

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

**PEGASUS HAVA TAŐIMACILIĐI  
ANONİM ŐİRKETİ AND ITS SUBSIDIARIES**

INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS FOR THE  
THREE MONTH PERIOD ENDED  
31 MARCH 2026

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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 FINANCIAL POSITION  
AS OF 31 MARCH 2026

(Amounts are expressed in Thousand Turkish Liras ("TL") and Thousand Euros unless otherwise stated.)

		Current Period (Not Reviewed) TL 31 March 2026	Prior Period (Audited) TL 31 December 2025	(*) EUR 31 March 2026	(*) EUR 31 December 2025
	Notes				
<b>ASSETS</b>					
<b>Current assets</b>		<b>92.668.869</b>	<b>90.234.822</b>	<b>1.816.194</b>	<b>1.788.485</b>
Cash and cash equivalents	27	56.606.949	54.845.603	1.109.427	1.087.059
Financial assets	22	12.724.577	16.981.098	249.386	336.571
Trade receivables	6	4.110.371	3.676.783	80.557	72.875
<i>Trade receivables from third parties</i>		<i>4.110.371</i>	<i>3.676.783</i>	<i>80.557</i>	<i>72.875</i>
Other receivables	6	310.591	1.427.790	6.087	28.299
<i>Other receivables from third parties</i>		<i>310.591</i>	<i>1.427.790</i>	<i>6.087</i>	<i>28.299</i>
Derivative financial instruments	21	4.404.925	-	86.331	-
Inventories		2.451.052	2.314.444	48.038	45.873
Prepaid expenses	7	11.429.761	10.416.927	224.009	206.467
Current income tax assets		23.033	11.643	451	231
Other current assets		607.610	560.534	11.908	11.110
<b>Non-Current assets</b>		<b>328.447.549</b>	<b>319.933.390</b>	<b>6.437.171</b>	<b>6.341.192</b>
Financial assets	22	9.067.844	6.965.141	177.719	138.052
Other receivables	6	8.091.174	7.802.796	158.577	154.654
<i>Other receivables from third parties</i>		<i>8.091.174</i>	<i>7.802.796</i>	<i>158.577</i>	<i>154.654</i>
Derivative financial instruments	21	1.053.664	-	20.651	-
Investments accounted by using the equity method	3	1.143.725	1.076.770	22.416	21.342
Property and equipment	8	27.027.555	25.866.565	529.707	512.684
Intangible assets	9	2.063.466	2.024.529	40.441	40.127
Right of use assets	10	224.164.257	220.843.451	4.393.345	4.377.194
Prepaid expenses	7	36.054.277	34.663.854	706.620	687.050
Deferred tax assets		19.781.587	20.690.284	387.695	410.089
<b>TOTAL ASSETS</b>		<b>421.116.418</b>	<b>410.168.212</b>	<b>8.253.365</b>	<b>8.129.677</b>

(\*) 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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PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS OF 31 MARCH 2026

(Amounts are expressed in Thousand Turkish Liras ("TL") and Thousand Euros unless otherwise stated.)

		Current Period (Not Reviewed) TL 31 March 2026	Prior Period (Audited) TL 31 December 2025	(*) EUR 31 March 2026	(*) EUR 31 December 2025
	Notes				
<b>LIABILITIES</b>					
<b>Current liabilities</b>		<b>95.675.454</b>	<b>88.019.783</b>	<b>1.875.122</b>	<b>1.744.583</b>
Short term borrowings	22	22.579.154	21.382.991	442.524	423.818
Short term portion of long term borrowings	22	2.683.694	2.118.530	52.597	41.990
Short term portion of long term lease liabilities	22	23.385.627	23.420.791	458.330	464.208
Trade payables	6	14.292.878	14.553.823	280.123	288.462
<i>Trade payables to related parties</i>	5	86.031	71.950	1.686	1.426
<i>Trade payables to third parties</i>		14.206.847	14.481.873	278.437	287.036
Employee benefit obligations		2.248.874	847.998	44.075	16.808
Other payables	6	6.150.447	331.241	120.541	6.565
<i>Other payables to third parties</i>		6.150.447	331.241	120.541	6.565
Contract liabilities	7	17.454.879	16.868.830	342.094	334.346
Derivative financial instruments	21	-	1.437.305	-	28.488
Deferred income	7	2.836.539	2.844.291	55.593	56.375
Short term provisions		4.043.362	4.213.983	79.245	83.523
<i>Short term provisions for employee benefits</i>		2.657.054	2.498.628	52.075	49.524
<i>Other short term provisions</i>		1.386.308	1.715.355	27.170	33.999
<b>Non-Current liabilities</b>		<b>209.693.067</b>	<b>205.294.557</b>	<b>4.109.726</b>	<b>4.069.010</b>
Long term borrowings	22	26.043.826	25.185.679	510.427	499.189
Long term lease liabilities	22	164.173.880	161.076.800	3.217.607	3.192.598
Derivative financial instruments	21	-	273.798	-	5.427
Deferred income		10.276.635	10.137.043	201.409	200.920
Long term provisions		9.198.726	8.621.237	180.283	170.876
<i>Long term provisions for employee benefits</i>		1.237.445	1.251.808	24.252	24.811
<i>Other long term provisions</i>		7.961.281	7.369.429	156.031	146.065
<b>SHAREHOLDERS' EQUITY</b>		<b>115.747.897</b>	<b>116.853.872</b>	<b>2.268.517</b>	<b>2.316.084</b>
Paid-in share capital	14	500.000	500.000	230.038	230.038
Share premiums on capital stock		57.987	57.987	24.595	24.595
Other comprehensive income/expense not to be reclassified to profit or loss					
<i>Actuarial losses on defined benefit plans</i>		(181.529)	(234.408)	(3.558)	(4.646)
<i>Currency translation differences</i>		65.316.022	64.037.913	-	-
Other comprehensive income/expense to be reclassified to profit or loss					
<i>Currency translation differences</i>		372.976	341.629	7.311	6.771
<i>Hedge fund</i>		4.093.941	(1.283.327)	80.236	(25.436)
<i>Gain on financial assets measured at fair value</i>		(14.697)	72.527	(288)	1.438
Restricted profit reserves		20.460	20.460	4.047	4.047
Retained earnings		53.341.091	39.590.872	2.079.277	1.778.077
Net income / (loss) for the period		(7.758.354)	13.750.219	(153.141)	301.200
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>421.116.418</b>	<b>410.168.212</b>	<b>8.253.365</b>	<b>8.129.677</b>

(\*) 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 PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2026

(Amounts are expressed in Thousand Turkish Liras ("TL") and Thousand Euros unless otherwise stated.)

		Current Period (Not Reviewed) 1 January- 31 March 2026	Prior Period (Not Reviewed) 1 January- 31 March 2025	(*) EUR 1 January- 31 March 2026	(*) EUR 1 January- 31 March 2025
<b>Profit or loss</b>	<b>Notes</b>				
Sales	15	32.760.718	23.587.573	641.875	621.660
Cost of sales (-)	15	(35.889.546)	(24.433.763)	(703.678)	(635.773)
<b>Gross profit / (loss)</b>		<b>(3.128.828)</b>	<b>(846.190)</b>	<b>(61.803)</b>	<b>(14.113)</b>
General administrative expenses (-)	16	(1.556.616)	(893.331)	(30.611)	(23.966)
Marketing expenses (-)	16	(815.389)	(656.461)	(15.900)	(16.693)
Other operating income	17	883.059	11.990	17.292	295
Other operating expenses (-)	17	(106.836)	(1.521.844)	(2.010)	(39.809)
<b>Operating profit / (loss)</b>		<b>(4.724.610)</b>	<b>(3.905.836)</b>	<b>(93.032)</b>	<b>(94.286)</b>
Income from investing activities	18	374.362	1.136.085	7.300	28.186
Expenses from investing activities (-)	18	(37.721)	(71.816)	(739)	(1.764)
Share of investments income accounted for using the equity method	3	28.637	22.613	561	594
<b>Operating profit / (loss) before financial expense</b>		<b>(4.359.332)</b>	<b>(2.818.954)</b>	<b>(85.910)</b>	<b>(67.270)</b>
Financial income	19	805.443	2.593.007	15.778	67.963
Financial expense (-)	19	(4.848.841)	(2.649.791)	(95.627)	(68.903)
<b>Profit / (loss) before tax</b>		<b>(8.402.730)</b>	<b>(2.875.738)</b>	<b>(165.759)</b>	<b>(68.210)</b>
<b>Tax income / (expense)</b>		<b>644.376</b>	<b>241.119</b>	<b>12.618</b>	<b>6.336</b>
Deferred tax income / (expense)	26	644.376	241.119	12.618	6.336
<b>Profit / (loss) for the period</b>		<b>(7.758.354)</b>	<b>(2.634.619)</b>	<b>(153.141)</b>	<b>(61.874)</b>
Income / (loss) per share (TL) / (EUR) (full amount)	20	(15,52)	(5,27)	(0,31)	(0,12)
<b>Other comprehensive income</b>					
<b>Items not to be reclassified to profit or loss</b>					
Actuarial (losses) / gains on defined benefit plans		70.505	(24.806)	1.451	(57)
Deferred tax effect		(17.626)	6.202	(363)	14
Currency translation differences		1.278.109	8.035.597	-	-
<b>Items to be reclassified to profit or loss</b>					
Currency translation differences		31.347	176.096	539	(39)
Gain on financial assets measured at fair value		(116.299)	(51.315)	(2.301)	(1.496)
Cash flow hedge		7.169.692	(38.902)	140.896	(468)
Deferred tax effect		(1.763.349)	22.554	(34.648)	491
<b>Other comprehensive income / (expense)</b>		<b>6.652.379</b>	<b>8.125.426</b>	<b>105.574</b>	<b>(1.555)</b>
<b>Total comprehensive income / (expense)</b>		<b>(1.105.975)</b>	<b>5.490.807</b>	<b>(47.567)</b>	<b>(63.429)</b>

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**PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MARCH 2026**

(Amounts are expressed in Thousand Turkish Liras (“TL”) and Thousand Euros unless otherwise stated.)

		Paid in share capital	Share premiums on capital stock	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		Shareholders' equity	
				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
<b>As at 1 January 2025</b>	<b>TL</b>	<b>500.000</b>	<b>57.987</b>	<b>(156.637)</b>	<b>34.667.185</b>	<b>310.534</b>	<b>(138.062)</b>	<b>66.755</b>	<b>20.460</b>	<b>26.305.434</b>	<b>13.285.438</b>	<b>74.919.094</b>
Transfers	TL	-	-	-	-	-	-	-	-	13.285.438	(13.285.438)	-
Net profit / (loss) for the period	TL	-	-	-	-	-	-	-	-	-	(2.634.619)	(2.634.619)
Other comprehensive income / (expense)	TL	-	-	(18.605)	8.035.597	176.096	(29.176)	(38.486)	-	-	-	8.125.426
<b>As at 31 March 2025</b>	<b>TL</b>	<b>500.000</b>	<b>57.987</b>	<b>(175.242)</b>	<b>42.702.782</b>	<b>486.630</b>	<b>(167.238)</b>	<b>28.269</b>	<b>20.460</b>	<b>39.590.872</b>	<b>(2.634.619)</b>	<b>80.409.901</b>
<b>As at 1 January 2026</b>	<b>TL</b>	<b>500.000</b>	<b>57.987</b>	<b>(234.408)</b>	<b>64.037.913</b>	<b>341.629</b>	<b>(1.283.327)</b>	<b>72.527</b>	<b>20.460</b>	<b>39.590.872</b>	<b>13.750.219</b>	<b>116.853.872</b>
Transfers	TL	-	-	-	-	-	-	-	-	13.750.219	(13.750.219)	-
Net profit / (loss) for the period	TL	-	-	-	-	-	-	-	-	-	(7.758.354)	(7.758.354)
Other comprehensive income / (expense)	TL	-	-	52.879	1.278.109	31.347	5.377.268	(87.224)	-	-	-	6.652.379
<b>As at 31 March 2026</b>	<b>TL</b>	<b>500.000</b>	<b>57.987</b>	<b>(181.529)</b>	<b>65.316.022</b>	<b>372.976</b>	<b>4.093.941</b>	<b>(14.697)</b>	<b>20.460</b>	<b>53.341.091</b>	<b>(7.758.354)</b>	<b>115.747.897</b>

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**PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MARCH 2026**

(Amounts are expressed in Thousand Turkish Liras (“TL”) and Thousand 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			Shareholders' equity
		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	
<b>As at 1 January 2025</b>	<b>EUR</b>	<b>230.038</b>	<b>24.595</b>	<b>(4.263)</b>	<b>8.452</b>	<b>(3.758)</b>	<b>1.817</b>	<b>4.047</b>	<b>1.416.584</b>	<b>361.493</b>	<b>2.039.005</b>
Transfers	EUR	-	-	-	-	-	-	-	361.493	(361.493)	-
Net profit / (loss) for the period	EUR	-	-	-	-	-	-	-	-	(61.874)	(61.874)
Other comprehensive income / (expense)	EUR	-	-	(42)	(40)	(351)	(1.122)	-	-	-	(1.555)
<b>As at 31 March 2025</b>	<b>EUR</b>	<b>230.038</b>	<b>24.595</b>	<b>(4.305)</b>	<b>8.412</b>	<b>(4.109)</b>	<b>695</b>	<b>4.047</b>	<b>1.778.077</b>	<b>(61.874)</b>	<b>1.975.576</b>
<b>As at 1 January 2026</b>	<b>EUR</b>	<b>230.038</b>	<b>24.595</b>	<b>(4.646)</b>	<b>6.771</b>	<b>(25.436)</b>	<b>1.438</b>	<b>4.047</b>	<b>1.778.077</b>	<b>301.200</b>	<b>2.316.084</b>
Transfers	EUR	-	-	-	-	-	-	-	301.200	(301.200)	-
Net profit / (loss) for the period	EUR	-	-	-	-	-	-	-	-	(153.141)	(153.141)
Other comprehensive income / (expense)	EUR	-	-	1.088	540	105.672	(1.726)	-	-	-	105.574
<b>As at 31 March 2026</b>	<b>EUR</b>	<b>230.038</b>	<b>24.595</b>	<b>(3.558)</b>	<b>7.311</b>	<b>80.236</b>	<b>(288)</b>	<b>4.047</b>	<b>2.079.277</b>	<b>(153.141)</b>	<b>2.268.517</b>

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PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 31 MARCH 2026

(Amounts are expressed in Thousand Turkish Liras ("TL") and Thousand Euros unless otherwise stated.)

		Current Period (Not Reviewed) TL 1 January- 31 March 2026	Prior Period (Not Reviewed) TL 1 January- 31 March 2025	(*) EUR 1 January- 31 March 2026	(*) EUR 1 January- 31 March 2025
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Income / (loss) for the period		(7.758.354)	(2.634.619)	(153.141)	(61.874)
Adjustments to reconcile the income / (loss)					
Depreciation and amortization	8-9-10	5.676.788	3.699.991	111.161	97.226
Adjustments related with impairments		37.697	58.654	739	1.418
Provision for doubtful receivable		(24)	(13.162)	-	(346)
Adjustments related with financial investment impairments		37.721	71.816	739	1.764
Adjustments related with provisions		260.826	618.594	5.107	16.255
Provision for employee benefits		234.951	512.809	4.601	13.475
Legal provision		25.875	105.785	506	2.780
Interest and commission income		1.959.042	1.072.207	39.064	28.910
Adjustments related with fair value expense (income)		116.299	51.315	2.279	1.261
Adjustments related with fair value expense (income) of financial assets		116.299	51.315	2.279	1.261
Gain on equity investments accounted for using the equity method	3	(28.637)	(22.613)	(561)	(594)
Current tax (income)/expense		(644.376)	(241.119)	(12.618)	(6.336)
Other provisions related with investing or financing activities		(608)	(135.126)	(12)	(3.169)
<b>Changes in working capital</b>					
Increase in trade receivables		(392.341)	94.839	(7.683)	2.492
Increase in other receivables, prepayments and other assets		(221.689)	(3.174.450)	(4.341)	(83.416)
Increase in inventories		(110.537)	(4.336)	(2.165)	(114)
Increase in trade payables		(425.853)	1.159.989	(8.339)	30.481
Increase in deferred income, other payables and other current liabilities		6.474.132	4.774.491	126.747	125.129
<b>Net cash generated from operating activities</b>		<b>4.942.389</b>	<b>5.317.817</b>	<b>96.237</b>	<b>147.669</b>
Payment for the employee benefits provisions		(20.383)	(12.038)	(397)	(318)
Payment for other provisions		(1.284)	(31)	(25)	(1)
		<b>4.920.722</b>	<b>5.305.748</b>	<b>95.815</b>	<b>147.350</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Net cash changes from acquisition and sale of debt instruments of other entities		1.965.420	(3.092.648)	38.736	(80.352)
Net cash changes from purchase and sale of property, equipment and intangible assets		(444.046)	462.696	(8.695)	13.419
Interest received from financial investment		397.531	287.478	7.883	8.302
Changes in cash advances and payables		(995.300)	(4.984.354)	(19.490)	(130.975)
Other cash changes (**)		624.975	(6.695.795)	12.238	(161.703)
		<b>1.548.580</b>	<b>(14.022.623)</b>	<b>30.672</b>	<b>(351.309)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Increase in borrowings		4.070.713	900.584	90.585	22.850
Repayment of borrowings		(2.819.961)	(3.569.132)	(55.444)	(116.721)
Repayment of principal in lease liabilities		(5.696.221)	(3.788.171)	(111.542)	(99.543)
Interest and commission paid		(3.659.814)	(2.099.863)	(72.681)	(58.500)
Interest received		801.318	118.214	15.691	3.106
		<b>(7.303.965)</b>	<b>(8.438.368)</b>	<b>(133.391)</b>	<b>(248.808)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS BEFORE TRANSLATION EFFECT (A+B+C)</b>		<b>(834.663)</b>	<b>(17.155.243)</b>	<b>(6.904)</b>	<b>(452.767)</b>
<b>D. TRANSLATION DIFFERENCES EFFECT ON CASH AND CASH EQUIVALENTS NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C+D)</b>		<b>2.596.009</b>	<b>2.137.850</b>	<b>29.272</b>	<b>(38.652)</b>
<b>E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>		<b>1.761.346</b>	<b>(15.017.393)</b>	<b>22.368</b>	<b>(491.419)</b>
AT THE BEGINNING OF THE PERIOD	27	54.845.603	46.258.554	1.087.059	1.258.979
AT THE END OF THE PERIOD (A+B+C+D+E)	27	56.606.949	31.241.161	1.109.427	767.560

(\*)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.

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

**PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
AS OF 31 MARCH 2026**

(Amounts are expressed in Thousand Turkish Liras (“TL”) and Thousand 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 31 March 2026 and 31 December 2025 are as follows:

	<b>31 March 2026</b>	<b>31 December 2025</b>
Esas Holding A.Ş. (“Esas Holding”)	52,81%	52,81%
Publicly held	45,37%	45,37%
Sabancı Family Members	1,82%	1,82%
<b>Total</b>	<b>100,00%</b>	<b>100,00%</b>

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 31 Mart 2026 is 9.774 (31 December 2025: 9.260). The address of its principal office is Aeropark Yenişehir Mah. Osmanlı Bulvarı No: 11/A Kurtköy-Pendik İstanbul.

**Approval of Financial Statements**

The interim condensed consolidated financial statements of the Company and its subsidiaries for the three month ended 31 March 2026 were authorised for issue in accordance with a resolution of the Board of Directors on 11 May 2026.

**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 Financial Reporting Standards and interpretations (“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 three month ended 31 March 2026 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 2025.

**PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
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(Amounts are expressed in Thousand Turkish Liras (“TL”) and Thousand Euros unless otherwise stated.)

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

**2.1 Basis of Presentation (cont'd)**

**Statement of Compliance with TFRS (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”), 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 Dollar.

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.

**PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
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**NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS  
(cont'd)**

**2.1 Basis of Presentation (cont'd)**

**Functional and Presentation Currency (cont'd)**

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.

**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 2023, 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 are prepared in accordance with the Tax Law and have been subject to inflation correction in accordance with the legislation. As of 31 December 2025 and 31 March 2026, inflation accounting has not been applied.

**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 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 significant changes are disclosed if necessary. In the current period, the Group has made several reclassifications in the prior period consolidated financial statements in order to maintain consistency with current year condensed consolidated financial statements. There is no effect of these reclassifications in the prior period equity and statement of profit or loss. The nature, amount and reasons for each of the reclassifications are described below:

- In the statement of cash flows as of 31 March 2025, the amount of TL 1.248.285 presented under cash flows from operating activities has been reclassified and presented under translation differences effect on cash and cash equivalents

**PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
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**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 condensed consolidated subsidiaries and the Group's ownership percentage in these subsidiaries as of 31 March 2026 and 31 December 2025:

<u>Name of the company</u>	<u>Principal activity</u>	<u>Ownership rate</u>		<u>Country of registration and operation</u>
		<u>31 March 2026</u>	<u>31 December 2025</u>	
Pegasus Havacılık Teknolojileri ve Ticaret A.Ş.	Simulator technical support and maintenance	100%	100%	Türkiye
Pegasus Airlines Innovation Lab, Inc.	Technology Investment Management	100%	100%	USA
Pegasus Airlines Ventures LP	Technology – R&D	100%	100%	USA
Pegasus Europe B.V. (“PEU”)	Acquisition and Management of Foreign Equity Investments	100%	100%	Netherlands

The following table illustrates the affiliates and joint ventures then indicates the Group's ownership percentage in these joint ventures as of 31 March 2026, 31 December 2025:

<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>31 March 2026</u>	<u>31 December 2025</u>		
Hitit Bilgisayar Hizmetleri A.Ş.	Information system solutions	36,20%	36,20%	Joint venture	Türkiye

**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.

**PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
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**NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS  
(cont'd)**

**2.3 New and Amended Turkish Financial Reporting Standards**

a) Amendments that are mandatorily effective from 2026

Amendments to TFRS 9 and TFRS 7	<i>Classification and Measurement of Financial Instruments</i>
Amendments to TFRS 9 and TFRS 7	<i>Power Purchase Arrangements</i>
Annual Improvements	<i>Annual Improvements to TFRSs – Volume 11</i>

**Amendments to TFRS 9 and TFRS 7 *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.

**Amendments to TFRS 9 and TFRS 7 *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.

**Annual Improvements to TFRSs – Volume 11**

The pronouncement 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

Amendments are effective from annual reporting periods beginning on or after 1 January 2026.

The aforementioned standard, amendments and improvements do not have any significant effect on the Group’s consolidated financial position and performance.

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>
TFRS 19	<i>Subsidiaries without Public Accountability: Disclosures</i>
Amendments to TFRS 19	<i>Subsidiaries without Public Accountability: Disclosures</i>

**PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
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**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

***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 2027.

***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. This standard is effective from annual reporting periods beginning on or after 1 January 2027.

***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. This standard is effective from annual reporting periods beginning on or after 1 January 2027.

***Amendments to TFRS 19 Subsidiaries without Public Accountability: Disclosures***

The amendments cover new or amended Turkish Financial Reporting Standards that were not considered when TFRS 19 was first issued. Amendments are effective from annual reporting periods beginning on or after 1 January 2027.

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

**2.4 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  
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**NOTE 3 - INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD**

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

	<b>31 March 2026</b>	<b>31 December 2025</b>
<b>Joint ventures</b>		
Hitit Bilgisayar	1.143.725	1.076.770
	<b>1.143.725</b>	<b>1.076.770</b>

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

	<b>1 January- 31 March 2026</b>	<b>1 January- 31 March 2025</b>
Hitit Bilgisayar	28.637	22.614
<b>Net profit</b>	<b>28.637</b>	<b>22.613</b>

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

**Hitit Bilgisayar**

	<b>31 March 2026</b>	<b>31 December 2025</b>
Current assets	935.029	903.513.291
Non-current assets	2.767.127	1.712.410.293
Current liabilities	(354.229)	(381.450.727)
Non-current liabilities	(203.374)	(138.932.230)
<b>Net assets of joint venture</b>	<b>3.144.553</b>	<b>2.095.540.627</b>
Group's ownership interest in the joint venture	36,20%	36,20%
Goodwill	5.397	5.212
<b>Group's share in the net assets of the joint venture</b>	<b>1.143.725</b>	<b>1.076.770</b>

  

	<b>1 January- 31 March 2026</b>	<b>1 January- 31 March 2025</b>
Revenue	494.930	343.319
Depreciation and amortisation expense	(107.367)	(72.130)
Interest income/(expense), net	27.473	4.928
Profit for the year	79.107	61.414
Group's weighted average ownership interest	36,20%	36,82%
<b>Group's share in the net profit of the joint venture</b>	<b>28.637</b>	<b>22.614</b>

**PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
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**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**

	31 March 2026	31 December 2025
<b>Balances with joint ventures:</b>		
Hitit Bilgisayar	63.993	53.290
<b>Balances with other related parties:</b>		
Esasburda İnşaat Sanayi ve Ticaret A.Ş. ("Esasburda")	-	301
Ere Avm İnşaat A.Ş. ("Ere Avm")	22.038	18.359
	<b>86.031</b>	<b>71.950</b>

**(ii) Significant Transactions with Related Parties:**

Esasburda charges 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 project consultancy services from Ere Avm İnşaat for the hangar project.

**PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES**

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**NOTE 5 - RELATED PARTY TRANSACTIONS (cont'd)**

**a) Purchases of goods or services**

	<b>1 January- 31 March 2026</b>	<b>1 January- 31 March 2025</b>
<b>Transactions with joint ventures:</b>		
Hitit Bilgisayar	119.502	92.086
<b>Transactions with other related parties:</b>		
Ere Avm	21.605	18.000
Esasburda	7.603	3.524
	<b>148.710</b>	<b>113.610</b>

**(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 benefit during the period ended 31 March 2026 and 31 March 2025 are as follows:

	<b>1 January- 31 March 2026</b>	<b>1 January- 31 March 2025</b>
Salaries and benefits	42.788	31.483
	<b>42.788</b>	<b>31.483</b>

**NOTE 6 – TRADE RECEIVABLES AND PAYABLES AND OTHER RECEIVABLES**

**Short term trade receivables**

The details of short term trade receivables as of 31 March 2026 and 31 December 2025 are as follows:

	<b>31 March 2026</b>	<b>31 December 2025</b>
Trade receivables	2.251.581	2.245.737
Credit card receivables	1.347.222	1.557.581
Income accruals	682.873	33.997
	<b>4.281.676</b>	<b>3.837.315</b>
Allowance for expected credit losses under TFRS 9	(171.305)	(160.532)
	<b>4.110.371</b>	<b>3.676.783</b>

The average collection period of trade receivables is approximately 23 days (31 December 2025: 18 days)

**PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
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**NOTE 6 – TRADE RECEIVABLES AND PAYABLES AND OTHER RECEIVABLES (cont'd)**

**Short term trade payables**

The details of short term trade payables as of 31 March 2026 and 31 December 2025 are as follows:

	<b>31 March 2026</b>	<b>31 December 2025</b>
Trade payables	5.894.441	8.185.584
Accrued direct operational costs	8.312.406	6.296.289
Trade payables to related parties (Note 5)	86.031	71.950
	<b>14.292.878</b>	<b>14.553.823</b>

The average payment period of trade payables is approximately 36 days (31 December 2025: 32 days).

**Short term other receivables**

The details of short term other receivables as of 31 March 2026 and 31 December 2025 are as follows:

	<b>31 March 2026</b>	<b>31 December 2025</b>
Deposits and guarantees given	58.136	1.156.920
Receivables from pilots for flight training	226.844	249.591
Receivables from tax office	14.010	14.010
Other receivables	11.601	7.269
	<b>310.591</b>	<b>1.427.790</b>

**Long term other receivables**

The details of long term other receivables as of 31 March 2026 and 31 December 2025 are as follows:

	<b>31 March 2026</b>	<b>31 December 2025</b>
Receivables from pilot trainings	2.339.500	2.180.764
Deposits given	2.087.500	2.047.610
Maintenance reserve contribution receivables	3.664.174	3.574.422
	<b>8.091.174</b>	<b>7.802.796</b>

**Short term other payables**

	<b>31 March 2026</b>	<b>31 December 2025</b>
Taxes payables	120.697	157.780
Deposits received (*)	6.029.750	173.461
	<b>6.150.447</b>	<b>331.241</b>

(\*) The amount of TL 5.652.566 in deposits received, consists of guarantees received from the banks regarding the valuation of derivative transactions.

**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 31 March 2026 and 31 December 2025 are as follows:

**Short term prepayments**

	<b>31 March 2026</b>	<b>31 December 2025</b>
Advances on aircraft purchases	4.861.066	4.917.727
Advances to suppliers	5.072.987	4.036.276
Prepaid insurance expenses	862.811	956.672
Other prepaid expenses	632.897	506.252
	<b>11.429.761</b>	<b>10.416.927</b>

**Long term prepayments**

	<b>31 March 2026</b>	<b>31 December 2025</b>
Advances on aircraft purchases	6.126.835	7.018.391
Prepaid maintenance expenses	29.773.295	27.569.632
Other prepaid expenses	154.147	75.831
	<b>36.054.277</b>	<b>34.663.854</b>

**Deferred Income**

**Contract Liabilities**

The details of passenger flight liabilities as of 31 March 2026 and 31 December 2025 are as follows:

	<b>31 March 2026</b>	<b>31 December 2025</b>
Flight liability from ticket sales	11.744.279	11.018.519
Passenger airport fees received from customers (*)	3.539.185	3.842.072
Flight liability from flight points	2.171.415	2.008.239
	<b>17.454.879</b>	<b>16.868.830</b>

(\*) 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**

	<b>31 March 2026</b>	<b>31 December 2025</b>
Advances received from customers	1.504.312	1.504.603
Other deferred income	1.332.227	1.339.688
	<b>2.836.539</b>	<b>2.844.291</b>

**Long term deferred income**

	<b>31 March 2026</b>	<b>31 December 2025</b>
Deferred income (*)	10.276.635	10.137.043
	<b>10.276.635</b>	<b>10.137.043</b>

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

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**NOTE 8 - PROPERTY AND EQUIPMENT**

<b>31 March 2026</b>	<b>Machinery and equipment</b>	<b>Motor vehicles</b>	<b>Furniture and fixtures</b>	<b>Leasehold improvements</b>	<b>Components, spare engine and repairables</b>	<b>Owned Aircraft</b>	<b>Construction in progress</b>	<b>Total</b>
<b>Cost:</b>								
Opening	<b>1.898.243</b>	<b>1.603.895</b>	<b>2.394.094</b>	<b>697.618</b>	<b>21.495.860</b>	<b>9.860.220</b>	<b>3.874.073</b>	<b>41.824.003</b>
Additions	63.361	23.146	70.673	-	917.208	-	433.256	1.507.644
Currency translation differences	21.406	18.113	27.005	7.887	242.230	111.475	43.423	471.539
<b>Closing</b>	<b>1.983.010</b>	<b>1.645.154</b>	<b>2.491.772</b>	<b>705.505</b>	<b>22.655.298</b>	<b>9.971.695</b>	<b>4.350.752</b>	<b>43.803.186</b>
<b>Accumulated depreciation:</b>								
Opening	<b>(881.129)</b>	<b>(638.130)</b>	<b>(1.647.872)</b>	<b>(679.225)</b>	<b>(6.638.356)</b>	<b>(5.472.727)</b>	-	<b>(15.957.439)</b>
Depreciation for the year	(33.257)	(42.103)	(45.411)	(1.308)	(392.286)	(123.973)	-	(638.338)
Currency translation differences	(9.932)	(7.178)	(18.591)	(7.678)	(74.710)	(61.765)	-	(179.854)
<b>Closing</b>	<b>(924.318)</b>	<b>(687.411)</b>	<b>(1.711.874)</b>	<b>(688.211)</b>	<b>(7.105.352)</b>	<b>(5.658.465)</b>	-	<b>(16.775.631)</b>
<b>Net book value</b>	<b>1.058.692</b>	<b>957.743</b>	<b>779.898</b>	<b>17.294</b>	<b>15.549.946</b>	<b>4.313.230</b>	<b>4.350.752</b>	<b>27.027.555</b>

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**NOTE 8 - PROPERTY AND EQUIPMENT (cont'd)**

<b>31 March 2025</b>	<b>Machinery and equipment</b>	<b>Motor vehicles</b>	<b>Furniture and fixtures</b>	<b>Leasehold improvements</b>	<b>Components, spare engine and repairables</b>	<b>Owned Aircraft</b>	<b>Construction in progress</b>	<b>Total</b>
<b>Cost:</b>								
Opening	<b>1.303.702</b>	<b>1.010.293</b>	<b>1.512.662</b>	<b>507.848</b>	<b>13.723.562</b>	<b>10.513.995</b>	<b>346.274</b>	<b>28.918.336</b>
Additions	10.040	49.847	48.916	-	1.548.790	-	74.015	1.731.608
Transfers (*)	-	-	-	-	(46.025)	-	(35.176)	(81.201)
Currency translation differences	141.170	112.324	166.389	54.720	1.584.344	1.132.869	40.011	3.231.827
<b>Closing</b>	<b>1.454.912</b>	<b>1.172.464</b>	<b>1.727.967</b>	<b>562.568</b>	<b>16.810.671</b>	<b>11.646.864</b>	<b>425.124</b>	<b>33.800.570</b>
<b>Accumulated depreciation:</b>								
Opening	<b>(554.684)</b>	<b>(373.012)</b>	<b>(1.082.434)</b>	<b>(490.834)</b>	<b>(3.761.139)</b>	<b>(5.351.401)</b>	-	<b>(11.613.504)</b>
Depreciation for the year	(21.936)	(25.540)	(28.760)	(787)	(262.665)	(131.200)	-	(470.888)
Currency translation differences	(61.290)	(41.967)	(118.631)	(52.941)	(423.523)	(585.730)	-	(1.284.082)
<b>Closing</b>	<b>(637.910)</b>	<b>(440.519)</b>	<b>(1.229.825)</b>	<b>(544.562)</b>	<b>(4.447.327)</b>	<b>(6.068.331)</b>	-	<b>(13.368.474)</b>
<b>Net book value</b>	<b>817.002</b>	<b>731.945</b>	<b>498.142</b>	<b>18.006</b>	<b>12.363.344</b>	<b>5.578.533</b>	<b>425.124</b>	<b>20.432.096</b>

(\*) 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**

<b>Software</b>	<b>31 March 2026</b>	<b>31 March 2025</b>
<b>Cost:</b>		
Opening	<b>4.546.607</b>	<b>2.361.587</b>
Additions	160.608	288.449
Currency translation differences	51.263	274.516
<b>Closing</b>	<b>4.758.478</b>	<b>2.924.552</b>
<b>Accumulated amortization:</b>		
Opening	<b>(2.522.078)</b>	<b>(1.478.045)</b>
Amortization for the year	(144.742)	(83.852)
Currency translation differences	(28.192)	(165.088)
<b>Closing</b>	<b>(2.695.012)</b>	<b>(1.726.985)</b>
<b>Net book value</b>	<b>2.063.466</b>	<b>1.197.567</b>

**NOTE 10 – RIGHT OF USE ASSETS**

<b>31 March 2026</b>	<b>Field Rental</b>	<b>Building</b>	<b>Aircraft</b>	<b>Other</b>	<b>Total</b>
<b>Cost:</b>					
Opening	1.269.017	1.247.890	292.705.215	15.709	295.237.831
Additions	-	-	5.718.477	-	5.718.477
Currency translation differences	14.347	14.108	3.304.234	178	3.332.867
<b>Closing</b>	<b>1.283.364</b>	<b>1.261.998</b>	<b>301.727.926</b>	<b>15.887</b>	<b>304.289.175</b>
<b>Accumulated depreciation:</b>					
Opening	(827.210)	(51.183)	(73.500.279)	(15.709)	(74.394.381)
Depreciation for the period	(38.469)	(7.894)	(4.847.345)	-	(4.893.708)
Currency translation differences	(9.318)	(572)	(826.761)	(178)	(836.829)
<b>Closing</b>	<b>(874.997)</b>	<b>(59.649)</b>	<b>(79.174.385)</b>	<b>(15.887)</b>	<b>(80.124.918)</b>
<b>Net book value</b>	<b>408.367</b>	<b>1.202.349</b>	<b>222.553.541</b>	<b>-</b>	<b>224.164.257</b>

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**NOTE 10 – RIGHT OF USE ASSETS (cont'd)**

<b>31 March 2025</b>	<b>Field Rental</b>	<b>Building</b>	<b>Aircraft</b>	<b>Other</b>	<b>Total</b>
<b>Cost:</b>					
Opening	535.373	908.785	191.782.215	11.440	193.237.813
Additions	-	-	3.367.245	-	3.367.245
Disposals	-	-	(2.818.106)	-	(2.818.106)
Currency translation differences	57.686	97.920	20.702.472	1.233	20.859.311
<b>Closing</b>	<b>593.059</b>	<b>1.006.705</b>	<b>213.033.826</b>	<b>12.673</b>	<b>214.646.263</b>
<b>Accumulated depreciation:</b>					
Opening	(490.171)	(14.555)	(39.422.098)	(11.440)	(39.938.264)
Depreciation for the period	(12.246)	(5.883)	(3.127.122)	-	(3.145.251)
Disposals	-	-	1.037.238	-	1.037.238
Currency translation differences	(53.667)	(1.977)	(4.410.741)	(1.233)	(4.467.618)
<b>Closing</b>	<b>(556.084)</b>	<b>(22.415)</b>	<b>(45.922.723)</b>	<b>(12.673)</b>	<b>(46.513.895)</b>
<b>Net book value</b>	<b>36.975</b>	<b>984.290</b>	<b>167.111.103</b>	<b>-</b>	<b>168.132.368</b>

**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 134.305 as of 31 March 2026 (31 December 2025: TL 135.988). These lawsuits and fines have been evaluated by the Group’s management and a litigation provision of TL 154.796 (31 December 2025: TL 130.205) 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 Group’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 1.781 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 March 31, 2026. 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 766, Euro 989 and Euro 475, 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 (all amount) 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. 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, 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 March 31, 2026.

**NOTE 12 - COMMITMENTS**

**Purchase Commitments**

	<b>31 March 2026</b>	<b>31 December 2025</b>
Commitments to purchase aircraft	1.272.803.409	1.243.208.945
	<b>1.272.803.409</b>	<b>1.243.208.945</b>

As of 31 March 2026, the Group holds the right to purchase 141 aircraft on firm order. In accordance with agreement the expected deliveries are 5 aircraft in 2026, 14 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 10.987.901 (31 December 2025: TL 11.936.118). Of this amount, TL 4.861.066 is reclassified as short-term, and TL 6.126.835 is reclassified as long-term prepayments (31 December 2025: TL 4.917.727 is reclassified as short-term, TL 7.018.391 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 31 March 2026 is as follows:

<b>31 March 2026</b>	<b>TL TOTAL</b>	<b>USD</b>	<b>EUR</b>	<b>TL</b>	<b>Other</b>
A. Total amounts of CPM given on behalf of its own legal entity					
-Collateral	2.565.744	19.326	27.487	37.502	267.968
-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	-	-	-	-	-
	<b>2.565.744</b>	<b>19.326</b>	<b>27.487</b>	<b>37.502</b>	<b>267.968</b>

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 March 2026.

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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 2025 is as follows:

<b>31 December 2025</b>	<b>TL TOTAL</b>	<b>USD</b>	<b>EUR</b>	<b>TL</b>	<b>Other</b>
A. Total amounts of CPM given on behalf of its own legal entity					
-Collateral	2.554.614	21.826	27.716	37.502	183.213
-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	-	-	-	-	-
	<b>2.554.614</b>	<b>21.826</b>	<b>27.716</b>	<b>37.502</b>	<b>183.213</b>

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 2025.

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**NOTE 13 - EXPENSES BY NATURE**

The details of expenses by nature for the years periods 31 March 2026 and 31 March 2025 are as follows:

	<b>1 January- 31 March 2026</b>	<b>1 January- 31 March 2025</b>
Jet fuel expenses	10.720.719	7.461.417
Personnel expenses	8.421.434	5.753.786
Depreciation and amortisation expenses	5.676.788	3.699.991
Handling and station fees	3.142.650	2.132.436
Navigation expenses	2.659.014	1.809.123
Maintenance expenses	1.956.604	1.105.917
Landing expenses	1.474.577	1.033.542
Passenger service and catering expenses	576.894	431.346
Advertising expenses	292.322	256.134
Commission expenses	184.564	172.904
Short term operational lease expenses	6.187	-
Other expenses	3.149.798	2.126.959
	<b>38.261.551</b>	<b>25.983.555</b>

**NOTE 14 - SHAREHOLDERS' EQUITY**

The Company's shareholding structure as of 31 March 2026 and 31 December 2025 are as follows:

<b>Shareholders</b>	<b>31 March 2026</b>		<b>31 December 2025</b>	
	<b>(%)</b>	<b>TL</b>	<b>(%)</b>	<b>TL</b>
Esas Holding	52,81	264.056	52,81	264.056
Publicly held	45,37	226.866	45,37	226.866
Emine Kamışlı	0,61	3.026	0,61	3.026
Ali İsmail Sabancı	0,61	3.026	0,61	3.026
Kazım Köseoğlu	0,30	1.513	0,30	1.513
Can Köseoğlu	0,30	1.513	0,30	1.513
<b>TL historic capital</b>	<b>100,00</b>	<b>500.000</b>	<b>100,00</b>	<b>500.000</b>

The Company's share capital consists of 500.000.000 shares of par value TL 1 (full amount) each (31 December 2025: 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 31 March 2026 and 31 March 2025 are as follows:

**Revenue:**

	<b>1 January- 31 March 2026</b>	<b>1 January- 31 March 2025</b>
Scheduled flight and service revenue	32.490.522	23.331.999
<i>International flight revenue</i>	13.067.791	10.139.859
<i>Domestic flight revenue</i>	4.759.876	3.220.261
<i>Service revenue</i>	14.662.855	9.971.879
Charter flight and service revenue	22.214	131.095
<i>Charter flight revenue</i>	22.214	131.095
Other revenue	247.982	124.479
	<b>32.760.718</b>	<b>23.587.573</b>

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:

	<b>1 January- 31 March 2026</b>	<b>1 January- 31 March 2025</b>
Europe	8.967.863	6.598.009
Domestic	4.759.876	3.220.261
Other	4.099.928	3.541.850
	<b>17.827.667</b>	<b>13.360.120</b>

**Cost of sales:**

	<b>1 January- 31 March 2026</b>	<b>1 January- 31 March 2025</b>
Jet fuel expenses	10.720.719	7.461.417
Personnel expenses	7.762.484	5.283.336
Depreciation and amortisation expenses	5.401.957	3.532.971
Handling and station fees	3.142.650	2.132.436
Navigation expenses	2.659.014	1.809.123
Maintenance expenses	1.956.604	1.105.917
Landing expenses	1.474.577	1.033.542
Passenger service and catering expenses	576.894	431.346
Insurance expenses	247.579	186.149
Short term lease expenses	6.187	-
Other expenses	1.940.881	1.457.526
	<b>35.889.546</b>	<b>24.433.763</b>

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**NOTE 16 - GENERAL ADMINISTRATIVE EXPENSES AND SELLING AND MARKETING EXPENSES**

	<b>1 January- 31 March 2026</b>	<b>1 January- 31 March 2025</b>
General administrative expenses	1.556.616	893.331
Marketing expenses	815.389	656.461
	<b>2.372.005</b>	<b>1.549.792</b>

The details of general administrative expenses and marketing expenses for the periods ended 31 March 2026 and 31 March 2025 are as follows (there are no research & development expenses in the periods ended in respective dates):

**General administrative expenses:**

	<b>1 January- 31 March 2026</b>	<b>1 January- 31 March 2025</b>
Personnel expenses	484.808	374.531
IT expenses	383.200	221.005
Depreciation and amortisation expenses	219.865	133.616
Consultancy expenses	107.294	48.753
Office utility expenses	45.230	23.953
Legal and notary expenses	30.131	20.830
Communication expenses	28.648	19.942
Travel expenses	34.416	19.591
Training expenses	2.759	3.246
Other expenses	220.265	27.864
	<b>1.556.616</b>	<b>893.331</b>

**Marketing expenses:**

	<b>1 January- 31 March 2026</b>	<b>1 January- 31 March 2025</b>
Advertising expenses	292.322	256.134
Commission expenses	184.564	172.904
Personnel expenses	174.142	95.919
Call center expenses	67.170	70.536
Depreciation and amortisation expenses	54.966	33.404
Other expenses	42.225	27.564
	<b>815.389</b>	<b>656.461</b>

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**NOTE 17 - OTHER OPERATING INCOME AND EXPENSES**

The details of other operating income and expenses for the periods ended 31 March 2026 and 31 March 2025 are as follows:

**Other operating income:**

	<b>1 January- 31 March 2026</b>	<b>1 January- 31 March 2025</b>
Foreign exchange gain from operating activities, net	883.059	-
Reversal of doubtful cash and cash equivalents	-	9.625
Reversal of trade receivable impairment	-	2.365
	<b>883.059</b>	<b>11.990</b>

**Other operating expenses:**

	<b>1 January- 31 March 2026</b>	<b>1 January- 31 March 2025</b>
Foreign exchange loss from operating activities, net	-	1.376.428
Legal provision and penalty expense	28.851	115.336
Doubtful receivable allowance expense	7.196	2.022
Cash and cash equivalents allowance expense	1.297	-
Donations	5.868	-
Other	52.851	28.058
	<b>106.836</b>	<b>1.521.844</b>

**NOTE 18 - INCOME AND EXPENSES FROM INVESTING ACTIVITIES**

The details of income from investing activities for the periods ended 31 March 2026 and 31 March 2025 are as follows:

**Income from investing activities:**

	<b>1 January- 31 March 2026</b>	<b>1 January- 31 March 2025</b>
Interest income from time deposits	29.779	572.882
Gain arising from aircraft sale	-	280.560
Interest income from eurobond	335.573	276.171
Gain from eurobond sales (*)	8.402	6.263
Other income	608	209
	<b>374.362</b>	<b>1.136.085</b>

(\*) 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:**

	<b>1 January- 31 March 2026</b>	<b>1 January- 31 March 2025</b>
Financial investments allowance expense	37.721	71.816
	<b>37.721</b>	<b>71.816</b>

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**NOTE 19 - FINANCIAL INCOME AND EXPENSES**

The details of financial income and expenses for the periods ended 31 March 2026 and 31 March 2025 are as follows:

**Financial income:**

	<b>1 January- 31 March 2026</b>	<b>1 January- 31 March 2025</b>
Foreign exchange gain, net	-	2.009.398
Interest income	805.443	583.609
	<b>805.443</b>	<b>2.593.007</b>

**Financial expenses:**

	<b>1 January- 31 March 2026</b>	<b>1 January- 31 March 2025</b>
Interest expense on leases	1.755.404	1.514.006
Interest expense on issued debt instruments	434.329	527.955
Commission and other expenses	423.371	390.664
Losses from derivative contracts	-	144.922
Interest expense on bank loans	516.733	72.244
Foreign exchange loss, net	1.719.004	-
	<b>4.848.841</b>	<b>2.649.791</b>

**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 2025 and 2026 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 31 March 2026 and 31 March 2025 are as follows:

	<b>1 January- 31 March 2026</b>	<b>1 January- 31 March 2025</b>
Net profit/(loss)	(7.758.354)	(2.634.619)
Weighted average number of shares issued in the year	500.000.000	500.000.000
<b>Income per share (full amount)</b>	<b>(15,52)</b>	<b>(5,27)</b>

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**NOTE 21 – DERIVATIVE FINANCIAL INSTRUMENTS**

**Fair Value of Derivative Instruments**

	31 March 2026		31 December 2025	
	Asset	Liability	Asset	Liability
Short term	4.404.925	-	-	1.437.305
Long term	1.053.664	-	-	273.798
	<b>5.458.589</b>	-	-	<b>1.711.103</b>

Explanations related to derivative instruments are disclosed in Note 24.

**NOTE 22 - FINANCIAL INSTRUMENTS**

**Financial Assets**

Short term	31 March 2026	31 December 2025
Financial investments measured at amortized cost	8.189.599	10.635.220
Financial assets recognized at fair value in shareholders' equity	2.442.218	3.688.963
Time deposit (*)	2.096.257	2.664.351
Allowance for credit risk adjustment under TFRS 9	(3.497)	(7.436)
	<b>12.724.577</b>	<b>16.981.098</b>

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

Long term	31 March 2026	31 December 2025
Financial investments measured at amortized cost	9.159.760	7.016.539
Financial assets recognized at fair value in shareholders' equity	33.288	32.147
Allowance for credit risk adjustment under TFRS 9	(125.204)	(83.545)
	<b>9.067.844</b>	<b>6.965.141</b>

	31 March 2026	31 December 2025
Short term financial investments measured at amortized cost	8.189.599	10.635.220
Long term financial investments measured at amortized cost	9.159.760	7.016.539
	<b>17.349.359</b>	<b>17.651.759</b>

**Financial investments accounted at amortized cost**

	31 March 2026	31 December 2025
Government Debt Securities	5.587.219	5.836.660
Corporate Debt Securities	11.762.140	11.815.099
	<b>17.349.359</b>	<b>17.651.759</b>

The Group's fixed income securities are accounted at their amortized costs using the effective interest rate. These securities are denominated in Euros, US Dollars, Pounds, Turkish Liras 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 31 March 2026 and 31 December 2025 are as follows:

	Weighted average Coupon Interest Rate (%)	FX Type	Asset Value TL
Government Debt Securities	7,3	US Dollar	3.229.901
Government Debt Securities	6,2	GBP	917.342
Government Debt Securities	35,9	TL	854.611
Government Debt Securities	5,2	EUR	585.365
Corporate Debt Securities	6,4	US Dollar	10.116.473
Corporate Debt Securities	5,9	EUR	1.337.279
Corporate Debt Securities	6,2	GBP	308.388
<b>31 March 2026</b>			<b>17.349.359</b>

	Weighted average Coupon Interest Rate (%)	FX Type	Asset Value TL
Government Debt Securities	7,4	US Dollar	4.327.924
Government Debt Securities	6,2	GBP	895.255
Government Debt Securities	37,5	TL	613.481
Corporate Debt Securities	6,5	US Dollar	10.211.180
Corporate Debt Securities	5,9	EUR	1.303.690
Corporate Debt Securities	6,2	GBP	300.229
<b>31 December 2025</b>			<b>17.651.759</b>

**Financial investments at fair value through other comprehensive income**

	31 March 2026	31 December 2025
Government Debt Securities	1.646.187	2.908.561
Corporate Debt Securities	796.031	780.402
Private Equity Investments	33.288	32.147
	<b>2.475.506</b>	<b>3.721.110</b>

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	8,0	US Dollar	1.646.187
Corporate Debt Securities	7,2	US Dollar	796.031
<b>31 March 2026</b>			<b>2.442.218</b>

	Weighted average Coupon Interest Rate (%)	FX Type	Asset Value TL
Government Debt Securities	7,8	US Dollar	2.908.561
Corporate Debt Securities	7,4	US Dollar	780.402
<b>31 December 2025</b>			<b>3.688.963</b>

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 31 March 2026 and 31 December 2025 are as follows:

<b>Short term financial liabilities</b>	<b>31 March 2026</b>	<b>31 December 2025</b>
Short term bank borrowings	22.579.154	21.382.991
	<b>22.579.154</b>	<b>21.382.991</b>
<b>Short term portion of long term financial liabilities</b>	<b>31 March 2026</b>	<b>31 December 2025</b>
Short term portion of long term bank borrowings	1.045.626	546.586
Principal and interest of bonds issued	1.681.343	1.614.573
Discount and commissions of bonds issued	(43.275)	(42.629)
Lease liabilities	23.385.627	23.420.791
<i>Short term portion of long term lease liabilities</i>	2.918.885	2.729.340
<i>Short term portion of long term lease liabilities with purchase option</i>	20.466.742	20.691.451
	<b>26.069.321</b>	<b>25.539.321</b>
<b>Long term financial liabilities</b>	<b>31 March 2026</b>	<b>31 December 2025</b>
Long term bank borrowings	5.631.034	5.120.598
Issued debt instruments (*)	20.613.832	20.300.498
Discount and commissions of bonds issued	(201.040)	(235.417)
Lease liabilities	164.173.880	161.076.800
<i>Long term lease liabilities</i>	6.626.632	7.180.901
<i>Long term lease liabilities with purchase option</i>	157.547.248	153.895.899
	<b>190.217.706</b>	<b>186.262.479</b>

(\*) 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, 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 on September 12, 2024, and the remaining bonds amounting to USD 163.914 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, 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 31 March 2026, 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 31 March 2026 and 31 December 2025 are as follows :

<b>31 March 2026</b>	<b>Weighted average interest rate (%)</b>	<b>Currency</b>	<b>Original amount</b>	<b>TL equivalent</b>
Short term bank borrowings	4,87	Euro	442.524	22.579.154
Short term portion of long term bank borrowings	3,64	Euro	20.493	1.045.626
Long term bank borrowings	3,58	Euro	110.361	5.631.034
				<b>29.255.814</b>

<b>31 December 2025</b>	<b>Weighted average interest rate (%)</b>	<b>Currency</b>	<b>Original amount</b>	<b>TL equivalent</b>
Short term bank borrowings	4,98	Euro	423.818	21.382.991
Short term portion of long term bank borrowings	3,80	Euro	10.834	546.586
Long term bank borrowings	3,59	Euro	101.492	5.120.598
				<b>27.050.175</b>

Lease Liabilities

The details of lease liabilities as of 31 March 2026 and 31 December 2025 are as follows:

	<b>31 March 2026</b>	<b>31 December 2025</b>
Less than 1 year	30.001.692	29.454.369
Between 1 - 5 years	109.486.955	104.719.920
Over 5 years	85.258.303	84.552.398
	224.746.950	218.726.687
Less: Future interest expenses	(37.187.443)	(34.229.096)
	<b>187.559.507</b>	<b>184.497.591</b>

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

	<b>31 March 2026</b>	<b>31 December 2025</b>
Less than 1 year	23.385.627	23.420.791
Between 1 - 5 years	88.934.494	85.896.891
Over 5 years	75.239.386	75.179.909
	<b>187.559.507</b>	<b>184.497.591</b>

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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 5,20 years. For the period ended 31 March 2026, the floating interest rate applicable to Euro-denominated lease liabilities, amounting to TL 136.684.212, is 3,82% (31 December 2025: 3,49%) and the floating rate applicable to US Dollar-denominated lease liabilities, amounting to TL 17.927.466, is 6,14% (31 December 2025: 5,92%).

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 2026	Utilized bank loans and repayments, (net)	Finance lease obtained and repayment of principals	Non-cash changes	31 March 2026
Bank loans and Issued debt instruments	31.601.054	(820.501)	-	20.526.121	51.306.674
Lease payables	134.706.448	-	(7.284.782)	60.137.841	187.559.507
	<b>166.307.502</b>	<b>(820.501)</b>	<b>(7.284.782)</b>	<b>80.663.962</b>	<b>238.866.181</b>
	1 January 2025	Utilized bank loans and repayments, (net)	Finance lease obtained and repayment of principals	Non-cash changes	31 March 2025
Bank loans and Issued debt instruments	31.601.054	(3.362.158)	-	2.354.550	30.593.446
Lease payables	134.706.448	-	(5.194.424)	16.228.612	145.740.636
	<b>166.307.502</b>	<b>(3.362.158)</b>	<b>(5.194.424)</b>	<b>18.583.162</b>	<b>176.334.082</b>

**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 31 March 2026 and 31 December 2025 are as follows:

<b>31 March 2026</b>	<b>TL Total</b>	<b>USD</b>	<b>TL</b>	<b>GBP</b>	<b>Other</b>
1. Trade receivables	2.860.949	7.886	2.059.353	1.724	350.408
2a. Monetary financial assets	46.265.442	851.035	5.151.781	42.116	870.428
2b. Non monetary financial assets	-	-	-	-	-
3. Other	644.267	1.479	569.091	110	3.051
<b>4. CURRENT ASSETS</b>	<b>49.770.658</b>	<b>860.400</b>	<b>7.780.225</b>	<b>43.950</b>	<b>1.223.887</b>
5. Trade receivables	-	-	-	-	-
6a. Monetary financial assets	9.067.844	204.304	-	-	-
6b. Non monetary financial assets	-	-	-	-	-
7. Other	3.951.927	87.808	3.116	63	47.833
<b>8. NON CURRENT ASSETS</b>	<b>13.019.771</b>	<b>292.112</b>	<b>3.116</b>	<b>63</b>	<b>47.833</b>
<b>9. TOTAL ASSETS</b>	<b>62.790.429</b>	<b>1.152.512</b>	<b>7.783.341</b>	<b>44.013</b>	<b>1.271.720</b>
10. Trade payables	7.753.223	117.153	2.635.107	2.517	(229.318)
11. Financial liabilities	7.988.565	179.728	11.519	-	-
12a. Other liabilities, monetary	10.002.128	109.475	5.101.283	158	32.617
12b. Other liabilities, non monetary	-	-	-	-	-
<b>13. CURRENT LIABILITIES</b>	<b>25.743.916</b>	<b>406.356</b>	<b>7.747.909</b>	<b>2.675</b>	<b>(196.701)</b>
14. Trade payables	-	-	-	-	-
15. Financial liabilities	62.408.652	1.406.096	357	-	-
16a. Other liabilities, monetary	8.835.446	179.333	875.929	-	-
16b. Other liabilities, non monetary	-	-	-	-	-
<b>17. NON CURRENT LIABILITIES</b>	<b>71.244.098</b>	<b>1.585.429</b>	<b>876.286</b>	<b>-</b>	<b>-</b>
<b>18. TOTAL LIABILITIES</b>	<b>96.988.014</b>	<b>1.991.785</b>	<b>8.624.195</b>	<b>2.675</b>	<b>(196.701)</b>
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	(34.197.585)	(839.273)	(840.854)	41.338	1.468.421
21. Net foreign currency asset / (liability) position of monetary items (1+2a+3+5+6a+7-10-11-12a-14-15-16a)	(34.197.585)	(839.273)	(840.854)	41.338	1.468.421

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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***

<b>31 December 2025</b>	<b>TL Total</b>	<b>USD</b>	<b>TL</b>	<b>GBP</b>	<b>Other</b>
1. Trade receivables	2.453.330	7.771	1.609.114	1.545	421.800
2a. Monetary financial assets	50.195.169	988.152	5.756.121	24.688	657.198
2b. Non monetary financial assets	-	-	-	-	-
3. Other	1.714.605	25.692	606.869	109	206
<b>4. CURRENT ASSETS</b>	<b>54.363.104</b>	<b>1.021.615</b>	<b>7.972.104</b>	<b>26.342</b>	<b>1.079.204</b>
5. Trade receivables	-	-	-	-	-
6a. Monetary financial assets	6.965.141	162.500	-	-	-
6b. Non monetary financial assets	-	-	-	-	-
7. Other	3.862.860	88.795	3.098	63	50.152
<b>8. NON CURRENT ASSETS</b>	<b>10.828.001</b>	<b>251.295</b>	<b>3.098</b>	<b>63</b>	<b>50.152</b>
<b>9. TOTAL ASSETS</b>	<b>65.191.105</b>	<b>1.272.910</b>	<b>7.975.202</b>	<b>26.405</b>	<b>1.129.356</b>
10. Trade payables	9.206.751	152.839	2.438.114	1.930	106.002
11. Financial liabilities	8.515.713	198.353	13.837	-	-
12a. Other liabilities, monetary	6.080.881	48.753	3.945.150	195	34.795
12b. Other liabilities, non monetary	-	-	-	-	-
<b>13. CURRENT LIABILITIES</b>	<b>23.803.345</b>	<b>399.945</b>	<b>6.397.101</b>	<b>2.125</b>	<b>140.797</b>
14. Trade payables	-	-	-	-	-
15. Financial liabilities	60.501.948	1.411.470	3.115	-	-
16a. Other liabilities, monetary	7.866.770	171.891	499.106	-	-
16b. Other liabilities, non monetary	-	-	-	-	-
<b>17. NON CURRENT LIABILITIES</b>	<b>68.368.718</b>	<b>1.583.361</b>	<b>502.221</b>	<b>-</b>	<b>-</b>
<b>18. TOTAL LIABILITIES</b>	<b>92.172.063</b>	<b>1.983.306</b>	<b>6.899.322</b>	<b>2.125</b>	<b>140.797</b>
19. Net asset / (liability) position of Off-statement of financial position derivatives (19a-19b)	-	-	-	-	-
19a. 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	(26.980.958)	(710.396)	1.075.880	24.280	988.559
21. Net foreign currency asset / (liability) position of monetary items (1+2a+3+5+6a+7-10-11-12a-14-15-16a)	(26.980.958)	(710.396)	1.075.880	24.280	988.559

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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 31 March 2026 and 31 December 2025 are as follows:

<b>31 March 2026</b>	<b>Profit/(Loss)</b>		<b>Shareholders' equity</b>	
	<b>If foreign currency appreciated 10%</b>	<b>If foreign currency depreciated 10%</b>	<b>If foreign currency appreciated 10%</b>	<b>If foreign currency depreciated 10%</b>
Effect of 10% change in USD rate				
USD net asset / (liability)	(3.725.034)	3.725.034	-	-
Part of hedged from USD risk	-	-	-	-
<b>USD net effect</b>	<b>(3.725.034)</b>	<b>3.725.034</b>	<b>-</b>	<b>-</b>
Effect of 10% change in TL rate				
TL net asset / (liability)	(84.085)	84.085	11.165.396	(11.165.396)
Part of hedged from TL risk	-	-	-	-
<b>TL net effect</b>	<b>(84.085)</b>	<b>84.085</b>	<b>11.165.396</b>	<b>(11.165.396)</b>
Effect of 10% change in GBP rate				
GBP net asset / liability	242.519	(242.519)	-	-
Part of hedged from GBP risk	-	-	-	-
<b>GBP net effect</b>	<b>242.519</b>	<b>(242.519)</b>	<b>-</b>	<b>-</b>
<b>31 December 2025</b>				
Effect of 10% change in USD rate				
USD net asset / (liability)	(3.044.919)	3.044.919	-	-
Part of hedged from USD risk	-	-	-	-
<b>USD net effect</b>	<b>(3.044.919)</b>	<b>3.044.919</b>	<b>-</b>	<b>-</b>
Effect of 10% change in TL rate				
TL net asset / (liability)	107.588	(107.588)	11.813.720	(11.813.720)
Part of hedged from TL risk	-	-	-	-
<b>TL net effect</b>	<b>107.588</b>	<b>(107.588)</b>	<b>11.813.720</b>	<b>(11.813.720)</b>
Effect of 10% change in GBP rate				
GBP net asset / liability	140.379	(140.379)	-	-
Part of hedged from GBP risk	-	-	-	-
<b>GBP net effect</b>	<b>140.379</b>	<b>(140.379)</b>	<b>-</b>	<b>-</b>

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

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**

<b>31 March 2026</b>	<b>Financial assets and liabilities at amortized cost</b>	<b>Financial assets and derivative instruments which are recognized at fair value in shareholders' equity</b>	<b>Derivative instruments which are recognized at fair value in profit/loss</b>	<b>Carrying amount</b>	<b>Note</b>
<b>Financial assets</b>					
Cash and cash equivalents	56.606.949	-	-	56.606.949	27
Trade receivables	4.110.371	-	-	4.110.371	6
- <i>Other</i>	4.110.371	-	-	4.110.371	6
Other receivables	8.401.765	-	-	8.401.765	
- <i>Other</i>	8.401.765	-	-	8.401.765	
Financial investments	19.016.036	2.475.506	-	21.792.421	22
Derivative financial assets	-	5.458.589	-	5.458.589	21
<b>Financial liabilities</b>					
Bank borrowings	29.255.814	-	-	29.255.814	22
Issued debt instruments	22.185.392	-	-	22.050.860	
Trade payables	14.292.878	-	-	14.292.878	6
- <i>Related party</i>	86.031	-	-	86.031	5
- <i>Other</i>	14.206.847	-	-	14.206.847	
Other payables	6.150.447	-	-	6.150.447	

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

**Fair Value of Financial Instruments (cont'd)**

<b>31 December 2025</b>	<b>Financial assets and liabilities at amortized cost</b>	<b>Financial assets and derivative instruments which are recognized at fair value in shareholders' equity</b>	<b>Derivative instruments which are recognized at fair value in profit/loss</b>	<b>Carrying amount</b>	<b>Note</b>
<b>Financial assets</b>					
Cash and cash equivalents	54.845.603	-	-	54.845.603	27
Trade receivables	3.676.783	-	-	3.676.783	6
- <i>Other</i>	3.676.783	-	-	3.676.783	6
Other receivables	9.230.586	-	-	9.230.586	
- <i>Other</i>	9.230.586	-	-	9.230.586	
Financial investments	19.662.450	3.721.110	-	23.946.239	22
<b>Financial liabilities</b>					
Bank borrowings	27.050.175	-	-	27.050.175	22
Issued debt instruments	21.424.721	-	-	21.637.025	
Trade payables	14.553.823	-	-	14.553.823	6
- <i>Related party</i>	71.950	-	-	71.950	5
- <i>Other</i>	14.481.873	-	-	14.481.873	
Other payables	331.241	-	-	331.241	
Derivative financial liabilities	-	1.711.103	-	1.711.103	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
	31 March 2026	31 December 2025		
Fuel purchase option contracts	5.458.589	(1.711.103)	Level 2	Discounted cash flow method
<b>31 March 2026</b>			<b>Fuel purchase option contracts</b>	<b>Total</b>
<b>Fair value:</b>				
Opening			(1.711.103)	(1.711.103)
Fair value increase				
Recognized in equity			7.169.692	7.169.692
<b>Closing</b>			<b>5.458.589</b>	<b>5.458.589</b>
Assets			5.458.589	5.458.589
Liabilities			-	-
<b>Total net assets and liabilities</b>			<b>5.458.589</b>	<b>5.458.589</b>

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

**Fair Value of Financial Instruments (cont'd)**

<b>31 December 2025</b>	<b>Currency forward contracts</b>	<b>Fuel purchase option contracts</b>	<b>Total</b>
<b>Fair value:</b>			
Opening	145.643	(184.083)	(38.440)
Fair value increase / (decrease)			
Recognized in equity	-	(1.527.020)	(1.527.020)
Recognized in profit or loss	(145.643)	-	(145.643)
<b>Closing</b>	<b>-</b>	<b>(1.711.103)</b>	<b>(1.711.103)</b>
Assets	-	-	-
Liabilities	-	(1.711.103)	(1.711.103)
<b>Total net assets and liabilities</b>	<b>-</b>	<b>(1.711.103)</b>	<b>(1.711.103)</b>

The Group has forward fuel purchase option contracts, which are subject to hedge accounting, at a rate of 57,6% and 18,6% 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 31 March 2026, the contracts last February 2028. The total nominal value of these contracts is USD 556,2 million (all amount), and the weighted average price is in the range of USD 60-71(all amount). The ineffective portion of the hedge is not material as of 31 March 2026. 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 574.678 (31 March 2025: TL 23.966 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 2025 taxation period. It continues to be applied as 25% for the 2026 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 31 March 2026 and 31 March 2025 are presented below:

	<b>1 January- 31 March 2026</b>	<b>1 January- 31 March 2025</b>
Tax income/(expense)		
- Current tax expense	-	-
- Deferred tax income/(expense)	644.376	241.119
<b>Total tax income/(expense)</b>	<b>644.376</b>	<b>241.119</b>

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 20.397.014 (31 December 2025: TL 20.260.791) that the Group will benefit from in the foreseeable future as of 31 March 2026 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 31 March 2026, deferred tax expense amounting to TL 92.916 has recognised in the interim condensed consolidated profit or loss statement for the period 1 January - 31 March 2026.

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 31 March 2026, 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**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
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**NOTE 27 - EXPLANATIONS RELATED TO STATEMENT OF CASH FLOW**

The details of cash and cash equivalents as of 31 March 2026 and 31 December 2025 are as follows:

	<b>31 March 2026</b>	<b>31 December 2025</b>
Cash on hand	6.311	2.445
Cash at banks	56.605.893	54.847.115
- Demand deposits	2.055.504	2.006.704
- Time deposits	54.550.389	52.840.411
Allowance for credit risk adjustment under TFRS 9	(5.255)	(3.957)
	<b>56.606.949</b>	<b>54.845.603</b>

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

<b>31 March 2026</b>	<b>Weighted average interest rates</b>	<b>Total</b>
USD deposits	3,10 %	30.298.426
EUR deposits	2,63 %	19.312.155
TL deposits	35,89 %	3.822.446
GBP deposits	0,50 %	1.116.996
IRR deposits	5,00 %	366
		<b>54.550.389</b>

<b>31 December 2025</b>	<b>Weighted average interest rates</b>	<b>Total</b>
USD deposits	3,91 %	30.364.216
EUR deposits	2,27 %	17.138.380
TL deposits	39,32 %	5.145.140
GBP deposits	0,50 %	154.249
IRR deposits	5,00 %	38.426
		<b>52.840.411</b>

As of 31 March 2026 and 31 December 2025 time deposits maturities are less than 90 days.

**PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES**

**APPENDIX : EURO SELECTED NOTES**

(Amounts are expressed in Thousand Turkish Liras (“TL”) and Thousand Euros unless otherwise stated.)

**Revenue**

	<b>Euro</b> <b>1 January-</b> <b>31 March 2026</b>	<b>Euro</b> <b>1 January-</b> <b>31 March 2025</b>
Scheduled flight and service revenue	636.848	615.065
<i>International flight revenue</i>	256.265	267.732
<i>Domestic flight revenue</i>	93.312	85.089
<i>Service revenue</i>	287.271	262.244
Charter flight and service revenue	437	3.401
<i>Charter flight revenue</i>	437	3.401
Other revenue	4.590	3.194
	<b>641.875</b>	<b>621.660</b>

**Expenses by Nature**

	<b>Euro</b> <b>1 January-</b> <b>31 March 2026</b>	<b>Euro</b> <b>1 January-</b> <b>31 March 2025</b>
Jet fuel expenses	210.509	195.634
Personnel expenses	163.760	148.076
Depreciation and amortisation expenses	111.161	97.226
Handling and station fees	61.462	55.414
Navigation expenses	52.111	46.004
Maintenance expenses	39.338	28.478
Landing expenses	28.783	26.877
Passenger service and catering expenses	11.293	11.186
Advertising expenses	5.715	6.643
Commission expenses	3.585	3.999
Short term operational lease expenses	122	-
Other expenses	62.350	56.895
	<b>750.189</b>	<b>676.432</b>