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

PEGASUS HAVA TAŞIMACILIĞI
ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS FOR THE
SIX MONTH PERIOD ENDED
30 JUNE 2026

DRT Bağımsız Denetim ve
Serbest Muhasebeci
Mali Müşavirlik A.Ş.
Maslak No1 Plaza
Eski Büyükdere Caddesi
Maslak Mahallesi No:1
Maslak, Sarıyer 34485
İstanbul, Türkiye

Tel: +90 (212) 366 60 00
Fax: +90 (212) 366 60 10

Mersis No :0291001097600016
Ticari Sicil No: 304099

(CONVENIENCE TRANSLATION OF THE REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION ORIGINALLY ISSUED IN TURKISH)

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

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

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Pegasus Hava Taşımacılığı A.Ş. ("the Company") and its subsidiaries (together will be referred as "the Group") as of 30 June 2026 and the related interim condensed consolidated statements of profit or loss, interim condensed consolidated statements of other comprehensive income, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the six-month period then ended. Group management is responsible for the preparation and fair presentation of this interim condensed consolidated interim financial information in accordance with Turkish Accounting Standards 34 "Interim Financial Reporting" Standard. Our responsibility is to express a conclusion on this interim condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Independent Auditing Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim condensed consolidated financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Independent Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with TAS 34 “Interim Financial Reporting”.

DRT BAGIMSIZ DENETIM VE SERBEST MUHASEBECI MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

Cem Tovil, SMMM
Partner

İstanbul, 12 August 2026

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PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 30 JUNE 2026

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

	Notes	Current Period (Reviewed) TL 30 June 2026	Prior Period (Audited) TL 31 December 2025	(*) EUR 30 June 2026	(*) EUR 31 December 2025
ASSETS					
Current assets		**91.421.290**	**90.234.822**	**1.721.846**	**1.788.485**
Cash and cash equivalents	27	60.232.800	54.845.603	1.134.434	1.087.059
Financial assets	22	9.717.192	16.981.098	183.015	336.571
Trade receivables	6	6.393.844	3.676.783	120.427	72.875
Trade receivables from third parties		*6.393.844*	*3.676.783*	*120.427*	*72.875*
Other receivables	6	253.023	1.427.790	4.765	28.299
Other receivables from third parties		*253.023*	*1.427.790*	*4.765*	*28.299*
Derivative financial instruments	21	1.501.903	-	28.287	-
Inventories		2.536.344	2.314.444	47.770	45.873
Prepaid expenses	7	10.285.218	10.416.927	193.713	206.467
Current income tax assets		23.038	11.643	434	231
Other current assets		477.928	560.534	9.001	11.110
Non-Current assets		**349.052.366**	**319.933.390**	**6.574.110**	**6.341.192**
Financial assets	22	12.134.631	6.965.141	228.546	138.052
Other receivables	6	7.640.084	7.802.796	143.895	154.654
Other receivables from third parties		*7.640.084*	*7.802.796*	*143.895*	*154.654*
Derivative financial instruments	21	274.733	-	5.174	-
Investments accounted by using the equity method	3	1.240.773	1.076.770	23.369	21.342
Property and equipment	8	28.497.282	25.866.565	536.723	512.684
Intangible assets	9	2.157.764	2.024.529	40.640	40.127
Right of use assets	10	234.338.671	220.843.451	4.413.573	4.377.194
Prepaid expenses	7	40.984.161	34.663.854	771.902	687.050
Deferred tax assets		21.784.267	20.690.284	410.288	410.089
TOTAL ASSETS		**440.473.656**	**410.168.212**	**8.295.956**	**8.129.677**

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

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 30 JUNE 2026

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

	Notes	Current Period (Reviewed) TL 30 June 2026	Prior Period (Audited) TL 31 December 2025	(*) EUR 30 June 2026	(*) EUR 31 December 2025
LIABILITIES					
Current liabilities		**108.239.055**	**88.019.783**	**2.038.593**	**1.744.583**
Short term borrowings	22	28.524.897	21.382.991	537.243	423.818
Short term portion of long term borrowings	22	2.855.506	2.118.530	53.781	41.990
Short term portion of long term lease liabilities	22	24.657.455	23.420.791	464.403	464.208
Trade payables	6	16.384.269	14.553.823	308.584	288.462
Trade payables to related parties	*5*	*47.465*	*71.950*	*894*	*1.426*
Trade payables to third parties		*16.336.804*	*14.481.873*	*307.690*	*287.036*
Employee benefit obligations		1.392.367	847.998	26.224	16.808
Other payables	6	3.048.486	331.241	57.416	6.565
Other payables to third parties		*3.048.486*	*331.241*	*57.416*	*6.565*
Contract liabilities	7	24.138.811	16.868.830	454.634	334.346
Derivative financial instruments	21	-	1.437.305	-	28.488
Deferred income	7	3.668.281	2.844.291	69.089	56.375
Short term provisions		3.568.983	4.213.983	67.219	83.523
Short term provisions for employee benefits		*2.259.253*	*2.498.628*	*42.551*	*49.524*
Other short term provisions		*1.309.730*	*1.715.355*	*24.668*	*33.999*
Non-Current liabilities		**219.574.337**	**205.294.557**	**4.135.502**	**4.069.010**
Long term borrowings	22	27.848.819	25.185.679	524.509	499.189
Long term lease liabilities	22	171.156.900	161.076.800	3.223.597	3.192.598
Derivative financial instruments	21	-	273.798	-	5.427
Deferred income		11.419.306	10.137.043	215.073	200.920
Long term provisions		9.149.312	8.621.237	172.323	170.876
Long term provisions for employee benefits		*1.425.381*	*1.251.808*	*26.846*	*24.811*
Other long term provisions		*7.723.931*	*7.369.429*	*145.477*	*146.065*
SHAREHOLDERS' EQUITY		**112.660.264**	**116.853.872**	**2.121.861**	**2.316.084**
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					
Actuarial losses on defined benefit plans		*(206.988)*	*(234.408)*	*(3.898)*	*(4.646)*
Currency translation differences		*69.774.635*	*64.037.913*	-	-
Other comprehensive income/expense to be reclassified to profit or loss					
		404.306	*341.629*	*7.616*	*6.771*
Hedge fund		*1.332.477*	*(1.283.327)*	*25.096*	*(25.436)*
Gains / (losses) on financial assets measured at fair value		*(11.869)*	*72.527*	*(224)*	*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		(12.551.835)	13.750.219	(244.686)	301.200
TOTAL LIABILITIES AND EQUITY		**440.473.656**	**410.168.212**	**8.295.956**	**8.129.677**

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

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2026

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

Profit or loss	Notes	Current Period (Reviewed) TL 1 January- 30 June 2026	Prior Period (Reviewed) TL 1 January- 30 June 2025	Current Period (Not Reviewed) TL 1 April - 30 June 2026	Prior Period (Not Reviewed) TL 1 April - 30 June 2025	(*) EUR 1 January- 30 June 2026	(*) EUR 1 January- 30 June 2025	(*) EUR 1 April - 30 June 2026	(*) EUR 1 April - 30 June 2025
Sales	15	78.468.731	62.013.070	45.708.013	38.425.497	1.506.695	1.497.685	864.821	876.025
Cost of sales (-)	15	(80.684.011)	(54.726.434)	(44.794.465)	(30.292.671)	(1.550.463)	(1.317.285)	(846.785)	(681.513)
Gross profit / (loss)		**(2.215.280)**	**7.286.636**	**913.548**	**8.132.826**	**(43.768)**	**180.400**	**18.036**	**194.512**
General administrative expenses (-)	16	(3.249.476)	(1.970.467)	(1.692.861)	(1.077.136)	(62.938)	(49.047)	(32.327)	(25.081)
Marketing expenses (-)	16	(1.856.471)	(1.463.203)	(1.041.081)	(806.742)	(35.932)	(35.225)	(20.031)	(18.531)
Other operating income	17	1.178.533	16.570	324.326	8.968	22.705	353	5.978	173
Other operating expenses (-)	17	(375.429)	(5.185.249)	(297.444)	(3.667.793)	(6.983)	(127.117)	(5.538)	(87.422)
Operating profit / (loss)		**(6.518.123)**	**(1.315.713)**	**(1.793.512)**	**2.590.123**	**(126.916)**	**(30.636)**	**(33.882)**	**63.651**
Income from investing activities	18	777.310	1.865.275	402.948	801.006	14.904	45.161	7.604	18.739
Expenses from investing activities (-)	18	(51.336)	-	(13.615)	-	(967)	-	(228)	-
Share of investments income accounted for using the equity method	3	68.463	62.478	39.827	39.866	1.319	1.528	759	934
Operating profit / (loss) before financial expense		**(5.723.686)**	**612.040**	**(1.364.352)**	**3.430.995**	**(111.660)**	**16.053**	**(25.747)**	**83.324**
Financial income	19	1.388.982	8.862.535	583.539	6.269.528	26.832	213.976	11.054	146.013
Financial expense (-)	19	(9.085.733)	(5.281.866)	(4.236.893)	(2.632.075)	(176.597)	(128.772)	(80.972)	(59.870)
Profit / (loss) before tax		**(13.420.437)**	**4.192.709**	**(5.017.706)**	**7.068.448**	**(261.425)**	**101.257**	**(95.665)**	**169.467**
Tax income / (expense)		**868.602**	**(1.694.872)**	**224.226**	**(1.935.991)**	**16.739**	**(41.463)**	**4.121**	**(47.799)**
Deferred tax income / (expense)	26	868.602	(1.694.872)	224.226	(1.935.991)	16.739	(41.463)	4.121	(47.799)
Profit / (loss) for the period		**(12.551.835)**	**2.497.837**	**(4.793.480)**	**5.132.457**	**(244.686)**	**59.794**	**(91.544)**	**121.668**
Income / (loss) per share (TL) / (EUR) (full amount)	20	(25,10)	5,00	(9,59)	10,26	(0,49)	0,12	(0,18)	0,24

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2026

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

Other comprehensive income	Current Period (Reviewed) TL 1 January- 30 June 2026	Prior Period (Reviewed) TL 1 January- 30 June 2025	Current Period (Not Reviewed) TL 1 April - 30 June 2026	Prior Period (Not Reviewed) TL 1 April - 30 June 2025	(*) EUR 1 January- 30 June 2026	(*) EUR 1 January- 30 June 2025	(*) EUR 1 April - 30 June 2026	(*) EUR 1 April - 30 June 2025
Items not to be reclassified to profit or loss								
Actuarial (losses) / gains on defined benefit plans	36.560	(68.666)	(33.945)	(43.859)	997	(277)	(454)	(221)
Deferred tax effect	(9.140)	17.166	8.486	10.965	(249)	69	114	55
Currency translation differences	5.736.722	20.163.344	4.458.614	12.023.395	-	-	-	-
Items to be reclassified to profit or loss								
Currency translation differences	62.677	120.210	31.330	48.465	844	(1.398)	305	(1.358)
Gain on financial assets measured at fair value	(112.528)	(31.288)	3.770	20.027	(2.215)	(1.183)	86	314
Cash flow hedge	3.487.739	(670.875)	(3.681.953)	(631.973)	67.376	(13.355)	(73.520)	(12.887)
Deferred tax effect	(843.803)	175.541	919.546	152.987	(16.290)	3.634	18.359	3.143
Other comprehensive income / (expense)	**8.358.227**	**19.705.432**	**1.705.848**	**11.580.007**	**50.463**	**(12.510)**	**(55.110)**	**(10.954)**
Total comprehensive income / (expense)	**(4.193.608)**	**22.203.269**	**(3.087.632)**	**16.712.464**	**(194.223)**	**47.284**	**(146.654)**	**110.714**

(*)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.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 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		
		Paid in share capital	Share premiums on capital stock	Actuarial gains / (losses) on defined benefit plans	Currency translation differences	Currency translation differences	Hedge fund	Gain on financial assets measured at fair value	Restricted profit reserves	Retained earnings	Net profit / (loss) for the year	Shareholders' equity
As at 1 January 2025	**TL**	**500.000**	**57.987**	**(156.637)**	**34.562.833**	**414.886**	**(138.062)**	**66.755**	**20.460**	**26.305.434**	**13.285.438**	**74.919.094**
Transfers	TL	-	-	-	-	-	-	-	-	13.285.438	(13.285.438)	-
Net profit / (loss) for the period	TL	-	-	-	-	-	-	-	-	-	2.497.837	2.497.837
Other comprehensive income / (expense)	TL	-	-	(51.499)	20.163.344	120.210	(503.157)	(23.466)	-	-	-	19.705.432
As at 30 June 2025	**TL**	**500.000**	**57.987**	**(208.136)**	**54.726.177**	**535.096**	**(641.219)**	**43.289**	**20.460**	**39.590.872**	**2.497.837**	**97.122.363**
As at 1 January 2026	**TL**	**500.000**	**57.987**	**(234.408)**	**64.037.913**	**341.629**	**(1.283.327)**	**72.527**	**20.460**	**39.590.872**	**13.750.219**	**116.853.872**
Transfers	TL	-	-	-	-	-	-	-	-	13.750.219	(13.750.219)	-
Net profit / (loss) for the period	TL	-	-	-	-	-	-	-	-	-	(12.551.835)	(12.551.835)
Other comprehensive income / (expense)	TL	-	-	27.420	5.736.722	62.677	2.615.804	(84.396)	-	-	-	8.358.227
As at 30 June 2026	**TL**	**500.000**	**57.987**	**(206.988)**	**69.774.635**	**404.306**	**1.332.477**	**(11.869)**	**20.460**	**53.341.091**	**(12.551.835)**	**112.660.264**

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 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**		
		Paid in share capital	Share premiums on capital stock	Actuarial gains / (losses) on defined benefit plans	Currency translation differences	Hedge fund	Gain on financial assets measured at fair value	Restricted profit reserves	Retained earnings	Net profit / (loss) for the year	Shareholders' equity
As at 1 January 2025	**EUR**	**230.038**	**24.595**	**(4.263)**	**8.452**	**(3.758)**	**1.817**	**4.047**	**1.416.584**	**361.493**	**2.039.005**
Transfers	EUR	-	-	-	-	-	-	-	361.493	(361.493)	-
Net profit / (loss) for the period	EUR	-	-	-	-	-	-	-	-	59.794	59.794
Other comprehensive income / (expense)	EUR	-	-	(208)	(1.398)	(10.017)	(887)	-	-	-	(12.510)
As at 30 June 2025	**EUR**	**230.038**	**24.595**	**(4.471)**	**7.054**	**(13.775)**	**930**	**4.047**	**1.778.077**	**59.794**	**2.086.289**
As at 1 January 2026	**EUR**	**230.038**	**24.595**	**(4.646)**	**6.771**	**(25.436)**	**1.438**	**4.047**	**1.778.077**	**301.200**	**2.316.084**
Transfers	EUR	-	-	-	-	-	-	-	301.200	(301.200)	-
Net profit / (loss) for the period	EUR	-	-	-	-	-	-	-	-	(244.686)	(244.686)
Other comprehensive income / (expense)	EUR	-	-	748	845	50.532	(1.662)	-	-	-	50.463
As at 30 June 2026	**EUR**	**230.038**	**24.595**	**(3.898)**	**7.616**	**25.096**	**(224)**	**4.047**	**2.079.277**	**(244.686)**	**2.121.861**

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2026

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

	Notes	Current Period (Not Reviewed) TL 1 January- 30 June 2026	Prior Period (Not Reviewed) TL 1 January- 30 June 2025	(*) EUR 1 January- 30 June 2026	(*) EUR 1 January- 30 June 2025
A. CASH FLOWS FROM OPERATING ACTIVITIES					
Income / (loss) for the period		**(12.551.835)**	**2.497.837**	**(244.686)**	**59.794**
Adjustments to reconcile the income / (loss)					
Depreciation and amortization	8-9-10	11.683.038	8.118.539	225.151	198.612
Adjustments related with impairments		92.470	(63.940)	1.760	(1.333)
Provision for doubtful receivable		*41.134*	*13.669*	*793*	*334*
Adjustments related with financial investment impairments		*51.336*	*(77.609)*	*967*	*(1.667)*
Adjustments related with provisions		989.505	2.161.728	19.069	28.128
Provision for employee benefits		*1.003.960*	*2.098.193*	*19.348*	*26.574*
Legal provision		*(14.455)*	*63.535*	*(279)*	*1.554*
Interest and commission income		4.411.704	2.267.041	86.538	57.891
Adjustments related with fair value expense (income)		112.528	31.288	2.119	672
Adjustments related with fair value expense (income) of financial assets		*112.528*	*31.288*	*2.119*	*672*
Gain on equity investments accounted for using the equity method	3	(68.463)	(62.478)	(1.319)	(1.528)
Current tax (income)/expense		(868.602)	1.694.872	(16.739)	41.463
Other provisions related with investing or financing activities		(878)	(163.723)	(17)	(3.719)
Changes in working capital					
Increase in trade receivables		(2.508.366)	(1.284.036)	(48.340)	(31.413)
Increase in other receivables, prepayments and other assets		884.558	(2.308.248)	17.047	(56.469)
Increase in inventories		(98.426)	(8.246)	(1.897)	(202)
Increase in trade payables		1.044.133	3.568.156	20.122	87.291
Increase in deferred income, other payables and other current liabilities		8.675.236	3.257.071	167.064	79.164
Net cash generated from operating activities		**11.796.602**	**19.705.861**	**225.872**	**458.351**
Payment for the employee benefits provisions		(965.471)	(2.338.893)	(18.348)	(53.581)
Payment for other provisions		-	(181)	-	(4)
		10.831.131	**17.366.787**	**207.524**	**404.766**
B. CASH FLOWS FROM INVESTING ACTIVITIES					
Net cash changes from acquisition and sale of debt instruments of other entities		1.265.835	(4.185.875)	24.662	(106.298)
Net cash changes from purchase and sale of property, equipment and intangible assets		(876.524)	(1.226.740)	(16.892)	(26.948)
Interest received from financial investment		824.211	1.505.096	16.096	39.085
Changes in cash advances and payables		(3.066.976)	(5.559.626)	(59.106)	(136.011)
Other cash changes (**)		2.160.830	662.093	43.321	20.299
		307.376	**(8.805.052)**	**8.081**	**(209.873)**
C. CASH FLOWS FROM FINANCING ACTIVITIES					
Increase in borrowings		7.484.797	5.120.320	165.856	118.350
Repayment of borrowings		(2.335.924)	(12.928.198)	(45.709)	(307.706)
Repayment of principal in lease liabilities		(11.431.666)	(8.030.807)	(220.307)	(196.466)
Interest and commission paid		(6.605.034)	(4.034.040)	(130.170)	(106.942)
Interest received		1.372.343	1.302.949	26.447	31.875
		(11.515.484)	**(18.569.776)**	**(203.883)**	**(460.889)**
NET DECREASE IN CASH AND CASH EQUIVALENTS BEFORE TRANSLATION EFFECT (A+B+C)		**(376.977)**	**(10.008.041)**	**11.722**	**(265.996)**
D. TRANSLATION DIFFERENCES EFFECT ON CASH AND CASH EQUIVALENTS					
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C+D)		**5.764.174**	**3.278.940**	**35.653**	**(143.848)**
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		**5.387.197**	**(6.729.101)**	**47.375**	**(409.844)**
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	**60.232.800**	**39.529.453**	**1.134.434**	**849.135**

(*)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.

(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 30 June 2026 and 31 December 2025 are as follows:

	30 June 2026	31 December 2025
Esas Holding A.Ş. ("Esas Holding")	52,81%	52,81%
Publicly Held	45,37%	45,37%
Sabancı Family Members	1,82%	1,82%
Total	**100,00%**	**100,00%**

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

The Group's total number of full time employees as of 31 Mart 2026 is 9.863 (31 December 2025: 9.260). The address of its principal office is Aeropark Yenişehir Mah. Osmanlı Bulvarı No: 11/A Kurtkoy-Pendik İstanbul.

Approval of Financial Statements

The interim condensed consolidated financial statements of the Company and its subsidiaries for the three month ended 30 June 2026 were authorised for issue in accordance with a resolution of the Board of Directors on 12 August 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 six month ended 30 June 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.

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

2.1 Basis of Presentation (cont'd)

Statement of Compliance with TAS (cont'd)

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

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

Functional and Presentation Currency

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

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 30 June 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) denomined 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 30 June 2026, the amount of TL 7.502.545 presented under cash flows from operating activities has been reclassified and presented under translation differences effect on cash and cash equivalents

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

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

2.1 Basis of Presentation (cont'd)

The following table illustrates the condensed consolidated subsidiaries and the Group's ownership percentage in these subsidiaries as of 30 June 2026 and 31 December 2025:

		Ownership rate		Country of
Name of the company	Principal activity	30 June 2026	31 December 2025	registration and operation
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 30 June 2026, 31 December 2025:

		Ownership rate			Country of
Name of the Company	Principal activity	30 June 2026	31 December 2025	Ownership type	registration and operation
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.

2.3 New and Amended Turkish Financial Reporting Standards

a) Amendments that are mandatorily effective from 2026

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

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

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

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

a) Amendments that are mandatorily effective from 2026 (cont'd)

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	*Insurance Contracts*
Amendments to TFRS 17	*Initial Application of TFRS 17 and TFRS 9 — Comparative Information*
TFRS 18	*Presentation and Disclosures in Financial Statements*
TFRS 19	*Subsidiaries without Public Accountability: Disclosures*
Amendments to TFRS 19	*Subsidiaries without Public Accountability: Disclosures*
Amendments to TAS 21	*Translation to a Hyperinflationary Presentation Currency*

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.

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 (cont'd)

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.

Amendments to TAS 21 *Translation to a Hyperinflationary Presentation Currency*

The amendments clarify how companies should translate financial statements from a non-hyperinflationary currency into a hyperinflationary one. 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 Seasonality on Operations

Due to the seasonality of air passenger transportation, higher revenue and operating profit are expected in the second and third quarters of the year compared to the first and fourth quarters. In addition, driven by the increase in sales during the summer season and the continued expansion of the Company's operations, as of 30 June 2026, trade receivables and flight obligations recognized under deferred revenue have increased compared to the year-end.

2.5 Going Concern

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

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

NOTE 3 - INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

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

	30 June 2026	31 December 2025
Joint ventures		
Hitit Bilgisayar	1.240.773	1.076.770
	1.240.773	**1.076.770**

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

	1 January-30 June 2026	1 January-30 June 2025	1 April - 30 June 2026	1 April - 30 June 2025
Hitit Bilgisayar	68.463	62.478	39.827	39.866
Net profit	**68.463**	**62.478**	**39.827**	**39.866**

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

Hitit Bilgisayar

	30 June 2026	31 December 2025
Current assets	1.067.250	1.116.004
Non-current assets	3.009.271	2.565.044
Current liabilities	(458.581)	(512.131)
Non-current liabilities	(206.025)	(208.810)
Net assets of joint venture	**3.411.915**	**2.960.107**
Group's ownership interest in the joint venture	36,20%	36,20%
Goodwill	5.661	5.212
Group's share in the net assets of the joint venture	**1.240.773**	**1.076.770**

	1 January-30 June 2026	1 January-30 June 2025
Revenue	1.020.806	740.684
Depreciation and amortisation expense	(224.531)	(154.471)
Interest income/(expense), net	46.845	92.464
Profit for the year	189.125	169.685
Group's weighted average ownership interest	36,20%	36,82%
Group's share in the net profit of the joint venture	**68.463**	**62.478**

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

NOTE 4 - SEGMENT REPORTING

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

NOTE 5 - RELATED PARTY TRANSACTIONS

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

(i) Balances with Related Parties:

a) Trade payables to related parties

	30 June 2026	31 December 2025
Balances with joint ventures:		
Hitit Bilgisayar	41.455	53.290
Balances with other related parties:		
Esasburda İnşaat Sanayi ve Ticaret A.Ş. ("Esasburda")	-	301
Ere Avm İnşaat A.Ş. ("Ere Avm")	6.010	18.359
	47.465	**71.950**

(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.

a) Purchases of goods or services

	1 January- 30 June 2026	1 January- 30 June 2025	1 April - 30 June 2026	1 April - 30 June 2025
Transactions with joint ventures:				
Hitit Bilgisayar	226.750	178.066	107.248	85.980
Transactions with other related parties:				
Ere Avm	39.282	36.000	17.677	18.000
Esasburda	15.211	4.002	7.608	477
	281.243	**218.068**	**132.533**	**104.457**

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

NOTE 5 - RELATED PARTY TRANSACTIONS (cont'd)

(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 30 June 2026 and 30 June 2025 are as follows:

	1 January- 30 June 2026	1 January- 30 June 2025	1 April - 30 June 2026	1 April - 30 June 2025
Salaries and benefits	273.605	308.557	230.816	277.074
	273.605	**308.557**	**230.816**	**277.074**

NOTE 6 – TRADE RECEIVABLES AND PAYABLES AND OTHER RECEIVABLES

Short term trade receivables

The details of short term trade receivables as of 30 June 2026 and 31 December 2025 are as follows:

	30 June 2026	31 December 2025
Trade receivables	3.678.483	2.245.737
Credit card receivables	2.445.477	1.557.581
Income accruals	481.506	33.997
	6.605.466	**3.837.315**
Allowance for expected credit losses under TFRS 9	(211.622)	(160.532)
	6.393.844	**3.676.783**

The average collection period of trade receivables is approximately 22 days (31 December 2025: 18 days).

Short term trade payables

The details of short term trade payables as of 30 June 2026 and 31 December 2025 are as follows:

	30 June 2026	31 December 2025
Trade payables	5.705.900	8.185.584
Accrued direct operational costs	10.630.904	6.296.289
Trade payables to related parties (Note 5)	47.465	71.950
	16.384.269	**14.553.823**

The average payment period of trade payables is approximately 35 days (31 December 2025: 32 days).

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

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

Short term other receivables

The details of short term other receivables as of 30 June 2026 and 31 December 2025 are as follows:

	30 June 2026	31 December 2025
Deposits and guarantees given	39.572	1.156.920
Receivables from pilots for flight training	175.670	249.591
Receivables from tax office	14.010	14.010
Other receivables	23.771	7.269
	253.023	**1.427.790**

Long term other receivables

The details of long term other receivables as of 30 June 2026 and 31 December 2025 are as follows:

	30 June 2026	31 December 2025
Receivables from pilot trainings	2.504.494	2.180.764
Deposits given	2.179.456	2.047.610
Maintenance reserve contribution receivables	2.956.134	3.574.422
	7.640.084	**7.802.796**

Short term other payables

	30 June 2026	31 December 2025
Taxes payables	521.778	157.780
Deposits received (*)	2.526.708	173.461
	3.048.486	**331.241**

(*) The amount of TL 1.981.231 in deposits received, consists of guarantees received from the banks regarding the valuation of derivative transactions.

NOTE 7 - PREPAYMENTS, DEFERRED INCOME AND PASSENGER FLIGHT LIABILITIES

The details of prepayments as of 30 June 2026 and 31 December 2025 are as follows:

Short term prepayments

	30 June 2026	31 December 2025
Advances on aircraft purchases	3.569.458	4.917.727
Advances to suppliers	5.468.377	4.036.276
Prepaid insurance expenses	520.456	956.672
Other prepaid expenses	726.927	506.252
	10.285.218	**10.416.927**

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

NOTE 7 - PREPAYMENTS, DEFERRED INCOME AND PASSENGER FLIGHT LIABILITIES (cont'd)

Long term prepayments

	30 June 2026	31 December 2025
Advances on aircraft purchases	7.280.021	7.018.391
Prepaid maintenance expenses	33.624.293	27.569.632
Other prepaid expenses	79.847	75.831
	40.984.161	**34.663.854**

Deferred Income

Contract Liabilities

The details of passenger flight liabilities as of 30 June 2026 and 31 December 2025 are as follows:

	30 June 2026	31 December 2025
Flight liability from ticket sales	17.829.983	11.018.519
Passenger airport fees received from customers (*)	3.934.662	3.842.072
Flight liability from flight points	2.374.166	2.008.239
	24.138.811	**16.868.830**

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

Deferred Income (excluding contract liabilities)

Short term deferred income

	30 June 2026	31 December 2025
Advances received from customers	1.857.464	1.504.603
Other deferred income	1.810.817	1.339.688
	3.668.281	**2.844.291**

Long term deferred income

	30 June 2026	31 December 2025
Deferred income (*)	11.419.306	10.137.043
	11.419.306	**10.137.043**

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

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

NOTE 8 - PROPERTY AND EQUIPMENT

30 June 2026	Machinery and equipment	Motor vehicles	Furniture and fixtures	Leasehold improvements	Components, spare engine and repairables	Owned Aircraft	Construction in progress	Total
Cost:								
Opening	**1.898.243**	**1.603.895**	**2.394.094**	**697.618**	**21.495.860**	**9.860.220**	**3.874.073**	**41.824.003**
Additions	125.318	29.455	125.525	-	1.063.794	-	1.292.530	2.636.622
Transfers (*)	-	-	-	-	-	-	(89.367)	(89.367)
Currency translation differences	102.306	84.666	128.274	36.528	1.150.304	516.295	230.800	2.249.173
Closing	**2.125.867**	**1.718.016**	**2.647.893**	**734.146**	**23.709.958**	**10.376.515**	**5.308.036**	**46.620.431**
Accumulated depreciation:								
Opening	**(881.129)**	**(638.130)**	**(1.647.872)**	**(679.225)**	**(6.638.356)**	**(5.472.727)**	**-**	**(15.957.439)**
Depreciation for the year	(70.039)	(85.871)	(92.698)	(2.883)	(795.521)	(252.948)	-	(1.299.960)
Currency translation differences	(47.764)	(35.408)	(88.438)	(35.632)	(366.073)	(292.435)	-	(865.750)
Closing	**(998.932)**	**(759.409)**	**(1.829.008)**	**(717.740)**	**(7.799.950)**	**(6.018.110)**	**-**	**(18.123.149)**
Net book value	**1.126.935**	**958.607**	**818.885**	**16.406**	**15.910.008**	**4.358.405**	**5.308.036**	**28.497.282**

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

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

NOTE 8 - PROPERTY AND EQUIPMENT (cont'd)

30 June 2025	Machinery and equipment	Motor vehicles	Furniture and fixtures	Leasehold improvements	Components, spare engine and repairables	Owned Aircraft	Construction in progress	Total
Cost:								
Opening	**1.303.702**	**1.010.293**	**1.512.662**	**507.848**	**13.723.562**	**10.513.995**	**346.274**	**28.918.336**
Additions	25.856	91.067	105.733	-	2.237.517	-	567.270	3.027.443
Transfers (*)	-	-	-	-	(502.528)	-	-	(502.528)
Currency translation differences	351.656	282.376	418.536	135.586	3.904.902	2.807.049	171.223	8.071.328
Closing	**1.681.214**	**1.383.736**	**2.036.931**	**643.434**	**19.363.453**	**13.321.044**	**1.084.767**	**39.514.579**
Accumulated depreciation:								
Opening	**(554.684)**	**(373.012)**	**(1.082.434)**	**(490.834)**	**(3.761.139)**	**(5.351.401)**	**-**	**(11.613.504)**
Depreciation for the year	(47.431)	(57.157)	(63.210)	(1.974)	(587.801)	(283.414)	-	(1.040.987)
Currency translation differences	(154.676)	(107.525)	(297.768)	(131.318)	(1.085.782)	(1.468.085)	-	(3.245.154)
Closing	**(756.791)**	**(537.694)**	**(1.443.412)**	**(624.126)**	**(5.434.722)**	**(7.102.900)**	**-**	**(15.899.645)**
Net book value	**924.423**	**846.042**	**593.519**	**19.308**	**13.928.731**	**6.218.144**	**1.084.767**	**23.614.934**

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

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

NOTE 9 - INTANGIBLE ASSETS

Software	30 June 2026	30 June 2025
Cost:		
Opening	**4.546.607**	**2.361.587**
Additions	326.558	450.422
Currency translation differences	245.652	693.049
Closing	**5.118.817**	**3.505.058**
Accumulated amortization:		
Opening	**(2.522.078)**	**(1.478.045)**
Amortization for the year	(300.146)	(185.748)
Currency translation differences	(138.829)	(420.405)
Closing	**(2.961.053)**	**(2.084.198)**
Net book value	**2.157.764**	**1.420.860**

NOTE 10 – RIGHT OF USE ASSETS

30 June 2026	Field Rental	Building	Aircraft	Other	Total
Cost:					
Opening	1.269.017	1.247.890	292.705.215	15.709	295.237.831
Additions	-	-	12.028.466	-	12.028.466
Disposals	(140.961)	-	-	-	(140.961)
Currency translation differences	63.173	65.341	15.605.867	823	15.735.204
Closing	**1.191.229**	**1.313.231**	**320.339.548**	**16.532**	**322.860.540**
Accumulated depreciation:					
Opening	(827.210)	(51.183)	(73.500.279)	(15.709)	(74.394.381)
Depreciation for the period	(66.754)	(16.043)	(10.000.135)	-	(10.082.932)
Disposals	83.126	-	-	-	83.126
Currency translation differences	(42.934)	(3.053)	(4.080.872)	(823)	(4.127.682)
Closing	**(853.772)**	**(70.279)**	**(87.581.286)**	**(16.532)**	**(88.521.869)**
Net book value	**337.457**	**1.242.952**	**232.758.262**	**-**	**234.338.671**

30 June 2025	Field Rental	Building	Aircraft	Other	Total
Cost:					
Opening	535.373	908.785	191.782.215	11.440	193.237.813
Additions	-	-	8.416.967	-	8.416.967
Disposals	-	-	(3.026.986)	-	(3.026.986)
Currency translation differences	142.935	242.629	51.950.911	3.054	52.339.529
Closing	**678.308**	**1.151.414**	**249.123.107**	**14.494**	**250.967.323**
Accumulated depreciation:					
Opening	(490.171)	(14.555)	(39.422.098)	(11.440)	(39.938.264)
Depreciation for the period	(26.453)	(12.638)	(6.852.713)	-	(6.891.804)
Disposals	-	-	1.114.119	-	1.114.119
Currency translation differences	(134.540)	(5.641)	(11.342.651)	(3.054)	(11.485.886)
Closing	**(651.164)**	**(32.834)**	**(56.503.343)**	**(14.494)**	**(57.201.835)**
Net book value	**27.144**	**1.118.580**	**192.619.764**	**-**	**193.765.488**

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 142.453 as of 30 June 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 115.750 (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.

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.

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

NOTE 12 - COMMITMENTS

Purchase Commitments

	30 June 2026	31 December 2025
Commitments to purchase aircraft	1.324.904.634	1.243.208.945
	1.324.904.634	**1.243.208.945**

As of 30 June 2026, the Group holds the right to purchase 139 aircraft on firm order. In accordance with agreement the expected deliveries are 3 aircraft in 2026, 6 aircraft in 2027, 28 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 10.849.480 (31 December 2025: TL 11.936.118). Of this amount, TL 3.569.458 is reclassified as short-term, and TL 7.280.021 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).

Collaterals-Pledges-Mortgages("CPM")

The details of the CPMs given by the Group as of 30 June 2026 is as follows:

30 June 2026	TL TOTAL	USD	EUR	TL	Other
A. Total amounts of CPM given on behalf of its own legal entity					
-Collateral	3.044.170	19.326	34.413	37.424	279.843
-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	-	-	-	-	-
	3.044.170	**19.326**	**34.413**	**37.424**	**279.843**

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

NOTE 12 – COMMITMENTS (cont'd)

Collaterals-Pledges-Mortgages("CPM") (cont'd)

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

The other CPMs (in the scope of item D) given by the Group constitute 0% of the Group's equity as of 30 June 2026.

The details of the CPMs given by the Group as of 31 December 2025 is as follows:

31 December 2025	TL TOTAL	USD	EUR	TL	Other
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	-	-	-	-	-
	2.554.614	**21.826**	**27.716**	**37.502**	**183.213**

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.

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

NOTE 13 - EXPENSES BY NATURE

The details of expenses by nature for the years periods 30 June 2026 and 30 June 2025 are as follows:

	1 January- 30 June 2026	1 January- 30 June 2025	1 April - 30 June 2026	1 April - 30 June 2025
Jet fuel expenses	28.735.368	16.941.465	18.014.649	9.480.048
Personnel expenses	17.425.328	12.527.802	9.003.894	6.774.016
Depreciation and amortisation expenses	11.683.038	8.118.539	6.006.248	4.418.549
Handling and station fees	6.802.642	4.946.252	3.659.992	2.813.816
Navigation expenses	5.824.654	4.511.899	3.165.640	2.702.775
Maintenance expenses	3.846.349	2.445.182	1.889.745	1.339.265
Landing expenses	3.042.485	2.448.060	1.567.908	1.414.518
Passenger service and catering expenses	1.294.424	868.402	717.530	437.056
Advertising expenses	649.950	509.416	357.628	253.282
Commission expenses	450.206	477.520	265.642	304.616
Short term operational lease expenses	9.008	79.370	2.820	79.370
Other expenses	6.026.506	4.286.197	2.876.711	2.159.238
	85.789.958	**58.160.104**	**47.528.407**	**32.176.549**

NOTE 14 - SHAREHOLDERS' EQUITY

The Company's shareholding structure as of 30 June 2026 and 31 December 2025 are as follows:

	30 June 2026		31 December 2025	
Shareholders	**(%)**	**TL**	**(%)**	**TL**
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
TL historic capital	**100,00**	**500.000**	**100,00**	**500.000**

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).

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

NOTE 15 - REVENUE AND COST OF SALES

The details of revenue and cost of sales for the periods ended 30 June 2026 and 30 June 2025 are as follows:

Revenue:

	1 January- 30 June 2026	1 January- 30 June 2025	1 April - 30 June 2026	1 April - 30 June 2025
Scheduled flight and service revenue	77.269.025	61.114.214	44.778.503	37.782.216
International flight revenue	*33.784.060*	*28.966.331*	*20.716.269*	*18.826.472*
Domestic flight revenue	*12.395.366*	*8.256.889*	*7.635.490*	*5.036.629*
Service revenue	*31.089.599*	*23.890.994*	16.426.744	*13.919.115*
Charter flight and service revenue	689.050	648.353	666.836	517.258
Charter flight revenue	*689.050*	*648.353*	*666.836*	*517.258*
Other revenue	510.656	250.503	262.674	126.023
	78.468.731	**62.013.070**	**45.708.013**	**38.425.497**

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

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

	1 January- 30 June 2026	1 January- 30 June 2025	1 April - 30 June 2026	1 April - 30 June 2025
Europe	25.531.500	21.362.478	16.563.638	14.764.469
Domestic	12.395.366	8.256.889	7.635.490	5.036.629
Other	8.252.560	7.603.853	4.152.631	4.062.003
	46.179.426	**37.223.220**	**28.351.759**	**23.863.101**

Cost of sales:

	1 January- 30 June 2026	1 January- 30 June 2025	1 April - 30 June 2026	1 April - 30 June 2025
Jet fuel expenses	28.735.368	16.941.465	18.014.649	9.480.048
Personnel expenses	16.061.853	11.519.615	8.299.368	6.236.279
Depreciation and amortisation expenses	11.115.358	7.750.099	5.713.400	4.217.129
Handling and station fees	6.802.642	4.946.252	3.659.992	2.813.816
Navigation expenses	5.824.654	4.511.899	3.165.640	2.702.775
Maintenance expenses	3.846.349	2.445.182	1.889.745	1.339.265
Landing expenses	3.042.485	2.448.060	1.567.908	1.414.518
Passenger service and catering expenses	1.294.424	868.402	717.530	437.056
Insurance expenses	526.851	366.210	279.272	180.061
Short term lease expenses	9.008	79.370	2.820	79.370
Other expenses	3.425.019	2.849.880	1.484.141	1.392.354
	80.684.011	**54.726.434**	**44.794.465**	**30.292.671**

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

NOTE 16 - GENERAL ADMINISTRATIVE EXPENSES AND SELLING AND MARKETING EXPENSES

	1 January- 30 June 2026	1 January- 30 June 2025	1 April - 30 June 2026	1 April - 30 June 2025
General administrative expenses	3.249.476	1.970.467	1.692.861	1.077.136
Marketing expenses	1.856.471	1.463.203	1.041.081	806.742
	5.105.947	**3.433.670**	**2.733.942**	**1.883.878**

The details of general administrative expenses and marketing expenses for the periods ended 30 June 2026 and 30 June 2025 are as follows (there are no research & development expenses in the periods ended in respective dates):

General administrative expenses:

	1 January- 30 June 2026	1 January- 30 June 2025	1 April - 30 June 2026	1 April - 30 June 2025
Personnel expenses	1.003.147	799.117	518.339	424.585
IT expenses	847.489	484.868	464.289	263.864
Depreciation and amortisation expe	454.144	294.752	234.279	161.136
Consultancy expenses	261.054	129.509	153.759	80.756
Office utility expenses	79.294	48.019	34.064	24.067
Legal and notary expenses	85.964	59.877	55.833	39.047
Communication expenses	55.522	31.957	26.874	12.015
Travel expenses	95.702	49.877	61.286	30.286
Training expenses	4.288	8.838	1.530	5.592
Other expenses	362.872	63.653	142.608	35.788
	3.249.476	**1.970.467**	**1.692.861**	**1.077.136**

Marketing expenses:

	1 January- 30 June 2026	1 January- 30 June 2025	1 April - 30 June 2026	1 April - 30 June 2025
Advertising expenses	649.950	509.416	357.628	253.282
Commission expenses	450.206	477.520	265.642	304.616
Personnel expenses	360.328	209.070	186.186	113.152
Call center expenses	180.031	136.046	112.861	65.510
Depreciation and amortisation expe	113.536	73.688	58.570	40.284
Other expenses	102.420	57.463	60.194	29.898
	1.856.471	**1.463.203**	**1.041.081**	**806.742**

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

NOTE 17 - OTHER OPERATING INCOME AND EXPENSES

The details of other operating income and expenses for the periods ended 30 June 2026 and 30 June 2025 are as follows:

Other operating income:

	1 January- 30 June 2026	1 January- 30 June 2025	1 April - 30 June 2026	1 April - 30 June 2025
Foreign exchange gain from operating activities, net	1.168.635	-	285.576	-
Reversal of legal provision expense	9.898	-	38.750	-
Reversal of doubtful cash and cash equivalents	-	15.797	-	6.173
Reversal of doubtful provision	-	773	-	2.795
	1.178.533	**16.570**	**324.326**	**8.968**

Other operating expenses:

	1 January- 30 June 2026	1 January- 30 June 2025	1 April - 30 June 2026	1 April - 30 June 2025
Foreign exchange loss from operating activities, net	-	4.969.565	-	3.593.137
Legal provision and penalty expense	-	137.608	-	22.273
Doubtful receivable allowance expense	7.759	-	563	-
Trade receivables allowance expense	35.845	24.465	25.073	26.831
Cash and cash equivalents allowance expense	2.548	-	1.251	-
Donations	96.004	-	90.136	-
Other	233.273	53.611	180.421	25.552
	375.429	**5.185.249**	**297.444**	**3.667.793**

NOTE 18 - INCOME AND EXPENSES FROM INVESTING ACTIVITIES

The details of income from investing activities for the periods ended 30 June 2026 and 30 June 2025 are as follows:

Income from investing activities:

	1 January- 30 June 2026	1 January- 30 June 2025	1 April - 30 June 2026	1 April - 30 June 2025
Interest income from time deposits	83.289	886.438	53.510	313.556
Gain arising from aircraft sale	-	296.580	-	16.020
Interest income from eurobond	683.709	575.393	348.136	299.223
Gain from eurobond sales (*)	9.434	16.469	1.032	10.206
Income from sale of fixed assets	-	77.609	-	149.425
Other income	878	12.786	270	12.576
	777.310	**1.865.275**	**402.948**	**801.006**

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

Expense from investing activities:

	1 January- 30 June 2026	1 January- 30 June 2025	1 April - 30 June 2026	1 April - 30 June 2025
Financial investments allowance expense	51.336	-	13.615	-
	51.336	**-**	**13.615**	**-**

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

NOTE 19 - FINANCIAL INCOME AND EXPENSES

The details of financial income and expenses for the periods ended 30 June 2026 and 30 June 2025 are as follows:

Financial income:

	1 January- 30 June 2026	1 January- 30 June 2025	1 April - 30 June 2026	1 April - 30 June 2025
Foreign exchange gain, net	-	7.502.545	-	5.493.147
Interest income	1.388.982	1.359.990	583.539	776.381
	1.388.982	**8.862.535**	**583.539**	**6.269.528**

Financial expenses:

	1 January- 30 June 2026	1 January- 30 June 2025	1 April - 30 June 2026	1 April - 30 June 2025
Interest expense on leases	3.574.585	3.182.580	1.819.180	1.668.575
Interest expense on issued debt instruments	875.271	870.836	440.942	342.881
Commission and other expenses	1.023.922	861.072	600.551	470.408
Losses from derivative contracts	-	193.004	-	48.081
Interest expense on bank loans	1.093.906	174.374	577.174	102.130
Foreign exchange loss, net	2.518.049	-	799.046	-
	9.085.733	**5.281.866**	**4.236.893**	**2.632.075**

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 30 June 2026 and 30 June 2025 are as follows:

	1 January- 30 June 2026	1 January- 30 June 2025	1 April - 30 June 2026	1 April - 30 June 2025
Net profit/(loss)	(12.551.835)	2.497.837	(4.793.480)	5.132.457
Weighted average number of shares issued in the year	500.000.000	500.000.000	500.000.000	500.000.000
Income per share (full amount)	**(25,10)**	**5,00**	**(9,59)**	**10,26**

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

NOTE 21 – DERIVATIVE FINANCIAL INSTRUMENTS

Fair Value of Derivative Instruments

	30 June 2026		31 December 2025	
	Asset	**Liability**	**Asset**	**Liability**
Short term	1.501.903	-	-	1.437.305
Long term	274.733	-	-	273.798
	1.776.636	**-**	**-**	**1.711.103**

Explanations related to derivative instruments are disclosed in Note 24.

NOTE 22 - FINANCIAL INSTRUMENTS

Financial Assets

Short term	**30 June 2026**	**31 December 2025**
Financial investments measured at amortized cost	6.553.177	10.635.220
Financial assets recognized at fair value in shareholders' equity	2.601.633	3.688.963
Time deposit (*)	564.110	2.664.351
Allowance for credit risk adjustment under TFRS 9	(1.728)	(7.436)
	9.717.192	**16.981.098**

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

Long term	**30 June 2026**	**31 December 2025**
Financial investments measured at amortized cost	12.228.879	7.016.539
Financial assets recognized at fair value in shareholders' equity	46.341	32.147
Allowance for credit risk adjustment under TFRS 9	(140.589)	(83.545)
	12.134.631	**6.965.141**

Financial investments accounted at amortized cost

	30 June 2026	**31 December 2025**
Short term financial investments measured at amortized cost	6.553.177	10.635.220
Long term financial investments measured at amortized cost	12.228.879	7.016.539
	18.782.056	**17.651.759**

	30 June 2026	**31 December 2025**
Government Debt Securities	4.764.568	5.836.660
Corporate Debt Securities	14.017.488	11.815.099
	18.782.056	**17.651.759**

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.

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

NOTE 22 - FINANCIAL INSTRUMENTS (cont'd)

Financial Assets

The weighted average coupon interest rates of existing Euro, US Dollar and Pounds financial investments that are measured at amortized cost as of 30 June 2026 and 31 December 2025 are as follows:

	Weighted average Coupon Interest Rate (%)	FX Type	Asset Value TL
Government Debt Securities	7,5	US Dollar	3.177.513
Government Debt Securities	5,2	EUR	616.805
Government Debt Securities	6,2	GBP	970.250
Corporate Debt Securities	6,6	US Dollar	11.167.775
Corporate Debt Securities	6,0	EUR	1.602.426
Corporate Debt Securities	6,1	GBP	1.247.287
30 June 2026			**18.782.056**

	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
31 December 2025			**17.651.759**

Financial investments at fair value through other comprehensive income

	30 June 2026	31 December 2025
Government Debt Securities	1.858.589	2.908.561
Corporate Debt Securities	743.044	780.402
Private Equity Investments	46.341	32.147
	2.647.974	**3.721.110**

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

	Weighted average Coupon Interest Rate (%)	FX Type	Asset Value TL
Government Debt Securities	7,8	US Dollar	1.858.589
Corporate Debt Securities	7,2	US Dollar	743.044
30 June 2026			**2.601.633**

	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
31 December 2025			**3.688.963**

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.

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

NOTE 22 - FINANCIAL INSTRUMENTS (cont'd)

Financial Liabilities

The details of financial liabilities as of 30 June 2026 and 31 December 2025 are as follows:

Short term financial liabilities	30 June 2026	31 December 2025
Short term bank borrowings	28.524.897	21.382.991
	28.524.897	**21.382.991**

Short term portion of long term financial liabilities	30 June 2026	31 December 2025
Short term portion of long term bank borrowings	1.101.282	546.586
Principal and interest of bonds issued	1.799.467	1.614.573
Discount and commissions of bonds issued	(45.243)	(42.629)
Lease liabilities	24.657.455	23.420.791
Short term portion of long term lease liabilities	*2.936.885*	*2.729.340*
Short term portion of long term lease liabilities with purchase option	*21.720.570*	*20.691.451*
	27.512.961	**25.539.321**

Long term financial liabilities	30 June 2026	31 December 2025
Long term bank borrowings	6.021.907	5.120.598
Issued debt instruments (*)	22.035.901	20.300.498
Discount and commissions of bonds issued	(208.989)	(235.417)
Lease liabilities	171.156.900	161.076.800
Long term lease liabilities	*6.166.143*	*7.180.901*
Long term lease liabilities with purchase option	*164.990.757*	*153.895.899*
	199.005.719	**186.262.479**

(*) 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 30 June 2026, the Group complied with all covenants.

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

NOTE 22 - FINANCIAL INSTRUMENTS (cont'd)

Financial Liabilities (cont'd)

Bank Borrowings

The effective interest rates, original currency and TL equivalents of the short and long term bank borrowings as of 30 June 2026 and 31 December 2025 are as follows :

30 June 2026	Weighted average interest rate (%)	Currency	Original amount	TL equivalent
Short term bank borrowings	5,22	Euro	537.243	28.524.897
Short term portion of long term bank borrowings	3,66	Euro	20.742	1.101.282
Long term bank borrowings	3,63	Euro	113.418	6.021.907
				35.648.086

31 December 2025	Weighted average interest rate (%)	Currency	Original amount	TL equivalent
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
				27.050.175

Lease Liabilities

The details of lease liabilities as of 30 June 2026 and 31 December 2025 are as follows:

	30 June 2026	31 December 2025
Less than 1 year	31.601.053	29.454.369
Between 1 - 5 years	113.294.685	104.719.920
Over 5 years	88.628.153	84.552.398
	233.523.891	218.726.687
Less: Future interest expenses	(37.709.536)	(34.229.096)
	195.814.355	**184.497.591**

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

	30 June 2026	31 December 2025
Less than 1 year	24.657.455	23.420.791
Between 1 - 5 years	92.641.337	85.896.891
Over 5 years	78.515.563	75.179.909
	195.814.355	**184.497.591**

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

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 5,06 years. For the period ended 30 June 2026, the floating interest rate applicable to Euro-denominated lease liabilities, amounting to TL 142.829.227, is 3,76% (31 December 2025: 3,49%) and the floating rate applicable to US Dollar-denominated lease liabilities, amounting to TL 17.415.349, is 6,26% (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	30 June 2026
Bank loans and Issued debt instruments	48.687.200	1.751.744	-	8.790.278	59.229.222
Lease payables	184.497.591	-	(14.639.571)	25.956.335	195.814.355
	233.184.791	**1.751.744**	**(14.639.571)**	**34.746.613**	**255.043.577**

	1 January 2025	Utilized bank loans and repayments, (net)	Finance lease obtained and repayment of principals	Non-cash changes	30 June 2025
Bank loans and Issued debt instruments	31.601.054	(8.942.312)	-	6.271.269	28.930.011
Lease payables	134.706.448	-	(10.930.412)	39.723.219	163.499.255
	166.307.502	**(8.942.312)**	**(10.930.412)**	**45.994.488**	**192.429.266**

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.

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

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

Financial Risk Factors (cont'd)

Foreign currency risk management (cont'd)

The Group's foreign currency position of monetary and non-monetary assets/liabilities for the years ended 30 June 2026 and 31 December 2025 are as follows:

30 June 2026	**TL Total**	**USD**	**TL**	**GBP**	**Other**
1. Trade receivables	4.880.775	23.062	2.939.270	3.099	677.410
2a. Monetary financial assets	44.642.689	795.474	3.636.360	43.047	1.328.101
2b. Non monetary financial assets	-	-	-	-	-
3. Other	485.132	1.044	426.447	109	3.372
4. CURRENT ASSETS	**50.008.596**	**819.580**	**7.002.077**	**46.255**	**2.008.883**
5. Trade receivables	-	-	-	-	-
6a. Monetary financial assets	12.134.631	260.651	-	-	-
6b. Non monetary financial assets	-	-	-	-	-
7. Other	3.257.775	68.750	3.142	63	50.119
8. NON CURRENT ASSETS	**15.392.406**	**329.401**	**3.142**	**63**	**50.119**
9. TOTAL ASSETS	**65.401.002**	**1.148.981**	**7.005.219**	**46.318**	**2.059.002**
10. Trade payables	9.328.460	121.035	3.342.104	1.876	236.313
11. Financial liabilities	8.284.135	177.773	7.891	-	-
12a. Other liabilitites, monetary	7.514.126	68.231	4.275.582	191	50.272
12b. Other liabilities, non monetary	-	-	-	-	-
13. CURRENT LIABILITIES	**25.126.721**	**367.039**	**7.625.577**	**2.067**	**286.585**
14. Trade payables	-	-	-	-	-
15. Financial liabilities	65.829.160	1.414.004	-	-	-
16a. Other lliabilities, monetary	9.407.719	165.872	1.685.552	-	-
16b. Other liabilities, non monetary	-	-	-	-	-
17. NON CURRENT LIABILITIES	**75.236.879**	**1.579.876**	**1.685.552**	**-**	**-**
18. TOTAL LIABILITIES	**100.363.600**	**1.946.915**	**9.311.129**	**2.067**	**286.585**
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	(34.962.598)	(797.934)	(2.305.910)	44.251	1.772.417
21. Net foreign currency asset / (liability) position of monetary items (1+2a+3+5+6a+7-10-11-12a-14-15-16a)	(34.962.598)	(797.934)	(2.305.910)	44.251	1.772.417

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

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

Financial Risk Factors (cont'd)

Foreign currency risk management (cont'd)

31 December 2025	TL Total	USD	TL	GBP	Other
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
4. CURRENT ASSETS	**54.363.104**	**1.021.615**	**7.972.104**	**26.342**	**1.079.204**
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
8. NON CURRENT ASSETS	**10.828.001**	**251.295**	**3.098**	**63**	**50.152**
9. TOTAL ASSETS	**65.191.105**	**1.272.910**	**7.975.202**	**26.405**	**1.129.356**
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 liabilitites, monetary	6.080.882	48.753	3.945.151	195	34.794
12b. Other liabilities, non monetary	-	-	-	-	-
13. CURRENT LIABILITIES	**23.803.346**	**399.945**	**6.397.102**	**2.125**	**140.796**
14. Trade payables	-	-	-	-	-
15. Financial liabilities	60.501.948	1.411.470	3.115	-	-
16a. Other lliabilities, monetary	7.866.770	171.891	499.106	-	-
16b. Other liabilities, non monetary	-	-	-	-	-
17. NON CURRENT LIABILITIES	**68.368.718**	**1.583.361**	**502.221**	**-**	**-**
18. TOTAL LIABILITIES	**92.172.064**	**1.983.306**	**6.899.323**	**2.125**	**140.796**
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	(26.980.959)	(710.396)	1.075.879	24.280	988.560
21. Net foreign currency asset / (liability) position of monetary items (1+2a+3+5+6a+7-10-11-12a-14-15-16a)	(26.980.959)	(710.396)	1.075.879	24.280	988.560

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

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

Financial Risk Factors (cont'd)

Foreign currency risk management (cont'd)

Foreign currency sensitivity

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

Foreign currency sensitivity tables as of 30 June 2026 and 31 December 2025 are as follows:

30 June 2026	**Profit/(Loss)**		**Shareholders' equity**	
	If foreign currency appreciated 10%	**If foreign currency depreciated 10%**	**If foreign currency appreciated 10%**	**If foreign currency depreciated 10%**
Effect of 10% change in USD rate				
USD net asset / (liability)	(3.714.791)	3.714.791	-	-
Part of hedged from USD risk	-	-	-	-
USD net effect	**(3.714.791)**	**3.714.791**	**-**	**-**
Effect of 10% change in TL rate				
TL net asset / (liability)	(230.591)	230.591	11.132.779	(11.132.779)
Part of hedged from TL risk	-	-	-	-
TL net effect	**(230.591)**	**230.591**	**11.132.779**	**(11.132.779)**
Effect of 10% change in GBP rate				
GBP net asset / liability	271.881	(271.881)	-	-
Part of hedged from GBP risk	-	-	-	-
GBP net effect	**271.881**	**(271.881)**	**-**	**-**

31 December 2025	**Profit/(Loss)**		**Shareholders' equity**	
	If foreign currency appreciated 10%	**If foreign currency depreciated 10%**	**If foreign currency appreciated 10%**	**If foreign currency depreciated 10%**
Effect of 10% change in USD rate				
USD net asset / (liability)	(3.044.919)	3.044.919	-	-
Part of hedged from USD risk	-	-	-	-
USD net effect	**(3.044.919)**	**3.044.919**	**-**	**-**
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	-	-	-	-
TL net effect	**107.588**	**(107.588)**	**11.813.720**	**(11.813.720)**
Effect of 10% change in GBP rate				
GBP net asset / liability	140.379	(140.379)	-	-
Part of hedged from GBP risk	-	-	-	-
GBP net effect	**140.379**	**(140.379)**	**-**	**-**

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

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

30 June 2026	Financial assets and liabilities at amortized cost	Financial assets and derivative instruments which are recognized at fair value in shareholders' equity	Derivative instruments which are recognized at fair value in profit/loss	Carrying amount	Note
Financial assets					
Cash and cash equivalents	60.232.800	-	-	60.232.800	27
Trade receivables	6.393.844	-	-	6.393.844	6
- Other	*6.393.844*	-	-	*6.393.844*	*6*
Other receivables	7.893.107	-	-	7.893.107	
- Other	*7.893.107*	-	-	*7.893.107*	
Financial investments	18.897.236	2.647.974	-	21.851.823	22
Derivative financial assets	-	1.776.636	-	1.776.636	21
Financial liabilities					
Bank borrowings	35.648.086	-	-	35.648.086	22
Issued debt instruments	23.270.567	-	-	23.581.136	
Trade payables	16.384.269	-	-	16.384.269	6
- Related party	*47.465*	-	-	*47.465*	*5*
- Other	*16.336.804*	-	-	*16.336.804*	
Other payables	3.048.486	-	-	3.048.486	

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

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

Fair Value of Financial Instruments (cont'd)

31 December 2025	Financial assets and liabilities at amortized cost	Financial assets and derivative instruments which are recognized at fair value in shareholders' equity	Derivative instruments which are recognized at fair value in profit/loss	Carrying amount	Note
Financial assets					
Cash and cash equivalents	54.845.603	-	-	54.845.603	27
Trade receivables	3.676.783	-	-	3.676.783	6
- Other	*3.676.783*	-	-	*3.676.783*	*6*
Other receivables	9.230.586	-	-	9.230.586	
- Other	*9.230.586*	-	-	*9.230.586*	
Financial investments	19.662.450	3.721.110	-	23.946.239	22
Financial liabilities					
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
- Related party	*71.950*	-	-	*71.950*	*5*
- Other	*14.481.873*	-	-	*14.481.873*	
Other payables	331.241	-	-	331.241	
Derivative financial liabilities	-	1.711.103	-	1.711.103	21

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

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

Fair Value of Financial Instruments (cont'd)

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

- Level 1: the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices:

- Level 2: the fair value of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions; and

- Level 3: the fair value of financial assets and liabilities are determined by the input that does not reflect an actual data observed in the market while finding the fair value of an asset or liability.

Financial assets / (Financial liabilities)	**Fair value as at**		**Fair value hierarchy**	**Valuation technique**
	30 June 2026	**31 December 2025**		
Fuel purchase option contracts	1.776.636	(1.711.103)	Level 2	Discounted cash flow method

30 June 2026	**Fuel purchase option contracts**	**Total**
Fair value:		
Opening	(1.711.103)	(1.711.103)
Fair value increase		
Recognized in equity	3.487.739	3.487.739
Closing	**1.776.636**	**1.776.636**
Assets	1.776.636	1.776.636
Liabilities	-	-
Total net assets and liabilities	**1.776.636**	**1.776.636**

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

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

Fair Value of Financial Instruments (cont'd)

31 December 2025	Currency forward contracts	Fuel purchase option contracts	Total
Fair value:			
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)
Closing	**-**	**(1.711.103)**	**(1.711.103)**
Assets	-	-	-
Liabilities	-	(1.711.103)	(1.711.103)
Total net assets and liabilities	**-**	**(1.711.103)**	**(1.711.103)**

The Group has forward fuel purchase option contracts, which are subject to hedge accounting, at a rate of 51% and 13,5% of the total fuel consumption estimated to occur in a period shorter than 1 year and more than 1 year, respectively. In line with its hedging policy, the Group can conclude contracts with maturities up to 24 months. As of 30 June 2026, the contracts last June 2028. The total nominal value of these contracts is USD 489,3 million (all amount), and the weighted average price is in the range of USD 61-75 (all amount). The ineffective portion of the hedge is not material as of 30 June 2026. In the current period, the income that is reclassified from hedging gain/(losses) fund under shareholders' equity to fuel expenses in the profit or loss statement is amounting to TL 2.569.168 (30 June 2025: TL 74.597 derivative expense are charged to fuel expenses).

NOTE 25 - EVENTS AFTER REPORTING PERIOD

Following the airspace restrictions in the Middle East beginning on February 28, 2026; flights to certain destinations were temporarily suspended. Although flights on certain routes have gradually resumed following the peace negotiations held in May and June and the positive developments in this regard, the effects of geopolitical developments in the region on the Company's operational activities and financial results continue. These effects are being closely monitored by the Company's management.

Further to material event disclosure dated 9 June 2026, within the scope of the issuance ceiling approved by the Capital Markets Board and adopted pursuant to the Board of Directors' resolution dated 17 March 2026, the sale of the notes with an aggregate principal amount of USD 149.900.000 (all amount) issued by the Company in Regulation S format to qualified investors abroad ("New Notes") was completed on 16 July 2026 and the proceeds of the offering have been transferred to the Company's accounts. The notes will be listed on Euronext Dublin. The New Notes will have the same interest rate, maturity and other terms and conditions as the existing USD 500.000.000 (all amount) notes issued in 2024 ("Original Notes"). Furthermore, the New Notes will be consolidated and form a single series with the Original Notes on the date falling 40 days after the new issue date and will thereafter trade under the same ISIN as the Original Notes issued in Regulation S format (XS2897383043).

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

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 30 June 2026 and 30 June 2025 are presented below:

	1 January- 30 June 2026	1 January- 30 June 2025
Tax income/(expense)		
- Current tax expense	-	-
- Deferred tax income/(expense)	868.602	(1.694.872)
Total tax income/(expense)	**868.602**	**(1.694.872)**

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 22.612.065 (31 December 2025: TL 20.260.791) that the Group will benefit from in the foreseeable future as of 30 June 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 30 June 2026, deferred tax income amounting to TL 1.261.097 has recognised in the interim condensed consolidated profit or loss statement for the period 1 January - 30 June 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 30 June 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.

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

NOTE 27 - EXPLANATIONS RELATED TO STATEMENT OF CASH FLOW

The details of cash and cash equivalents as of 30 June 2026 and 31 December 2025 are as follows:

	30 June 2026	**31 December 2025**
Cash on hand	5.442	2.445
Cash at banks	60.233.864	54.847.115
- Demand deposits	2.019.362	2.006.704
- Time deposits	58.214.502	52.840.411
Allowance for credit risk adjustment under TFRS 9	(6.506)	(3.957)
	60.232.800	**54.845.603**

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

30 June 2026	**Weighted average interest rates**	**Total**
USD deposits	3,20 %	31.803.688
EUR deposits	2,57 %	22.995.874
TL deposits	40,69 %	3.035.001
GBP deposits	0,50 %	379.669
IRR deposits	5,00 %	270
		58.214.502

31 December 2025	**Weighted average interest rates**	**Total**
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
		52.840.411

As of 30 June 2026 and 31 December 2025 time deposits maturities are less than 90 days.

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

Revenue

	Euro 1 January- 30 June 2026	Euro 1 January- 30 June 2025	Euro 1 April - 30 June 2026	Euro 1 April - 30 June 2025
Scheduled flight and service revenue	1.484.405	1.476.691	847.554	861.627
International flight revenue	*648.238*	*697.469*	*391.972*	*429.737*
Domestic flight revenue	*237.821*	*199.596*	*144.508*	*114.508*
Service revenue	*598.346*	*579.626*	*311.074*	*317.382*
Charter flight and service revenue	13.019	15.125	12.582	11.724
Charter flight revenue	*13.019*	*15.125*	*12.582*	*11.724*
Other revenue	9.271	5.869	4.685	2.674
	1.506.695	**1.497.685**	**864.821**	**876.025**

Expenses by Nature

	Euro 1 January- 30 June 2026	Euro 1 January- 30 June 2025	Euro 1 April - 30 June 2026	Euro 1 April - 30 June 2025
Jet fuel expenses	550.462	410.536	339.953	214.902
Personnel expenses	333.710	297.965	169.950	149.889
Depreciation and amortisation expenses	225.151	198.612	113.990	101.386
Handling and station fees	130.436	118.314	68.974	62.900
Navigation expenses	111.062	104.901	58.952	58.897
Maintenance expenses	76.010	58.561	36.672	30.082
Landing expenses	58.383	58.655	29.600	31.778
Passenger service and catering expenses	24.750	21.099	13.457	9.913
Advertising expenses	12.511	12.127	6.797	5.484
Commission expenses	8.901	11.478	5.316	7.478
Short term operational lease expenses	175	1.937	53	1.937
Other expenses	117.782	107.372	55.429	50.479
	1.649.333	**1.401.557**	**899.143**	**725.125**