

PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND ITS SUBSIDIARIES

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 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.

(i) Balances with Related Parties:

a) Other receivables from related parties

	31 December 2022	31 December 2021
Balances with joint ventures:		
PUEM	603.250	-
	603.250	-

b) Trade payables to related parties

	31 December 2022	31 December 2021
Balances with parent company:		
Esas Holding	-	1.624.341
Balances with joint ventures:		
Hitit Bilgisayar	8.828.375	2.090.952
PUEM	-	4.685.846
Balances with other related parties:		
Esasburda İnşaat Sanayi ve Ticaret A.Ş. (Esasburda)	706.969	218.403
Alarm Sağlık Hizmetleri San. ve Tic. A.Ş.(Alarm Sağlık)	60.440	37.348
	9.595.784	8.656.890

c) Other payables to related parties

	31 December 2022	31 December 2021
Balances with joint ventures:		
Hitit Bilgisayar	-	158.955
	-	158.955

(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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a) Other Income from Related Parties

	1 January- 31 December 2022	1 January- 31 December 2021
Transactions with joint ventures:		
PUEM	3.374.164	1.599.798
	3.374.164	1.599.798

(ii) Significant Transactions with Related Parties:

b) Purchases of goods or services

	1 January- 31 December 2022	1 January- 31 December 2021
Transactions with joint ventures:		
Hitit Bilgisayar	69.225.431	29.789.941
PUEM	19.027.160	10.838.532
Transactions with other related parties:		
Alarm Sağlık	690.500	465.884
Esasburda	8.280.455	3.222.954
Other	195.987	-
	97.419.533	44.317.311

c) Rent expenses

	1 January- 31 December 2022	1 January- 31 December 2021
Esasburda(*)	15.454.974	11.746.849
	15.454.974	11.746.849

(*)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 December 2022	1 January- 31 December 2021
Esas Holding	14.638.202	9.580.535
	14.638.202	9.580.535

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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 December 2022 and 31 December 2021 are as follows:

	1 January- 31 December 2022	1 January- 31 December 2021
Salaries and other short term benefits	59.760.447	14.951.032
Other long term benefits	56.100.313	4.716.201
	115.860.760	19.667.233