – DERIVATIVE FINANCIAL INSTRUMENTS

Fair Value of Derivative Instruments

	30 September 2025		31 December 2024	
	Asset	Liability	Asset	Liability
Short term	-	624.101.525	145.642.867	170.696.233
Long term	-	24.743.684	-	13.387.018
	-	648.845.209	145.642.867	184.083.251

Explanations related to derivative instruments are disclosed in Note 24.

NOTE 22 - FINANCIAL INSTRUMENTS

Financial Assets

Short term	30 September 2025	31 December 2024
Financial investments measured at amortized cost	11.990.713.492	6.336.522.068
Financial assets recognized at fair value through profit or loss	4.576.939.665	3.714.866.359
Time deposit (*)	1.474.096.917	1.059.774.928
Allowance for credit risk adjustment under TFRS 9	(11.491.566)	(13.032.469)
	18.030.258.508	11.098.130.886

(*) The balance includes time deposits with original maturities between three months and one year.

Long term	30 September 2025	31 December 2024
Financial investments measured at amortized cost	6.969.440.028	4.774.747.774
Allowance for credit risk adjustment under TFRS 9	(93.235.420)	(153.583.100)
	6.876.204.608	4.621.164.674

Financial investments accounted at amortized cost

	30 September 2025	31 December 2024
Short term financial investments measured at amortized cost	11.990.713.492	6.336.522.068
Long term financial investments measured at amortized cost	6.969.440.028	4.774.747.774
	18.960.153.520	11.111.269.842

	30 September 2025	31 December 2024
Government Debt Securities	6.920.115.178	7.089.155.754
Corporate Debt Securities	12.040.038.342	4.022.114.088
	18.960.153.520	11.111.269.842

The Group's fixed income securities are accounted at their amortized costs using the effective interest rate. These securities are denominated in Euro, US Dollar and Pound and pay fixed interest every year and every six months.

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NOTE 22 - FINANCIAL INSTRUMENTS (cont'd)

Financial Assets

The weighted average coupon interest rates of existing Euro, US Dollar and Pounds financial investments that are measured at amortized cost as of 30 September 2025 and 31 December 2024 are as follows:

	Weighted average Coupon Interest Rate (%)	FX Type	Asset Value TL
Government Debt Securities	7,5	US Dollar	6.066.651.464
Government Debt Securities	6,2	GBP	853.463.714
Corporate Debt Securities	6,4	US Dollar	10.516.041.259
Corporate Debt Securities	5,9	Euro	1.238.933.050
Corporate Debt Securities	6,2	GBP	285.064.033
30 September 2025			18.960.153.520

	Weighted average Coupon Interest Rate (%)	FX Type	Asset Value TL
Government Debt Securities	7,6	US Dollar	6.622.324.195
Government Debt Securities	6,7	GBP	466.831.559
Corporate Debt Securities	7,2	US Dollar	3.092.676.978
Corporate Debt Securities	6,7	Euro	929.437.110
31 December 2024			11.111.269.842

Financial investments at fair value through other comprehensive income

	30 September 2025	31 December 2024
Government Debt Securities	4.105.938.171	2.646.894.946
Corporate Debt Securities	471.001.494	1.067.971.413
	4.576.939.665	3.714.866.359

The coupon interest rates of the financial investments in US Dollars that are measured by their fair value and continues as of the reporting date are as follows.

	Weighted average Coupon Interest Rate (%)	FX Type	Asset Value TL
Government Debt Securities	7,9	US Dollar	4.105.938.171
Corporate Debt Securities	7,7	US Dollar	471.001.494
30 September 2025			4.576.939.665

	Weighted average Coupon Interest Rate (%)	FX Type	Asset Value TL
Government Debt Securities	8,4	US Dollar	2.646.894.946
Corporate Debt Securities	8,1	US Dollar	1.067.971.413
31 December 2024			3.714.866.359

The financial investments at fair value through other comprehensive income is composed of bonds. These investments are denominated in US Dollars and pay fixed interest every year or every six months.

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NOTE 22 - FINANCIAL INSTRUMENTS (cont'd)**Financial Liabilities**

The details of financial liabilities as of 30 September 2025 and 31 December 2024 are as follows:

Short term financial liabilities	30 September 2025	31 December 2024
Short term bank borrowings	11.462.002.891	6.321.566.673
	11.462.002.891	6.321.566.673
Short term portion of long term financial liabilities	30 September 2025	31 December 2024
Short term portion of long term bank borrowings	1.449.497.529	804.094.539
Principal and interest of bonds issued	1.530.740.359	7.276.917.017
Discount and commissions of bonds issued	(40.419.167)	(63.248.844)
Lease liabilities	21.309.111.839	14.911.498.531
<i>Short term portion of long term</i>		
<i>lease liabilities</i>	2.563.516.990	1.853.791.145
<i>Short term portion of long term</i>		
<i>lease liabilities with purchase option</i>	18.745.594.849	13.057.707.386
	24.248.930.560	22.929.261.243
Long term financial liabilities	30 September 2025	31 December 2024
Long term bank borrowings	4.951.650.568	808.687.123
Issued debt instruments (*)	19.270.330.628	16.625.114.404
Discount and commissions of bonds issued	(227.134.240)	(172.077.331)
Lease liabilities	159.618.792.040	119.794.949.520
<i>Long term lease liabilities</i>	7.739.975.511	7.554.922.759
<i>Long term lease liabilities with purchase option</i>	151.878.816.529	112.240.026.761
	183.613.638.996	137.056.673.716

(*) The Group issued bonds to qualified investors abroad on April 29, 2021, which were issued under the "Rule 144A" and/or "Regulation S" format, have a nominal value of USD 375.000.000, at 9,25% interest rate and the maturity is 5 years with an early payment option in the third and fourth years. The settlement process was completed and the bonds were fully redeemed following the repurchase by the Group of bonds amounting to USD 211,086,000 on September 12, 2024, and the remaining bonds amounting to USD 163,914,000 on April 28, 2025, from the respective investors.

The Group issued bonds to qualified investors abroad on September 11, 2024, which were issued under the "Rule 144A" and/or "Regulation S" format, have a nominal value of USD 500.000.000, at 8,00% interest rate and the maturity is 7 years with an early payment option starting at the end of three years.

The bonds are traded on the Irish Stock Exchange (Euronext Dublin). There are some financial covenants in the Terms and Conditions of the notes. The covenants of the notes are; negative pledge, limitation in indebtedness, publication of financial information, limitations on transactions with affiliates, minimum liquidity, merger, consolidation and sale of all assets substantially, limitation on asset sales, limitation on restricted payments. As of 30 September 2025, the Group complied with all covenants.

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NOTE 22 - FINANCIAL INSTRUMENTS (cont'd)

Financial Liabilities (cont'd)

Bank Borrowings

The effective interest rates, original currency and TL equivalents of the short and long term bank borrowings as of 30 September 2025 and 31 December 2024 are as follows :

30 September 2025	Weighted average interest rate (%)	Currency	Original amount	TL equivalent
Short term bank borrowings	5,08	Euro	235.611.463	11.462.002.891
Short term portion of long term bank borrowings	4,11	Euro	29.795.686	1.449.497.529
Long term bank borrowings	3,78	Euro	101.785.495	4.951.650.568
				17.863.150.988

31 December 2024	Weighted average interest rate (%)	Currency	Original amount	TL equivalent
Short term bank borrowings	6,09	Euro	172.048.659	6.321.566.673
Short term portion of long term bank borrowings	4,22	Euro	21.884.352	804.094.539
Long term bank borrowings	4,19	Euro	22.009.344	808.687.123
				7.934.348.335

Lease Liabilities

The details of lease liabilities as of 30 September 2025 and 31 December 2024 are as follows:

	30 September 2025	31 December 2024
Less than 1 year	27.148.924.095	19.943.011.377
Between 1 - 5 years	101.409.322.964	74.527.413.498
Over 5 years	85.509.831.180	66.439.202.785
	214.068.078.239	160.909.627.660
Less: Future interest expenses	(33.140.174.360)	(26.203.179.609)
	180.927.903.879	134.706.448.051

Present value of minimum lease payments of lease liabilities are as follows;

	30 September 2025	31 December 2024
Less than 1 year	21.309.111.839	14.911.498.531
Between 1 - 5 years	83.313.803.143	60.958.814.055
Over 5 years	76.304.988.897	58.836.135.465
	180.927.903.879	134.706.448.051

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NOTE 22 - FINANCIAL INSTRUMENTS (cont'd)**Financial Liabilities (cont'd)**

The Group acquire certain of its handling equipment and aircraft through lease arrangements. The average lease term is 5,82 years. For the period ended 30 September 2025, the floating interest rate applicable to Euro-denominated lease liabilities, amounting to TL 133.094.142.650, is 3,27% (31 December 2024: 3,40%) and the floating rate applicable to US Dollar-denominated lease liabilities, amounting to TL 14.722.328.791, is 5,87% (31 December 2024: 6,28%).

Reconciliation of obligations arising from financing activities

The changes in the Group's liabilities arising from financing activities are given in the following table:

	1 January 2025	Utilized bank loans and repayments, (net)	Finance lease obtained and repayment of principals	Non-cash changes	30 September 2025
Bank loans and Issued debt instruments	31.601.053.581	(1.629.381.191)	-	8.424.996.178	38.396.668.568
Lease payables	134.706.448.051	-	(17.177.591.293)	63.399.047.121	180.927.903.879
	166.307.501.632	(1.629.381.191)	(17.177.591.293)	71.824.043.299	219.324.572.447

	1 January 2024	Utilized bank loans and repayments, (net)	Finance lease obtained and repayment of principals	Non-cash changes	30 September 2024
Bank loans and Issued debt instruments	19.610.509.436	5.128.804.158	-	5.417.440.621	30.156.754.215
Lease payables	99.907.729.653	-	(13.032.365.724)	40.397.175.703	127.272.539.632
	119.518.239.089	5.128.804.158	(13.032.365.724)	45.814.616.324	157.429.293.847

NOTE 23 - NATURE AND LEVEL OF RISKS DERIVING FROM FINANCIAL INSTRUMENTS**Financial Risk Factors*****Market risk***

The Group's activities expose primarily to the financial risks of changes in foreign currency exchange rates, fuel price and interest rates. The Group enters into a variety of derivative financial instruments to manage exposure to foreign currency, fuel price and interest rate risk.

Foreign currency risk management

The Group has transactions in non-Euro currencies including Turkish Lira revenues, US Dollar borrowings and fuel purchases. These non-Euro denominated transactions expose the Group to foreign currency risk. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

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NOTE 23 - NATURE AND LEVEL OF RISKS DERIVING FROM FINANCIAL INSTRUMENTS
(cont'd)

Financial Risk Factors (cont'd)

Foreign currency risk management

The Group's foreign currency position of monetary and non-monetary assets/liabilities for the years ended 30 September 2025 and 31 December 2024 are as follows:

30 September 2025	TL Total	USD	TL	GBP	Other
1. Trade receivables	2.985.202.930	8.829.595	2.002.069.818	2.738.912	464.243.816
2a. Monetary financial assets	54.760.811.662	895.508.148	6.598.125.945	22.819.602	9.730.163.145
2b. Non monetary financial assets	-	-	-	-	-
3. Other	304.746.101	4.469.432	2.519.338	214.331	104.820.679
4. CURRENT ASSETS	58.050.760.693	908.807.175	8.602.715.101	25.772.845	10.299.227.640
5. Trade receivables	-	-	-	-	-
6a. Monetary financial assets	5.631.252.622	135.698.066	-	-	-
6b. Non monetary financial assets	-	-	-	-	-
7. Other	285.349.329	5.402.059	1.878.341	63.000	55.786.973
8. NON CURRENT ASSETS	5.916.601.951	141.100.125	1.878.341	63.000	55.786.973
9. TOTAL ASSETS	63.967.362.644	1.049.907.300	8.604.593.442	25.835.845	10.355.014.613
10. Trade payables	6.277.268.418	96.684.460	2.045.450.461	3.118.136	45.980.931
11. Financial liabilities	7.017.904.882	168.916.402	8.144.465	-	-
12a. Other liabilities, monetary	5.719.928.352	56.346.113	3.177.937.851	297.235	187.169.893
12b. Other liabilities, non monetary	-	-	-	-	-
13. CURRENT LIABILITIES	19.015.101.652	321.946.975	5.231.532.777	3.415.371	233.150.824
14. Trade payables	-	-	-	-	-
15. Financial liabilities	58.488.833.203	1.409.423.814	-	-	-
16a. Other liabilities, monetary	7.029.013.987	113.783.615	2.307.176.018	-	-
16b. Other liabilities, non monetary	-	-	-	-	-
17. NON CURRENT LIABILITIES	65.517.847.190	1.523.207.429	2.307.176.018	-	-
18. TOTAL LIABILITIES	84.532.948.842	1.845.154.404	7.538.708.795	3.415.371	233.150.824
19. Net asset / (liability) position of Off-statement of financial position derivatives (19a-19b)	-	-	-	-	-
19.a Off-statement of financial position foreign currency derivative assets	-	-	-	-	-
19b. Off-statement of financial position foreign currency derivative liabilities	-	-	-	-	-
20. Net foreign currency asset/(liability) position	(20.565.586.198)	(795.247.104)	1.065.884.647	22.420.474	10.121.863.789
21. Net foreign currency asset / (liability) position of monetary items (1+2a+3+5+6a+7-10-11-12a-14-15-16a)	(20.565.586.198)	(795.247.104)	1.065.884.647	22.420.474	10.121.863.789

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**NOTE 23 - NATURE AND LEVEL OF RISKS DERIVING FROM FINANCIAL INSTRUMENTS
(cont'd)****Financial Risk Factors (cont'd)*****Foreign currency risk management***

31 December 2024	TL Total	USD	TL	GBP	Other
1. Trade receivables	1.930.994.924	7.421.689	1.404.084.196	1.817.410	185.081.590
2a. Monetary financial assets	46.038.638.751	1.163.326.747	4.022.451.465	14.824.938	384.039.037
2b. Non monetary financial assets	-	-	-	-	-
3. Other	228.603.724	1.727.019	166.711.936	23.797	7.562
4. CURRENT ASSETS	48.198.237.399	1.172.475.455	5.593.247.597	16.666.145	569.128.189
5. Trade receivables	-	-	-	-	-
6a. Monetary financial assets	4.621.164.767	131.196.247	-	-	-
6b. Non monetary financial assets	-	-	-	-	-
7. Other	287.642.554	6.695.999	1.543.144	63.000	47.456.743
8. NON CURRENT ASSETS	4.908.807.321	137.892.246	1.543.144	63.000	47.456.743
9. TOTAL ASSETS	53.107.044.720	1.310.367.701	5.594.790.741	16.729.145	616.584.932
10. Trade payables	4.556.958.222	90.371.223	1.020.393.435	2.635.892	236.764.938
11. Financial liabilities	11.052.127.544	313.459.380	11.053.764	-	-
12a. Other liabilities, monetary	3.785.868.230	10.378.007	3.369.137.300	254.401	39.927.100
12b. Other liabilities, non monetary	-	-	-	-	-
13. CURRENT LIABILITIES	19.394.953.996	414.208.610	4.400.584.499	2.890.293	276.692.038
14. Trade payables	-	-	-	-	-
15. Financial liabilities	50.483.084.146	1.433.084.260	5.127.331	-	-
16a. Other liabilities, monetary	9.168.838.348	216.012.353	1.560.170.434	-	-
16b. Other liabilities, non monetary	-	-	-	-	-
17. NON CURRENT LIABILITIES	59.651.922.494	1.649.096.613	1.565.297.765	-	-
18. TOTAL LIABILITIES	79.046.876.490	2.063.305.223	5.965.882.264	2.890.293	276.692.038
19. Net asset / (liability) position of Off-statement of financial position derivatives (19a-19b)	17.963.040	21.424.898	-	(16.650.000)	-
19.a Off-statement of financial position foreign currency derivative assets	754.655.610	21.424.898	-	-	-
19b. Off-statement of financial position foreign currency derivative liabilities	736.692.570	-	-	16.650.000	-
20. Net foreign currency asset/(liability) position	(25.939.831.770)	(752.937.522)	(371.091.523)	13.838.852	339.892.894
21. Net foreign currency asset / (liability) position of monetary items (1+2a+3+5+6a+7-10-11-12a-14-15-16a)	(25.939.831.770)	(752.937.522)	(371.091.523)	13.838.852	339.892.894

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**NOTE 23 - NATURE AND LEVEL OF RISKS DERIVING FROM FINANCIAL INSTRUMENTS
(cont'd)****Financial Risk Factors (cont'd)*****Foreign currency risk management***Foreign currency sensitivity

The Group is exposed to foreign exchange risk arising primarily with respect to the US Dollar and Turkish Lira. The following table details the Group's sensitivity to a 10% increase and decrease in US Dollar, and TL. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated items and adjusts their translation at the period end for a 10% change in foreign currency rates.

Foreign currency sensitivity tables as of 30 September 2025 and 31 December 2024 are as follows:

30 September 2025	Profit/(Loss)		Shareholders' equity	
	If foreign currency appreciated 10%	If foreign currency depreciated 10%	If foreign currency appreciated 10%	If foreign currency depreciated 10%
Effect of 10% change in USD rate				
USD net asset / (liability)	(3.300.148.242)	3.300.148.242	-	-
Part of hedged from USD risk	-	-	-	-
USD net effect	(3.300.148.242)	3.300.148.242	-	-
Effect of 10% change in TL rate				
TL net asset / (liability)	106.588.465	(106.588.465)	11.318.431.039	(11.318.431.039)
Part of hedged from TL risk	-	-	-	-
TL net effect	106.588.465	(106.588.465)	11.318.431.039	(11.318.431.039)
Effect of 10% change in GBP rate				
GBP net asset / liability	124.814.779	(124.814.779)	-	-
Part of hedged from GBP risk	-	-	-	-
GBP net effect	124.814.779	(124.814.779)	-	-
31 December 2024	Profit/(Loss)		Shareholders' equity	
	If foreign currency appreciated 10%	If foreign currency depreciated 10%	If foreign currency appreciated 10%	If foreign currency depreciated 10%
Effect of 10% change in USD rate				
USD net asset / (liability)	(2.655.359.368)	2.655.359.368	-	-
Part of hedged from USD risk	75.465.561	(75.465.561)	-	-
USD net effect	(2.579.893.807)	2.579.893.807	-	-
Effect of 10% change in TL rate				
TL net asset / (liability)	118.907.891	(118.907.891)	7.505.715.524	(7.505.715.524)
Part of hedged from TL risk	-	-	-	-
TL net effect	118.907.891	(118.907.891)	7.505.715.524	(7.505.715.524)
Effect of 10% change in GBP rate				
GBP net asset / liability	61.231.108	(61.231.108)	-	-
Part of hedged from GBP risk	(73.669.257)	73.669.257	-	-
GBP net effect	(12.438.149)	12.438.149	-	-

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NOTE 24 - FINANCIAL INSTRUMENTS (FAIR VALUE AND HEDGE ACCOUNTING DISCLOSURES)

The Group Management believes that the carrying values of financial instruments approximates their fair values, except for financial investments, lease liabilities and issued debt instruments. The fair value of financial investments and issued bonds is determined by considering the market value (level 1).

Fair Value of Financial Instruments

30 September 2025	Financial assets and liabilities at amortized cost	Financial assets and derivative instruments which are recognized at fair value in shareholders' equity	Derivative instruments which are recognized at fair value in profit/loss	Carrying amount	Note
Financial assets					
Cash and cash equivalents	50.433.677.329	-	-	50.433.677.329	27
Trade receivables	4.469.637.556	-	-	4.469.637.556	6
- <i>Other</i>	4.469.637.556	-	-	4.469.637.556	6
Other receivables	4.586.541.379	-	-	4.586.541.379	
- <i>Other</i>	4.586.541.379	-	-	4.586.541.379	
Financial investments	18.922.288.427	4.576.939.665	-	24.906.463.116	22
Financial liabilities					
Bank borrowings	17.863.150.988	-	-	17.863.150.988	22
Issued debt instruments	27.543.103.327	-	-	20.533.517.580	
Trade payables	14.623.825.136	-	-	14.623.825.136	6
- <i>Related party</i>	58.502.894	-	-	58.502.894	5
- <i>Other</i>	14.565.322.242	-	-	14.565.322.242	
Other payables	1.028.898.123	-	-	1.028.898.123	
Derivative financial liabilities	-	648.845.209	-	648.845.209	21

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NOTE 24 - FINANCIAL INSTRUMENTS (FAIR VALUE AND HEDGE ACCOUNTING DISCLOSURES) (cont'd)

Fair Value of Financial Instruments (cont'd)

31 December 2024	Financial assets and liabilities at amortized cost	Financial assets and derivative instruments which are recognized at fair value in shareholders' equity	Derivative instruments which are recognized at fair value in profit/loss	Carrying amount	Note
Financial assets					
Cash and cash equivalents	46.258.554.416	-	-	46.258.554.416	27
Trade receivables	2.699.417.383	-	-	2.699.417.383	6
- <i>Other</i>	2.699.417.383	-	-	2.699.417.383	6
Other receivables	3.226.156.066	-	-	3.226.156.066	
- <i>Other</i>	3.226.156.066	-	-	3.226.156.066	
Financial investments	11.087.434.559	3.714.866.359	-	15.719.295.560	22
Derivative financial assets	-	-	145.642.867	145.642.867	21
Financial liabilities					
Bank borrowings	7.934.348.335	-	-	7.934.348.335	22
Issued debt instruments	23.378.226.424	-	-	23.666.705.246	
Trade payables	7.942.864.589	-	-	7.942.864.589	6
- <i>Related party</i>	43.890.717	-	-	43.890.717	5
- <i>Other</i>	7.898.973.872	-	-	7.898.973.872	
Other payables	460.006.050	-	-	460.006.050	
Derivative financial liabilities	-	184.083.251	-	184.083.251	21

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NOTE 24 - FINANCIAL INSTRUMENTS (FAIR VALUE AND HEDGE ACCOUNTING DISCLOSURES) (cont'd)

Fair Value of Financial Instruments (cont'd)

The fair values of financial assets and financial liabilities are determined and grouped as follows:

- Level 1: the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices:
- Level 2: the fair value of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions; and
- Level 3: the fair value of financial assets and liabilities are determined by the input that does not reflect an actual data observed in the market while finding the fair value of an asset or liability.

Financial assets / (Financial liabilities)	Fair value as at		Fair value hierarchy	Valuation technique
	30 September 2025	31 December 2024		
Fuel purchase option contracts	(648.845.209)	(184.083.251)	Level 2	Discounted cash flow method
Currency forward contracts	-	145.642.867	Level 2	Discounted cash flow method
		Currency forward contracts	Fuel purchase option contracts	Total
30 September 2025				
Fair value:				
Opening		145.642.867	(184.083.251)	(38.440.384)
Fair value increase				
Recognized in equity		-	(464.761.958)	(464.761.958)
Recognized in profit or loss		(145.642.867)	-	(145.642.867)
Closing		-	(648.845.209)	(648.845.209)
Assets	-	-	-	-
Liabilities	-	(648.845.209)	(648.845.209)	(648.845.209)
Total net assets and liabilities	-	(648.845.209)	(648.845.209)	(648.845.209)

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

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NOTE 24 - FINANCIAL INSTRUMENTS (FAIR VALUE AND HEDGE ACCOUNTING DISCLOSURES) (cont'd)

Fair Value of Financial Instruments (cont'd)

31 December 2024	Currency forward contracts	Fuel purchase option contracts	Total
Fair value:			
Opening	12.607.533	(173.330.608)	(160.723.075)
Fair value increase / (decrease)			
Recognized in equity	-	(10.752.643)	(10.752.643)
Recognized in profit or loss	133.035.334	-	133.035.334
Closing	145.642.867	(184.083.251)	(38.440.384)
Assets	145.642.867	-	145.642.867
Liabilities	-	(184.083.251)	(184.083.251)
Total net assets and liabilities	145.642.867	(184.083.251)	(38.440.384)

The Group has forward fuel purchase option contracts, which are subject to hedge accounting, at a rate of 65,2% and 27,7% of the total fuel consumption estimated to occur in a period shorter than 1 year and more than 1 year, respectively. In line with its hedging policy, the Group can conclude contracts with maturities up to 24 months. As of 30 September 2025, the contracts last until September 2027. The total nominal value of these contracts is USD 618,3 million, and the weighted average price is in the range of USD 62-77. The ineffective portion of the hedge is not material as of 30 September 2025. In the current period, the expense that is reclassified from hedging gain/(losses) fund under shareholders' equity to fuel expenses in the profit or loss statement is amounting to TL 82.595.912 (30 September 2024: TL 85.585.786 derivative income are charged to finance expenses).

NOTE 25 - EVENTS AFTER REPORTING PERIOD

Not available.

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NOTE 26 – INCOME TAX EXPENSE

The Group is subject to corporate tax applicable in Türkiye. The corporate tax rate in Türkiye is applied as 25% for the 2024 taxation period. It continues to be applied as 25% for the 2025 taxation period. While calculating deferred tax on temporary differences, the Company takes into account the tax rates applicable at the date of closing of the temporary differences.

The tax expense components of 30 September 2025 and 30 September 2024 are presented below:

	1 January- 30 September 2025	1 January- 30 September 2024
Tax income/(expense)		
- Deferred tax income/(expense)	(2.496.053.897)	(427.880.382)
Total tax income/(expense)	(2.496.053.897)	(427.880.382)

The Group's earnings from investments tied to an incentive certificate are subject to corporate tax at discounted rates, starting from the accounting period in which the investment is partially or fully operational, until the investment contribution amount is reached. In this context, tax advantage amounting to TL 12.933.971.711 (31 December 2024: TL 7.469.203.072) that the Group will benefit from in the foreseeable future as of 30 September 2025 is reflected in the interim condensed consolidated financial statements as a deferred tax asset. As a result of the recognition of the mentioned tax advantage as of 30 September 2025, deferred tax income amounting to TL 2.703.918.945 has recognised in the interim condensed consolidated profit or loss statement for the period 1 January - 30 September 2025.

Deferred tax assets are recognized when it is determined that taxable income is likely to occur in the coming years. In cases where taxable income is likely to occur, deferred tax assets are calculated over deductible temporary differences, tax losses and tax advantages vested in indefinite-lived investment incentives that allow reduced corporate tax payments. In this context, the Group bases the reflection of deferred tax assets arising from investment incentives in the interim condensed consolidated financial statements on long-term plans and evaluates the recoverability of deferred tax assets related to these investment incentives as of each reporting date. This evaluation is conducted based on business models that include estimations of taxable profits.

In the sensitivity analysis carried out as of 30 September 2025, when the inputs in the basic macroeconomic and sectoral assumptions that make up the business plans are increased/decreased by 10%, the duration of the foreseen period for recognizing deferred tax assets related to investment incentives remains unchanged.

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

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NOTE 27 - EXPLANATIONS RELATED TO STATEMENT OF CASH FLOW

The details of cash and cash equivalents as of 30 September 2025 and 31 December 2024 are as follows:

	30 September 2025	31 December 2024
Cash on hand	4.829.714	1.837.424
Cash at banks	50.441.272.971	46.283.815.336
- Demand deposits	3.039.773.198	856.801.424
- Time deposits	47.401.499.773	45.427.013.912
Allowance for credit risk adjustment under TFRS 9	(12.425.356)	(27.098.344)
	50.433.677.329	46.258.554.416

The weighted average interest rates of time deposits are as presented below:

30 September 2025	Weighted average interest rates	Total
USD deposits	4,32 %	21.501.063.139
EUR deposits	2,29 %	10.427.201.527
TL deposits	41,34 %	6.358.646.127
GBP deposits	0,50 %	18.455.669
CHF deposits	4,13 %	9.015.077.790
IRR deposits	5,00 %	81.055.521
		47.401.499.773

31 December 2024	Weighted average interest rates	Total
USD deposits	4,51 %	31.149.715.222
EUR deposits	2,65 %	9.969.682.000
TL deposits	48,88 %	3.980.883.191
GBP deposits	0,50 %	114.484.102
IRR deposits	5,00 %	212.249.397
		45.427.013.912

As of 30 September 2025 and 31 December 2024 time deposits maturities are less than 90 days.

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

APPENDIX : EURO SELECTED NOTES

(Amounts are expressed in full TL and full Euros unless otherwise stated.)

Revenue

	Euro 1 January- 30 September 2025	Euro 1 January- 30 September 2024	Euro 1 July - 30 September 2025	Euro 1 July - 30 September 2024
Scheduled flight and service revenue	2.562.510.649	2.329.145.183	1.085.819.307	1.069.780.036
<i>International flight revenue</i>	<i>1.267.858.242</i>	<i>1.240.462.653</i>	<i>570.388.939</i>	<i>606.863.778</i>
<i>Domestic flight revenue</i>	<i>351.793.668</i>	<i>310.461.681</i>	<i>152.197.549</i>	<i>144.900.747</i>
<i>Service revenue</i>	<i>942.858.739</i>	<i>778.220.849</i>	<i>363.232.819</i>	<i>318.015.511</i>
Charter flight and service revenue	31.099.705	36.347.990	15.974.990	18.731.523
<i>Charter flight revenue</i>	<i>31.099.705</i>	<i>36.347.990</i>	<i>15.974.990</i>	<i>18.731.523</i>
Other revenue	7.026.882	7.848.539	1.158.154	2.889.690
	2.600.637.236	2.373.341.712	1.102.952.451	1.091.401.249

Expenses by Nature

	Euro 1 January- 30 September 2025	Euro 1 January- 30 September 2024	Euro 1 July - 30 September 2025	Euro 1 July - 30 September 2024
Jet fuel expenses	662.887.140	671.302.439	252.350.652	243.922.370
Personnel expenses	459.455.501	354.496.586	161.490.638	158.787.414
Depreciation and amortisation expenses	306.698.333	249.382.548	108.086.170	85.722.536
Handling and station fees	192.382.583	162.703.478	74.068.406	63.523.167
Navigation expenses	172.774.752	132.632.765	67.873.797	51.560.032
Maintenance expenses	90.522.447	80.619.737	31.961.566	28.005.248
Landing expenses	93.788.878	76.019.426	35.133.657	29.425.653
Passenger service and catering expenses	33.420.057	27.052.803	12.321.349	12.220.171
Advertising expenses	18.905.276	13.769.647	6.778.603	3.734.591
Commission expenses	18.317.247	18.703.819	6.839.499	8.829.014
Short term operational lease expenses	19.606.789	1.222.828	17.670.051	13.679
Other expenses	157.233.638	124.208.241	49.861.007	48.360.799
	2.225.992.641	1.912.114.317	824.435.395	734.104.674