

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2022

(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 (which will be referred to as "other related parties" below). 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 not secured and interest free.

NOTE 5 - RELATED PARTY TRANSACTIONS

(i) Balances with Related Parties:

a) Trade payables to related parties

	31 March 2022	31 December 2021
Balances with parent company:		
Esas Holding	1.737.807	1.624.341
Balances with joint ventures:		
Hitit Bilgisayar	6.153.628	2.090.952
PUEM	2.675.790	4.685.846
Balances with other related parties:		
Esasburda İnşaat Sanayi ve Ticaret A.Ş. (Esasburda)	256.271	218.403
Alarm Sağlık Hizmetleri San. ve Tic. A.Ş.(Alarm Sağlık)	-	37.348
	10.823.496	8.656.890

b) Other payables to related parties

	31 March 2022	31 December 2021
Balances with joint ventures:		
Hitit Bilgisayar	386.585	-
	386.585	-

(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 leases their head office building from Esasburda , another Esas Holding subsidiary, and records the expenses as depreciation and interest under leases standard. Also, the Group records the dues, electricity, water and heating expenses for the head office building.

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.

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NOTE 5 - RELATED PARTY TRANSACTIONS

(ii) Significant Transactions with Related Parties:

a) Other Income from Related Parties

	1 January- 31 March 2022	1 January- 31 March 2021
Transactions with joint ventures:		
PUEM	564.571	370.519
	564.571	370.519

b) Purchases of goods or services

	1 January- 31 March 2022	1 January- 31 March 2021
Transactions with joint ventures:		
Hitit Bilgisayar	12.675.221	6.612.456
PUEM	5.108.621	2.213.605
Transactions with other related parties:		
Alarm Sağlık	35.565	140.530
Esasburda	1.245.947	721.448
	19.065.354	9.688.039

c) Rent expenses

	1 January- 31 March 2022	1 January- 31 March 2021
Esasburda(*)	3.271.191	3.051.494
	3.271.191	3.051.494

(*)Rent expenses are recorded as depreciation and interest under TFRS 16 leases standard. Amounts presented above represent issued invoices.

d) Commission expenses

	1 January- 31 March 2022	1 January- 31 March 2021
Esas Holding	4.093.167	2.366.577
	4.093.167	2.366.577

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NOTE 5 - RELATED PARTY TRANSACTIONS

(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 2022 and 31 March 2021 are as follows:

	1 January- 31 March 2022	1 January- 31 March 2021
Salaries and other short term benefits	5.606.851	2.113.590
	5.606.851	2.113.590