

PEGASUS HAVA TAŞIMACILIĞI ANONİM ŞİRKETİ ARTICLES OF ASSOCIATION

CURRENT TEXT

REVISED TEXT

Company Capital:

Article 6:

The Company has adopted the authorized capital system in accordance with the Capital Markets Law No. 6362 and has acceded to the authorized capital system based on the approval of the Capital Markets Board dated 22 February 2013 and numbered 6/178.

The authorized capital ceiling of the Company is TL 500,000,000.00 consisting of 500,000,000.00 shares each with a nominal value of TL 1.00.

The authorization granted by the Capital Markets Board for the authorized capital ceiling is valid for five years between 2018-2022. Even if the Company capital does not reach the ceiling at the end of this term, any subsequent capital increase by the Board of Directors requires the approvals of the Capital Markets Board and the Company General Assembly for the same or a new ceiling.

The Company's paid capital is TL 102,272,000 and is fully paid in cash.

The shares representing the Company capital are dematerialized and are recorded in electronic form.

Within the framework of the Capital Markets Law and the Turkish Commercial Code, the Board of Directors is authorized to increase the Company's paid capital up to the authorized capital ceiling by issuing new shares, to restrict the pre-emption rights of existing shareholders and to issue shares with premium or below nominal value. The authority to restrict pre-emption rights of existing shareholders cannot be exercised in a way that will result in inequality among shareholders. No new shares can be issued until the previously issued shares are fully sold and paid for.

Following the completion of the capital increase in accordance with the provisions of this article the Board of Directors registers the revised text of this article relating to Company capital with the Trade Registry and announces the amendment in the Turkish Trade Registry Gazette.

Company Capital:

Article 6:

The Company has adopted the authorized capital system in accordance with the Capital Markets Law No. 6362 and has acceded to the authorized capital system based on the approval of the Capital Markets Board dated 22 February 2013 and numbered 6/178.

The authorized capital ceiling of the Company is TL 500,000,000.00 consisting of 500,000,000.00 shares each with a nominal value of TL 1.00.

The authorization granted by the Capital Markets Board for the authorized capital ceiling is valid for five years between 2018-2022. Even if the Company capital does not reach the ceiling at the end of this term, any subsequent capital increase by the Board of Directors requires the approvals of the Capital Markets Board and the Company General Assembly for the same or a new ceiling.

The Company's paid capital is TL 102,299,707 and is divided into 102,299,707 shares, each with a nominal value of TL 1.00. TL 102,272,000 of this amount, representing the portion of the capital prior to the latest capital increase is fully paid in cash, in good faith. TL 27,707, representing the latest capital increase corresponds to the total nominal share value to be allocated to the shareholders of İHY İzmir Havayolları Anonim Şirketi, registered with the İzmir Trade Registry under no. Merkez – 119105, in consideration of the assets of this entity acquired through the acquisition by merger of İHY İzmir Havayolları Anonim Şirketi with all its assets and liabilities and in accordance with the simplified merger method prescribed in Article 155 Paragraph 2 and Article 156 of the Turkish Commercial Code No. 6102, Article 13 of the Merger and Demerger Communiqué No. II-23.2 of the Capital Markets Board and Articles 18, 19 and 20 of the Corporate Tax Law No. 5520. This value has been determined based on the independent expert report dated September 18, 2018 and prepared by DRT Kurumsal Finans Danışmanlık Hizmetleri A.Ş. and is fully paid in cash and in good faith by the Company for the transfer of shares to the merged entity's shareholders not willing to receive an exit payment instead. The notice for the merger was approved by the Capital Markets Board by its decision dated 08.11.2018 and numbered 55/1257.

The shares representing the Company capital are dematerialized and are recorded in electronic form.

Within the framework of the Capital Markets Law and the Turkish Commercial Code, the Board of Directors is authorized to increase the Company's paid capital

up to the authorized capital ceiling by issuing new shares, to restrict the pre-emption rights of existing shareholders and to issue shares with premium or below nominal value. The authority to restrict pre-emption rights of existing shareholders cannot be exercised in a way that will result in inequality among shareholders. No new shares can be issued until the previously issued shares are fully sold and paid for.

Following the completion of the capital increase in accordance with the provisions of this article the Board of Directors registers the revised text of this article relating to Company capital with the Trade Registry and announces the amendment in the Turkish Trade Registry Gazette.

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