

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 31 MARCH 2024**

(Amounts are expressed in full Turkish Lira (TL) unless otherwise stated.)

	Current period (Not Reviewed) 31 March 2024	Prior period (Audited) 31 December 2023
ASSETS		
Current assets	57.334.193.973	48.001.577.327
Cash and cash equivalents	28.307.772.879	16.078.358.927
Financial assets	11.883.811.812	18.534.625.942
Trade receivables	2.908.823.287	1.668.899.597
<i>Trade receivables from third parties</i>	<i>2.908.823.287</i>	<i>1.668.899.597</i>
Other receivables	189.615.355	184.612.285
<i>Other receivables from related parties</i>	<i>4.844.550</i>	<i>44.138</i>
<i>Other receivables from third parties</i>	<i>184.770.805</i>	<i>184.568.147</i>
Derivative financial instruments	173.497.087	12.607.533
Inventories	1.326.051.817	1.075.273.755
Prepaid expenses	12.296.217.397	10.201.603.776
Current income tax assets	28.570.217	19.552.842
Other current assets	219.834.122	226.042.670
Non-Current assets	165.848.176.742	153.953.502.230
Financial assets	2.646.919.413	1.674.235.495
Other receivables	2.040.196.057	1.778.877.878
<i>Other receivables from third parties</i>	<i>2.040.196.057</i>	<i>1.778.877.878</i>
Derivative financial instruments	107.805.797	-
Investments accounted by using the equity method	674.872.216	602.491.387
Property and equipment	12.069.077.610	10.377.700.527
Intangible assets	726.134.120	643.504.105
Right of use assets	119.742.264.230	113.509.023.248
Prepaid expenses	14.311.751.465	12.718.004.262
Deferred tax assets	13.529.155.834	12.649.665.328
TOTAL ASSETS	223.182.370.715	201.955.079.557

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	Current period (Not Reviewed) 31 March 2024	Prior period (Audited) 31 December 2023
LIABILITIES		
Current liabilities	50.073.336.598	37.183.794.680
Short term borrowings	9.536.127.481	5.353.784.770
Short term portion of long term borrowings	2.070.438.699	1.944.707.759
Short term portion of long term lease liabilities	12.028.707.708	11.326.083.111
Trade payables	7.529.264.754	6.526.115.717
<i>Trade payables to related parties</i>	28.812.998	17.811.962
<i>Trade payables to third parties</i>	7.500.451.756	6.508.303.755
Employee benefit obligations	1.156.859.322	398.269.511
Other payables	457.276.399	260.455.138
<i>Other payables to third parties</i>	457.276.399	260.455.138
Passenger flight liabilities	14.227.665.647	8.418.318.534
Derivative financial instruments	-	109.079.828
Deferred income	967.849.438	782.027.857
Short term provisions	2.099.147.150	2.064.952.455
<i>Short term provisions for employee benefits</i>	1.683.117.498	1.587.893.487
<i>Other short term provisions</i>	416.029.652	477.058.968
Non-Current liabilities	117.913.356.557	110.102.098.656
Long term borrowings	12.748.550.837	12.312.016.907
Long term lease liabilities	94.059.150.296	88.581.646.542
Derivative financial instruments	-	64.250.780
Deferred income	5.193.498.158	3.506.810.209
Long term provisions	5.912.157.266	5.637.374.218
<i>Long term provisions for employee benefits</i>	1.289.896.021	1.201.242.173
<i>Other long term provisions</i>	4.622.261.245	4.436.132.045
SHAREHOLDERS' EQUITY	55.195.677.560	54.669.186.221
Paid-in share capital	102.299.707	102.299.707
Share premiums on capital stock	455.687.025	455.687.025
Other comprehensive income/expense not to be reclassified to profit or loss		
Actuarial losses on defined benefit plans	(98.677.189)	(105.998.793)
Currency translation differences	31.248.007.219	27.604.819.459
Other comprehensive income/expense to be reclassified to profit or loss		
Currency translation differences	416.494.014	368.154.236
Hedge fund	200.606.965	(129.997.940)
Gain on financial assets measured at fair value	46.339.958	48.328.332
Restricted profit reserves	20.459.941	20.459.941
Retained earnings	26.305.434.254	5.397.932.457
Net income for the period	(3.500.974.334)	20.907.501.797
TOTAL LIABILITIES AND EQUITY	223.182.370.715	201.955.079.557

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2024

(Amounts are expressed in full Turkish Lira (TL) unless otherwise stated.)

	Current period (Not Reviewed) 1 January- 31 March 2024	Prior period (Not Reviewed) 1 January- 31 March 2023
Profit or loss		
Sales	17.390.800.996	8.793.440.699
Cost of sales (-)	(17.952.561.068)	(8.550.724.970)
Gross profit	(561.760.072)	242.715.729
General administrative expenses (-)	(572.186.285)	(296.236.333)
Marketing expenses (-)	(451.408.923)	(217.842.800)
Other operating income	314.342.294	35.944.167
Other operating expenses (-)	(54.673.031)	(38.420.372)
Operating gain	(1.325.686.017)	(273.839.609)
Income from investing activities	740.724.907	147.809.735
Expenses from investing activities (-)	(169.947.660)	-
Share of investments income accounted for using the equity method	14.639.828	10.039.957
Operating gain before financial expense	(740.268.942)	(115.989.917)
Financial income	352.049.203	516.175.096
Financial expense (-)	(3.238.424.067)	(1.007.907.516)
Profit before tax	(3.626.643.806)	(607.722.337)
Tax income/(expense)	125.669.472	9.602.754
Deferred tax income/(expense)	125.669.472	9.602.754
Profit for the period	(3.500.974.334)	(598.119.583)
Income/(loss) per share	(34,22)	(5,85)
Other comprehensive income		
Items not to be reclassified to profit or loss		
Actuarial (losses) / gains on defined benefit plans	9.762.138	(57.701.488)
Deferred tax effect	(2.440.534)	11.540.298
Currency translation differences	3.643.187.760	1.054.197.842
Items to be reclassified to profit or loss		
Currency translation differences	48.339.778	(147.828.232)
Gain on financial assets measured at fair value	(2.651.155)	(12.190.934)
Cash flow hedge	440.806.561	(339.163.991)
Deferred tax effect	(109.538.875)	70.270.993
Other comprehensive income	4.027.465.673	579.124.488
Total comprehensive income	526.491.339	(18.995.095)

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2024**

(Amounts are expressed in full Turkish Lira (TL) unless otherwise stated.)

			Other comprehensive income items not to be reclassified to profit or loss		Other comprehensive income items to be reclassified to profit or loss				Retained earnings		
	Paid in share capital	Share premiums on capital stock	Actuarial gains/(losses) on defined benefit plans	Currency translation differences	Currency translation differences	Hedge reserve	Gain on financial assets measured at fair value	Restricted profit reserves	Retained earnings	Net profit/(loss) for the year	Shareholders' equity
As at 1 January 2023	102.299.707	455.687.025	(74.584.475)	11.667.935.448	165.445.988	282.719.523	26.847.705	20.459.941	(1.702.212.691)	7.100.145.148	18.044.743.319
Transfers	-	-	-	-	-	-	-	-	7.100.145.148	(7.100.145.148)	-
Net profit/(loss) for the period	-	-	-	-	-	-	-	-	-	(598.119.583)	(598.119.583)
Other comprehensive income / (expense)	-	-	(46.161.190)	1.054.197.842	(147.828.232)	(271.331.185)	(9.752.747)	-	-	-	579.124.488
As at 31 March 2023	102.299.707	455.687.025	(120.745.665)	12.722.133.290	17.617.756	11.388.338	17.094.958	20.459.941	5.397.932.457	(598.119.583)	18.025.748.224
As at 1 January 2024	102.299.707	455.687.025	(105.998.793)	27.604.819.459	368.154.236	(129.997.940)	48.328.332	20.459.941	5.397.932.457	20.907.501.797	54.669.186.221
Transfers	-	-	-	-	-	-	-	-	20.907.501.797	(20.907.501.797)	-
Net profit/(loss) for the period	-	-	-	-	-	-	-	-	-	(3.500.974.334)	(3.500.974.334)
Other comprehensive income / (expense)	-	-	7.321.604	3.643.187.760	48.339.778	330.604.905	(1.988.374)	-	-	-	4.027.465.673
As at 31 March 2024	102.299.707	455.687.025	(98.677.189)	31.248.007.219	416.494.014	200.606.965	46.339.958	20.459.941	26.305.434.254	(3.500.974.334)	55.195.677.560

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2024

(Amounts are expressed in full Turkish Lira (TL) unless otherwise stated.)

	Current period (Not Reviewed) 1 January- 31 March 2024	Prior period (Not Reviewed) 1 January- 31 March 2023
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Income/(loss) for the period	(3.500.974.334)	(598.119.583)
Adjustments to reconcile the income/(loss)		
Depreciation and amortization	2.767.509.190	1.475.564.359
Adjustments related with impairments	166.616.775	28.888.041
<i>Provision for doubtful receivable</i>	<i>(3.330.885)</i>	<i>35.929.715</i>
Adjustments related with financial investment impairments	169.947.660	<i>(7.041.674)</i>
Adjustments related with provisions	93.177.515	(89.414.244)
<i>Provision for employee benefits</i>	<i>67.728.444</i>	<i>11.974.716</i>
<i>Legal provision</i>	<i>4.469.077</i>	<i>2.907.868</i>
<i>Change in redelivery provision</i>	<i>20.979.994</i>	<i>(104.296.828)</i>
Interest and commission income	1.362.039.070	794.900.576
Adjustments related with fair value expense (income)	2.651.156	12.190.937
<i>Adjustments related with fair value expense (income) of financial assets</i>	<i>2.651.156</i>	<i>12.190.937</i>
Gain on equity investments accounted for using the equity method	(14.639.828)	(10.039.957)
Current tax expense	(125.669.472)	(9.602.754)
Other provisions related with investing or financing activities	759.835.943	(442.183.758)
Changes in working capital		
Increase in trade receivables	(1.081.197.140)	94.716.044
Increase in other receivables, prepayments and other assets	(2.852.161.410)	(21.436.544)
Increase in inventories	(170.728.194)	(1.556.150)
Increase in trade payables	536.307.357	(538.609.483)
Increase in deferred income, other payables and other current liabilities	7.230.320.315	1.529.667.062
Net cash generated from operating activities	5.173.086.943	2.224.964.546
Payment for the employee benefits provisions	(25.193.349)	(44.854.807)
Payment for other provisions	(240.217)	(312.956)
	5.147.653.377	2.179.796.783
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Net cash changes from acquisition and sale of debt instruments of other entities	2.021.471.701	26.829.274
Net cash changes from purchase and sale of property, equipment and intangible assets	1.524.069.908	(90.006.146)
Interest received from financial investment	523.619.528	152.149.572
Changes in cash advances and payables	(1.469.195.292)	(867.601.632)
Other cash changes	4.473.687.609	(147.189.075)
	7.073.653.454	(925.818.007)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in borrowings	3.122.247.783	2.250.888.380
Repayment of borrowings	(498.263.350)	(1.573.581.095)
Repayment of principal in lease liabilities	(2.822.024.849)	(1.694.798.427)
Interest and commission paid	(1.596.063.628)	(607.924.929)
Interest received	682.999.686	65.708.884
	(1.111.104.358)	(1.559.707.187)
NET DECREASE IN CASH AND CASH EQUIVALENTS BEFORE TRANSLATION EFFECT (A+B+C)	11.110.202.473	(305.728.411)
D. TRANSLATION DIFFERENCES EFFECT ON CASH AND CASH EQUIVALENTS	1.119.211.479	597.526.949
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C+D)	12.229.413.952	291.798.538
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		
AT THE BEGINNING OF THE PERIOD	16.078.358.927	10.558.266.871
AT THE END OF THE PERIOD (A+B+C+D+E)	28.307.772.879	10.850.065.409