

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2021

(Amounts are expressed in TL unless otherwise stated.)

NOTE 5 - RELATED PARTY TRANSACTIONS

The immediate 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. There are no set payment terms for any of the related party transactions. The related party receivables and payables resulting from operating activities are generally settled in normal course of business.

(i) Balances with Related Parties:

a) Other receivables from related parties

	31 March 2021	31 December 2020
Balances with joint ventures and subsidiaries:		
PUEM	165.202	227.595
Balances with other related parties:		
Doğan Burda Dergi Yayıncılık ve Pazarlama A.Ş.	332	332
	165.534	227.927

b) Trade payables to related parties

	31 March 2021	31 December 2020
Balances with parent company:		
Esas Holding	5.150.532	8.498.505
Balances with joint ventures and subsidiaries:		
Hitit Bilgisayar	4.742.104	4.517.471
PUEM	8.636.953	7.800.677
Balances with other related parties:		
Esasburda İnşaat Sanayi ve Ticaret A.Ş.	3.609.543	1.300.124
Alarm Sağlık Hizmetleri San. ve Tic. A.Ş.	50.030	42.585
	22.189.162	22.159.362

(ii) Significant Transactions with Related Parties:

Various transactions with Esas Holding consist of commissions paid. The Group records these commissions within finance expense.

The Group also leases their head office building from Esasburda İnşaat Sanayi ve Ticaret A.Ş. ("Esasburda"), another Esas Holding subsidiary, and records the expenses as depreciation and interest under new leases standard.

The Group receives simulator training services from PUEM for their pilots and generates revenue from labor hire and common area use.

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

The Group receives health services from Alarm Sağlık Hizmetleri Sanayi ve Ticaret A.Ş.

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NOTE 5 - RELATED PARTY TRANSACTIONS

a) Other Income from Related Parties

	1 January- 31 March 2021	1 January- 31 March 2020
Transactions with joint ventures and subsidiaries:		
PUEM	370.519	320.321
	370.519	320.321

b) Purchases of goods or services

	1 January- 31 March 2021	1 January- 31 March 2020
Transactions with joint ventures and subsidiaries:		
Hitit Bilgisayar	6.612.456	5.623.795
PUEM	2.213.605	2.782.145
Transactions with other related parties:		
Alarm Sağlık Hizmetleri San. ve Tic. A.Ş.	140.530	234.764
Esasburda	721.448	695.821
	9.688.039	9.336.525

c) Rent expenses

	1 January- 31 March 2021	1 January- 31 March 2020
Esasburda(*)	3.051.494	2.539.231
	3.051.494	2.539.231

(*)Rent expenses are recorded as depreciation and interest under TFRS 16 new leases standard.

d) Commission expenses

	1 January- 31 March 2021	1 January- 31 March 2020
Esas Holding	2.366.577	2.716.708
	2.366.577	2.716.708

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(iii) Compensation of Key Management Personnel:

Key management personnel include members of the board of directors, general managers and assistant general managers. The remuneration of key management paid during the period ended 31 March 2021 and 2020 are as follows:

	1 January- 31 March 2021	1 January- 31 March 2020
Salaries and other short term benefits	2.113.590	18.069.483
Other long term benefits	-	7.543.970
	2.113.590	25.613.453