

AVIA SOLUTIONS GROUP PLC

Condensed Consolidated Interim Financial Information,
For the Three-Month Period Ended 30 March 2021 (Unaudited)

Beginning of the financial period	1 January 2021
End of reporting period	30 March 2021
Name of the company	Avia Solutions Group PLC (hereinafter “the Company”)
Date of registration	28 February 2018
Code of enterprise	HE 380586
Name of Register of Legal Entities	Department of Registrar of Companies and Official Receiver
Registered office	117 Arch. Makariou Ave. 5th Floor, Office 505 3021 Limassol, Cyprus
Telephone number	+44 20 808 99777 / +370 5 252 5500
E-mail	info@aviasg.com
Internet address	www.aviasg.com
Segments of consolidated Group	Aviation Supporting Services, Aviation Logistics and Distribution Services, Aircraft Trading and Portfolio Management, Unallocated (holding, financing and other with aviation not related activities).
Board of Directors:	Gediminas Žiemelis (appointed from 12 July 2019) Jonas Janukėnas (appointed from 28 February 2018) Žilvinas Lapinskas (appointed from 12 July 2019) Linas Dovydenas (appointed from 12 July 2019) Vygaudas Ušackas (appointed from 16 September 2019)
Company Secretary:	Fidema Services (appointed from 28 February 2018)

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	January – March	
		2021	2020
Revenue	3	162 144	267 869
Other income	3	889	1 034
Cost of services and goods	3, 4	(95 058)	(185 272)
Employee related expenses	3	(38 995)	(39 977)
Depreciation and amortisation	3, 10	(18 040)	(26 639)
Other operating expenses	3, 5.1	(11 520)	(12 328)
Impairment losses of financial assets	3, 5.2	(236)	(1 370)
Other impairment-related expenses	3, 5.2	(632)	(256)
Other gain/(loss) – net	3	13 473	377
Operating profit (loss)	3	12 025	3 438
Finance income	6	2 403	1 059
Finance cost	6	(8 494)	(10 943)
Finance costs – net	6	(6 091)	(9 884)
Share of profit (losses) of associates	11	22	840
Profit (loss) before income tax		5 956	(5 606)
Income tax	7	(4 202)	(1 795)
Profit (loss) for the period		1 754	(7 401)
Profit (loss) attributable to:			
Equity holders of the parent		1 636	(8 006)
Non-controlling interests		118	605
		1 754	(7 401)
Other comprehensive income			
Net gain on cash flow hedges		254	4 166
Income tax		(63)	(949)
		191	3 217
Exchange differences on translation of foreign operations		10 942	126
Other comprehensive income (loss) for the period		11 133	3 343
Total comprehensive income for the period attributable to:			
Equity holders of the parent		12 651	(4 804)
Non-controlling interests		236	746
		12 887	(4 058)
Earnings per share attributable to owners of the parent during the period			
Basic and diluted earnings per share	9	0,021	(0,103)



Managing Director
Jonas Janukėnas



Chief Financial Officer
Robertas Čipkus



CONDENSED CONSOLIDATED BALANCE SHEET


	Notes	30 March 2021	31 December 2020
ASSETS			
Non-current assets			
Property, plant and equipment	10	364 592	352 931
Investments property	10	13 356	10 132
Intangible assets	10	107 530	102 777
Other investment	18	3 246	1 231
Investments accounted for using the equity method	11	46 333	43 680
Deferred tax assets	7	18 559	17 161
Non-current trade and other receivables	12	43 301	42 091
Non-current derivative financial instruments	18	4 707	3 563
Long-term bank deposits		1 523	1 226
		603 147	574 792
Current assets			
Inventories	14	44 288	38 976
Trade and other receivables	12	140 147	116 824
Contract assets		18 258	10 128
Prepaid income tax		1 696	1 699
Short-term bank deposit		25 881	25 519
Cash and cash equivalents	13	150 808	178 352
		381 078	371 498
Total assets	3	984 225	946 290

**CONDENSED CONSOLIDATED BALANCE SHEET
 (CONTINUED)**

	Notes	30 March 2021	31 December 2020
EQUITY			
Equity attributable to the Group's equity shareholders			
Share capital	8	22 556	22 556
Share premium		282 158	282 158
Other reserves		397	331
Treasury shares		(791)	(1 165)
Merger reserve		(456)	(456)
Fair value reserve		1 686	1 496
Cumulative translations differences		(11 181)	(22 005)
Retained earnings		(10 335)	(11 970)
Equity attributable to equity holders of the parent		284 034	270 945
Non-controlling interests		2 368	2 425
Total equity		286 402	273 370
LIABILITIES			
Non-current liabilities			
Borrowings		245 667	235 195
Lease liabilities		115 424	115 846
Government grants		475	535
Security deposits received		535	505
Trade and other payables	15	2 739	2 450
Derivative financial instruments	18	9 132	12 453
Deferred income tax liabilities	7	18 249	18 275
		392 221	385 259
Current liabilities			
Trade and other payables	15	180 752	164 928
Lease liabilities		39 767	49 978
Borrowings		5 906	5 565
Contract liabilities		45 299	33 360
Security deposits received		3 615	3 914
Current income tax liabilities		30 028	29 779
Derivative financial instruments	18	235	137
		305 602	287 661
Total liabilities	3	697 823	672 920
Total equity and liabilities		984 225	946 290



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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY


	Equity attributable to equity holders of the Group										
	Share capital	Share premium	Treasury shares	Merger reserve	Other reserve	Fair value reserve	Currency translation differences	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 January 2020	22 556	282 158	(1 010)	(456)	60	(432)	(2 956)	41 122	341 042	4 980	346 022
Comprehensive income											
Net gain on cash flow hedge	-	-	-	-	-	3 217	-	-	3 217	-	3 217
Currency translation difference from continuing operations	-	-	-	-	-	-	(15)	-	(15)	141	126
Profit (loss) for the period	-	-	-	-	-	-	-	(8 006)	(8 006)	605	(7 401)
Total comprehensive income	-	-	-	-	-	3 217	(15)	(8 006)	(4 804)	746	(4 058)
Transactions with owners											
Allocation to share-based payment reserves	-	-	-	-	72	-	-	-	72	-	72
Total transactions with owners	-	-	-	-	72	-	-	-	72	-	72
Balance at 31 March 2020	22 556	282 158	(1 010)	(456)	132	2 785	(2 971)	33 116	336 310	5 726	342 036

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

	Equity attributable to equity holders of the Group										
	Share capital	Share premium	Treasury shares	Merger reserve	Other reserves	Fair value reserve	Currency translation differences	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 January 2021	22 556	282 158	(1 165)	(456)	331	1 496	(22 005)	(11 970)	270 945	2 425	273 370
Comprehensive income											
Net profit (loss) on cash flow hedge	-	-	-	-	-	190	-	-	190	-	190
Currency translation difference	-	-	-	-	-	-	10 824	-	10 824	118	10 942
Profit (loss) for the period	-	-	-	-	-	-	-	1 635	1 635	118	1 753
Total comprehensive income	-	-	-	-	-	190	10 824	1 635	12 649	236	12 885
Transactions with owners											
Dividends paid	-	-	-	-	-	-	-	-	-	(293)	(293)
Sale of treasury shares	-	-	374	-	-	-	-	-	374	-	374
Share based payments (other reserves)	-	-	-	-	66	-	-	-	66	-	66
Total transactions with owners	-	-	374	-	66	-	-	-	440	(293)	147
Balance at 31 March 2021	22 556	282 158	(791)	(456)	397	1 686	(11 181)	(10 335)	284 034	2 368	286 402



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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

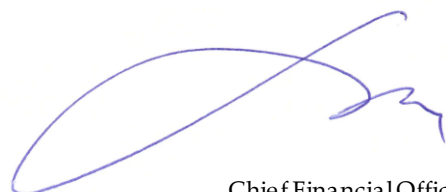
	Notes	January – March	
		2021	2020
Operating activities			
(Loss) Profit for the year		1 754	(7 401)
Income tax expense	7	4 202	1 795
<i>Adjustments for:</i>			
Depreciation and amortisation	3, 10	18 040	26 639
Impairment-related expenses	3, 5.2	868	1 626
Interest expenses	6	8 209	9 986
Currency translation differences		6 477	2 687
Discounting effect on financial assets		(287)	(73)
Fair value gains		(1 958)	-
Changes in other reserves		66	72
(Profit)/loss of PPE disposals and PPE write-offs		445	289
(Profit) loss from bonds repurchase		(49)	-
(Profit) / loss on termination/modification of lease agreements		(6 743)	-
Amortisation of government grants		(59)	(60)
Interest income		(395)	(400)
Share of loss of associates		(22)	(840)
<i>Changes in operating assets and liabilities:</i>			
- Inventories		(5 624)	58 460
- Trade and other receivables, contract assets		(32 739)	(27 374)
- Security deposits placed		360	(506)
- Accrued expenses for certain contracts		(33)	478
- Trade and other payables, advances received/contract liabilities		25 919	(5 299)
- Security deposits received		41	1 434
Cash generated from (used in) operating activities		18 472	61 513
Interest received		5	-
Interest paid		(2 072)	(4 566)
Income tax paid		(4 986)	(160)
Net cash generated from (used in) operating activities		11 419	56 787

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

	Notes	January – March	
		2021	2020
Investing activities			
Purchase of PPE and intangible assets		(26 252)	(18 545)
Proceeds from PPE and intangible assets disposal		50	433
Payments for financial assets at a mortised cost		-	(11 508)
Loans granted		(2 131)	(511)
Repayments of loans granted		8	177
Bank deposits placed		(374)	(141 549)
Repayments of bank deposits placed		913	54 407
Purchase of subsidiaries (net of cash acquired)		(3 605)	(3 925)
Investment into joint venture		-	(272)
Net cash (from) used in investing activities		(31 391)	(121 293)
Financing activities			
Dividends paid		(293)	-
Bank borrowings received		714	1 455
Repayments of bank borrowings		(584)	(1 082)
Other borrowings received		449	-
Repayments of other borrowings		(109)	(100)
Repurchase of bonds		(500)	-
Repayments of lease liabilities		(6 749)	(16 841)
Net cash from/(used in) financing activities		(7 072)	(16 568)
Increase (decrease) in cash and cash equivalents		(27 044)	(81 074)
At beginning of period	13	177 852	212 089
At end of period	13	150 808	131 015



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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1 Accounting policies

The consolidated interim financial information for the three-month period ended 31 March 2021 (hereinafter *The Consolidated Financial Information*) is prepared in accordance with the International Financial Accounting Standards, adopted by European Union, includes IAS 34 „Interim financial reporting“. In all material respects, the same accounting principles have been followed as in the preparation of consolidated financial statements for the year ended 31 December 2020.

The consolidated financial information is presented in thousands of euro, unless indicated otherwise. The consolidated financial information is prepared under the historical cost convention.

The consolidated interim financial information for the three-month period ended 31 March 2021 is not audited. Financial statements for the year ended 31 December 2020 were audited by the independent auditor *PricewaterhouseCoopers*.

2 Investments in subsidiaries and associates

The consolidated group (hereinafter *the Group*) consists of the Company, its subsidiaries and associates. The subsidiaries and associates are listed below.

The Group's companies	Country of establishment	Operating segment	Share of equity, %			Date of acquiring/establishment and activity
			31-03-2021	31-12-2020	31-03-2020	
ASG Finance Designated Activity Company	Ireland	Unallocated	100	100	100	The subsidiary was established on 16 September 2019. The company provides financing activities to subsidiaries of the Group.
AviationCV.com UAB	Republic of Lithuania	Aviation Supporting Services	100	100	100	The subsidiary was established on 13 April 2011. The company provides aviation personnel solutions.
UAB AeroClass	Republic of Lithuania	Aviation Supporting Services	100	100	-	The subsidiary was established on 15 September 2020. The company is planning to provide aviation training services.
BAA Training UAB	Republic of Lithuania	Aviation Supporting Services	100	100	100	The Group company was established on 22 November 2006. The company provides aircraft crew training services.
BAA Simulators 2 UAB	Republic of Lithuania	Aviation Supporting Services	100	100	100	The subsidiary was established on 8 January 2018. The company provides lease of full flight simulators.
BAA Training Vietnam LLC	Socialist Republic of Vietnam	Aviation Supporting Services	100	100	100	The subsidiary was established on 02 February 2018. The company provides lease of full flight simulators.
ASG Asset Management UAB	Republic of Lithuania	Aviation Supporting Services	100	100	100	The subsidiary was established on 21 May 2019. The company is providing property management services.
DG21 UAB	Republic of Lithuania	Unallocated (previously Aviation Supporting Services)	100	100	100	The subsidiary was acquired on 3 April 2019. Company is engaged in the business of real estate management and operations of Loop hotel.

2 Investments in subsidiaries and associates (continued)

The Group's companies	Country of establishment	Operating segment	Share of equity, %			Date of acquiring/establishment and activity
			31-03-2021	31-12-2020	31-03-2020	
Tiketa UAB	Republic of Lithuania	Unallocated	100	100	-	The subsidiary of DG21 UAB was acquired on 16 November 2020. The Company is engaged in the business of organizing concerts and shows, distributing tickets and providing rental services for sports and events.
Universali arena UAB	Republic of Lithuania	Unallocated	99.99	99.99	-	The subsidiary of DG21 UAB was acquired on 16 November 2020. The Company is engaged in the business of organizing concerts and shows, distributing tickets and providing rental services for sports and events.
Panevėžio arena UAB	Republic of Lithuania	Unallocated	100	100	-	The subsidiary of DG21 UAB was acquired on 16 November 2020. The Company is engaged in the business of organizing concerts and shows, distributing tickets and providing rental services for sports and events.
SEVEN Live UAB	Republic of Lithuania	Unallocated	100	100	-	The subsidiary of DG21 UAB was acquired on 16 November 2020. The Company is engaged in the business of organizing concerts and distributing tickets and providing rental services for sports and events.
SIA Rezidence Kapteini	Republic of Latvia	Unallocated (previously Aviation Supporting Services)	100	100	100	The subsidiary of DG21 UAB was acquired on 3 April 2019. Company is engaged in the business of real estate management.
Helisota UAB	Republic of Lithuania	Aviation Supporting Services	100	100	100	The subsidiary was acquired on 16 December 2013. The company provides maintenance, repair and overhaul services for helicopters.
Kauno aviacijos gamykla UAB	Republic of Lithuania	Aviation Supporting Services	100	100	100	The subsidiary was acquired on 16 December 2013. It is a direct subsidiary of BAA Training UAB. The subsidiary provides real estate management services.
Jet Maintenance Solutions UAB	Republic of Lithuania	Aviation Supporting Services	100	100	100	The subsidiary was acquired on 1 December 2010. The company provides maintenance services for business aircraft.
JetMS Regional UAB	Republic of Lithuania	Aviation Supporting Services	100	100	-	The subsidiary was established on 7 July 2020. The company is planning to provide maintenance and related services for regional aviation aircraft.
JetMS Holding Ltd	The United Kingdom	Aviation Supporting Services	100	-	-	The subsidiary was established on 15 February 2021. The company is acting as a holding company which controls 100 % of the share capital in RAS Interiors Limited and 100% of the share capital in RAS Completions Limited.
RAS Interiors Limited	The United Kingdom	Aviation Supporting Services	100	-	-	The subsidiary was acquired on 2 March 2021. The company provides aircraft interior refurbishment and production services.
RAS Completions Limited	The United Kingdom	Aviation Supporting Services	100	-	-	The subsidiary was acquired on 2 March 2021. The company provides aircraft exterior painting services.

2 Investments in subsidiaries and associates (continued)

The Group's companies	Country of establishment	Operating segment	Share of equity, %			Date of acquiring/establishment and activity
			31-03-2021	31-12-2020	31-03-2020	
KlasJet UAB	Republic of Lithuania	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was established on 9 October 2013. The subsidiary has started business charter activity in summer 2014.
Tiket a Tour UAB (previously KIDY Tour UAB)	Republic of Lithuania	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was established on 3 December 2015. The company provides tour operator services.
Tiket a Tour (previously KIDY Tour OÜ)	Republic of Estonia	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 16 September 2016. The company provides tour operator services.
KIDY Tour OOO	Russian Federation	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was established on 6 March 2017. The company does not conduct active operations.
KIDY Tour SIA	Republic of Latvia	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was established on 9 October 2017. The company does not conduct active operations.
Locatory.com UAB	Republic of Lithuania	Aviation Supporting Services	99	99	99	The subsidiary was established on 7 December 2010. Starting summer 2012, the company is acting as an aircraft parts locator and offers innovative IT solution for MRO business segment.
BGS ADR SIA (previously: Sky Knights SIA)	Republic of Latvia	Private Jet Charter, Flight, Tour Operations and Hospitality services	100	100	100	The subsidiary was established on 22 January 2019. Company provides fuel logistic services.
Baltic Ground Services UAB	Republic of Lithuania	Aviation Supporting Services	100	100	100	The subsidiary was acquired on 31 October 2008. The company provides aircraft ground handling and fuelling services in Lithuania.
Baltic Ground Services Sp. z.o.o.	Republic of Poland	Aviation Supporting Services	-	-	100	The subsidiary was established in spring of 2010. On 2 June 2020 the Company was sold to third parties.
BGS Rail Lease LLC	Ukraine	Unallocated	100	100	100	The subsidiary was established on 3 July 2017. From 10 July 2019 it is the subsidiary of BGS Rail Holdings UAB. The company provides semi wagon lease services.
Baltic Ground Services DE GmbH	Federal Republic of Germany	Aviation Supporting Services	100	100	100	The subsidiary was established on 11 January 2018. The company is providing fuel logistic services.
Baltic Ground Services HR d.o.o.	Republic of Croatia	Aviation Supporting Services	100	100	100	The subsidiary was acquired on 16 December 2019. The company is planning to provide aircraft ground handling services.
BGS Rail Holdings UAB	Republic of Lithuania	Unallocated (previously Aviation Supporting Services)	100	100	99.99	The subsidiary was established on 24 October 2017. The company is acting as a holding company for subsidiary BGS Rail LLC. From October 2021 it is direct subsidiary of Avia Solutions Group PLC.
BGS Trading (previously Aviatehniks TOV)	Ukraine	Unallocated (previously Aviation Supporting Services)	100	100	-	The subsidiary was acquired on 30 March 2020. The company is planning to provide trading operations.

2 Investments in subsidiaries and associates (continued)

The Group's companies	Country of establishment	Operating segment	Share of equity, %			Date of acquiring/establishment and activity
			31-03-2021	31-12-2020	31-03-2020	
BGS Rail LLC	Ukraine	Unallocated (previously Aviation Supporting Services)	100	100	100	The subsidiary was acquired on 13 June 2018. The company provides wagon lease services.
RE Invest LLC	Ukraine	Aviation Supporting Services	100	100	-	The subsidiary was established on 21 December 2020. It is a direct subsidiary of BGS Rail LLC. The company will engage in construction of hangar for aircrafts.
Baltic Ground Services UA TOV	Ukraine	Unallocated (previously Aviation Supporting Services)	100	100	50	The subsidiary was established in summer of 2011. The subsidiary provides fuelling services in Ukraine.
Baltic Ground Services RU OOO	Russian Federation	Aviation Supporting Services	100	100	100	The subsidiary was established on 23 March 2015. It is a direct subsidiary of Baltic Ground Services UAB. The company provides aircraft ground handling, fuelling and transportation services in Russia.
Baltic Ground Services EE OÜ	Republic of Estonia	Aviation Supporting Services	100	100	100	The subsidiary was established on 31 July 2015. It is a direct subsidiary of Baltic Ground Services UAB. The company provides fuelling services in Estonia.
Baltic Ground Services LV SIA	Republic of Latvia	Aviation Supporting Services	51	51	51	The subsidiary was acquired on 1 October 2015. It is a direct subsidiary of Baltic Ground Services UAB. The company provides fuelling services in Latvia.
Baltic Ground Services CZ s.r.o.	Czech Republic	Aviation Supporting Services	100	100	100	The subsidiary was established on 18 December 2015. It is a direct subsidiary of Baltic Ground Services UAB. The company is providing fuelling services in Czech Republic.
Avia Technics Dirgantara PT.	Republic of Indonesia	Aviation Supporting Services	67	67	67	An investee of FL Technics UAB was established on 5 August 2014. The company provides line and base maintenance services in Jakarta.
FL Technics Asia Co. Ltd.	Kingdom of Thailand	Aviation Supporting Services	99.997	99.997	99.997	The subsidiary was established on 4 January 2016. It is a direct subsidiary of FL Technics UAB. The subsidiary is planning to provide aircraft maintenance services in Thailand.
FL Technics GmbH	Republic of Austria	Aviation Supporting Services	100	100	100	The subsidiary was established on 15 December 2018. The subsidiary provides aircraft maintenance services in Austria.
FL Technics Ukraine MRO LLC	Ukraine	Aviation Supporting Services	100	100	-	The subsidiary was established on 21 December 2020. It is a direct subsidiary of FL Technics UAB. The subsidiary is planning to provide aircraft maintenance services in Ukraine.
FL Technics S.R.L.	Romania	Aviation Supporting Services	100	100	-	The subsidiary was established on 1 July 2020. It is a direct subsidiary of FL Technics UAB. The company is planning to provide repairs of fabricated metal products, machinery and equipment.

2 Investments in subsidiaries and associates (continued)

The Group's companies	Country of establishment	Operating segment	Share of equity, %			Date of acquiring/establishment and activity
			31-03-2021	31-12-2020	31-03-2020	
FL Technics Ukraine TOV	Ukraine	Aviation Supporting Services	100	100	100	The subsidiary was established on 17 April 2019. It is a direct subsidiary of FL Technics UAB.
FL Technics Georgia LLC	Georgia	Aviation Supporting Services	100	100	100	The subsidiary was established on 26 November 2019. It is a direct subsidiary of FL Technics UAB. The company provides aircraft line station services.
FL Technics Engine Services UAB	Republic of Lithuania	Aviation Supporting Services	100	100	100	The subsidiary was established on 23 April 2019. It is a direct subsidiary of FL Technics UAB. The subsidiary is planning to provide engine and other maintenance services.
FL Technics Ireland Ltd.	Republic of Ireland	Aviation Supporting Services	100	100	100	The subsidiary was established on 1 February 2019. The subsidiary is planning to provide engine and other maintenance services.
FL Technics Line Maintenance Canada Inc.	Canada	Aviation Supporting Services	100	100	-	The subsidiary was established on 17 November 2020. It is a direct subsidiary of FL Technics UAB.
FL Technics UAB	Republic of Lithuania	Aviation Supporting Services	100	100	100	The subsidiary was established on 22 December 2005. The company provides aircraft maintenance, repair and overhaul (MRO) services.
FL Technics Hong Kong Limited	Hong Kong	Aviation Supporting Services	100	100	100	The subsidiary was established on 27 September 2018. The subsidiary does not conduct active operations.
FL Technics Line OOO	Russian Federation	Aviation Supporting Services	93	93	93	The subsidiary was established in summer of 2011. It is a direct subsidiary of FL Technics UAB.
"FLM" Flash Line maintenance S.r.l.	Italy	Aviation Supporting Services	100	100	-	The subsidiary was acquired on 19 February 2020. It is a direct subsidiary of FL Technics UAB. The subsidiary provides aircraft line station services.
Wright International Holding Inc.	Canada	Aviation Supporting Services	100	100	-	The subsidiary was acquired on 17 November 2020. It is a direct subsidiary of FL Technics Line Maintenance Canada Inc.
Storm Aviation Ltd.	The United Kingdom	Aviation Supporting Services	100	100	100	The subsidiary was acquired on 31 December 2011. It is a direct subsidiary of FL Technics UAB. The company provides aircraft line station services.
Wright International Aircraft Maintenance Services Inc.	Canada	Aviation Supporting Services	100	100	-	The subsidiary was acquired on 17 November 2020. It is a direct subsidiary of Wright International Holding Inc. The subsidiary provides aircraft maintenance services.
Storm Aviation (Cyprus) Ltd.	Republic of Cyprus	Aviation Supporting Services	100	100	100	The subsidiary was acquired on 31 December 2011. It is a direct subsidiary of Storm Aviation Ltd. The company provides aircraft line station services in Cyprus.

2 Investments in subsidiaries and associates (continued)

The Group's companies	Country of establishment	Operating segment	Share of equity, %			Date of acquiring/establishment and activity
			31-03-2021	31-12-2020	31-03-2020	
Storm Aviation (Nigeria) Ltd.	Federal Republic of Nigeria	Aviation Supporting Services	100	100	100	The subsidiary was established on 26 August 2016. It is a direct subsidiary of Storm Aviation Ltd. The company provides aircraft line station services in Nigeria.
Storm Aviation (Germany) GmbH	Federal Republic of Germany	Aviation Supporting Services	100	100	100	The subsidiary was established on 29 March 2017. It is a direct subsidiary of Storm Aviation Ltd. The company provides aircraft line station services in Germany.
BSTS & Storm Aviation Limited	Republic of Bangladesh	Joint venture	49	49	49	The company was established as at 30 September 2018 and is providing aircraft maintenance services in Bangladesh.
FLARI Aircraft Maintenance & Engineering Company CO. LTD	Republic of China	Joint venture	40	40	40	The company was established as at 18 December 2018 and is providing aircraft maintenance services in China.
BAA Training China Co., Ltd	Republic of China	Joint venture	50	50	50	The company was established as at 21 October 2019. The company will provide training services and lease of full flight simulators.
AviaAM Leasing AB	Republic of Lithuania	Aircraft Trading and Portfolio Management	98.84	98.84	98.84	77,26% of the share capital in the subsidiary was acquired on 2 October 2019. The additional 8,44% and 13,14% of the share capital in AviaAM Leasing AB were acquired on 15 October 2019 and 4 December 2019. The company is acting as a holding company. The subsidiaries of AviaAM Leasing AB are engaged in the business of aircraft leasing, trading and management.
AviaAM B01 UAB	Republic of Lithuania	Aircraft Trading and Portfolio Management	100	100	100	The subsidiary was acquired on 2 October 2019. It is a direct subsidiary of AviaAM Leasing AB.
AviaAM B02 UAB	Republic of Lithuania	Aircraft Trading and Portfolio Management	100	100	100	The subsidiary was acquired on 2 October 2019. It is a direct subsidiary of AviaAM Leasing AB.
AviaAM B04 UAB	Republic of Lithuania	Aircraft Trading and Portfolio Management	100	100	100	The subsidiary was acquired on 2 October 2019. It is a direct subsidiary of AviaAM Leasing AB.
AviaAM B05 UAB	Republic of Lithuania	Aircraft Trading and Portfolio Management	100	100	100	The subsidiary was acquired on 2 October 2019. It is a direct subsidiary of AviaAM Leasing AB.
AviaAM B06 UAB	Republic of Lithuania	Aircraft Trading and Portfolio Management	100	100	100	The subsidiary was acquired on 2 October 2019. It is a direct subsidiary of AviaAM Leasing AB.
BUSNEX UAB	Republic of Lithuania	Unallocated (previously Aircraft Trading and Portfolio Management)	100	100	100	The subsidiary was acquired on 2 October 2019. Until 15 July 2020 it was a direct subsidiary of AviaAM Leasing AB. From 15 July 2020 it is direct subsidiary of Avia Solutions Group PLC.
DG AVIA UAB	Republic of Lithuania	Aircraft Trading and Portfolio Management	100	100	100	The subsidiary was acquired on 2 October 2019. It is a direct subsidiary of AviaAM Leasing AB.

2 Investments in subsidiaries and associates (continued)

The Group's companies	Country of establishment	Operating segment	Share of equity, %			Date of acquiring/establishment and activity
			31-03-2021	31-12-2020	31-03-2020	
Sniego takas UAB	Republic of Lithuania	Aircraft Trading and Portfolio Management	100	100	100	The subsidiary was acquired on 2 October 2019. It is a direct subsidiary of Avia AM Leasing AB.
Darius ir Gireno 20 UAB	Republic of Lithuania	Aircraft Trading and Portfolio Management	100	100	100	The subsidiary was acquired on 2 October 2019. It is a direct subsidiary of Sniego Takas UAB.
AviaAM B10 Ltd	Republic of Ireland	Aircraft Trading and Portfolio Management	100	100	100	The subsidiary was acquired on 2 October 2019. It is a direct subsidiary of Avia AM Leasing AB.
AviaAM Leasing PLC	Republic of Cyprus	Aircraft Trading and Portfolio Management	100	100	100	The subsidiary was acquired on 2 October 2019. It is a direct subsidiary of Avia AM Leasing AB.
AAL Capital Aircraft Holdings Ltd	Republic of Cyprus	Aircraft Trading and Portfolio Management	100	100	100	The subsidiary was acquired on 2 October 2019. It is a direct subsidiary of Avia AM Leasing AB.
AviaAM B08 Ltd	Republic of Bermuda	Aircraft Trading and Portfolio Management	100	100	100	The subsidiary was acquired on 2 October 2019. It is a direct subsidiary of AAL Capital Aircraft Holdings Ltd.
AviaAM B09 Ltd	Republic of Bermuda	Aircraft Trading and Portfolio Management	-	-	100	The subsidiary was acquired on 2 October 2019. It is a direct subsidiary of AAAL Capital Aircraft Holdings Ltd. On 23 June 2020 the company was merged to Avia Ultima Limited.
Ice Aircraft Management Ltd	Republic of Bermuda	Aircraft Trading and Portfolio Management	-	-	100	The subsidiary was acquired on 2 October 2019. Until 23 June 2020 it was a direct subsidiary of AAL Capital Aircraft Holdings Ltd. On 23 June 2020 the company was merged to Avia Ultima Limited.
Boulevard Two Aircraft Ltd	Republic of Ireland	Aircraft Trading and Portfolio Management	100	100	100	The subsidiary was acquired on 2 October 2019. It is a direct subsidiary of AAAL Capital Aircraft Holdings Ltd.
Dikkys Investments Ltd	Republic of Cyprus	Aircraft Trading and Portfolio Management	100	100	100	The subsidiary was acquired on 2 October 2019. It is a direct subsidiary of AAAL Capital Aircraft Holdings Ltd.
AviaAM B11 Ltd	Republic of Ireland	Aircraft Trading and Portfolio Management	100	100	100	The subsidiary was acquired on 2 October 2019. It is a direct subsidiary of AAAL Capital Aircraft Holdings Ltd.
AviaAM Leasing Bermuda Ltd	Republic of Bermuda	Aircraft Trading and Portfolio Management	-	-	100	The subsidiary was acquired on 2 October 2019. Until 23 June 2020 it was a direct subsidiary of AAL Capital Aircraft Holdings Ltd. On 23 June 2020 the company was merged to Avia Ultima Limited.
Regional Charter Capital Ltd	Republic of Bermuda	Aircraft Trading and Portfolio Management	-	-	100	The subsidiary was acquired on 2 October 2019. It was a direct subsidiary of AviaAM Leasing Bermuda Ltd. On 23 June 2020 the company was merged to Avia Ultima Limited.

2 Investments in subsidiaries and associates (continued)

The Group's companies	Country of establishment	Operating segment	Share of equity, %			Date of acquiring/establishment and activity
			31-03-2021	31-12-2020	31-03-2020	
Golden Jet Aviation Trading Ltd	Republic of Bermuda	Aircraft Trading and Portfolio Management	-	-	100	The subsidiary was acquired on 2 October 2019. It is a direct subsidiary of Avia AM Leasing Bermuda Ltd. On 23 June 2020 the company was merged to Avia Ultima Limited.
Skyroad Leasing UAB	Republic of Lithuania	Aircraft Trading and Portfolio Management	100	100	100	The subsidiary was acquired on 2 October 2019. It is a direct subsidiary of AAAL Capital Aircraft Holdings Ltd.
BUSNEX POLAND Sp. z o.o.	Republic of Poland	Unallocated	100	100	100	The subsidiary was acquired on 2 October 2019. It is a direct subsidiary of BUSNEX UAB. The principal activity is import and sale of electric transport vehicles.
Avia Ultima Limited	Republic of Bermuda	Aircraft Trading and Portfolio Management	100	100	-	The subsidiary was established on 17 June 2020. It is a direct subsidiary of AAL Capital Aircraft Holdings Ltd.
AviaAM Financial Leasing China Co. Ltd.	Republic of China	Joint venture	51	51	51	The company was acquired on 2 October 2019. The Joint venture company is not consolidated as the Group does not control AviaAM Financial Leasing China Co., Ltd. The principal activity of the joint venture is to provide comprehensive services across the field of aircraft acquisition, lease and sale.
Eyjafofl SAS	France	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 10 October 2019. The company is acting as a holding company which controls 100 % of the share capital in Avion Express UAB and 100% of the share capital in Avion Malta. The subsidiaries of Eyjafofl SAS provide logistics services and acts as intermediary in leasing-in and leasing-out the aircraft capacity to non-airline or airline customer.
Avion Express UAB	Republic of Lithuania	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 10 October 2019. It is a direct subsidiary of Eyjafofl SAS.
Avion Express Malta Ltd	Republic of Malta	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 10 October 2019. It is a direct subsidiary of Eyjafofl SAS.
Avion Express GmbH	Germany	Aviation Logistics and Distribution Service	100	100	-	The subsidiary was established on 22 June 2020. It is a direct subsidiary of Avion Express UAB
Chapman Freeborn Holdings Limited	The United Kingdom	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 11 October 2019. The company is acting as a holding company. The subsidiaries of Chapman Freeborn Holdings Limited provide a wide range of aircraft charter and leasing services to cargo, passenger and VIP charter clients across a broad spectrum of industries.
Alltrans Management PTY Ltd	Australia	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 11 October 2019. It is a direct subsidiary of Chapman Freeborn International Limited.

2 Investments in subsidiaries and associates (continued)

The Group's companies	Country of establishment	Operating segment	Share of equity, %			Date of acquiring/establishment and activity
			31-03-2021	31-12-2020	31-03-2020	
Chapman Freeborn Airchartering Bv	Belgium	Aviation Logistics and Distribution Services	80	80	80	The subsidiary was acquired on 11 October 2019. It is a direct subsidiary of Chapman Freeborn International Limited.
Chapman Freeborn Airchartering Ltd.	Canada	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 11 October 2019. It is a direct subsidiary of Chapman Freeborn International Limited.
Chapman Freeborn Airchartering (China) Limited	The United Kingdom	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 11 October 2019. It is a direct subsidiary of Chapman Freeborn International Limited.
Chapman Freeborn Airchartering Consulting (Shanghai) Co. Ltd	Republic of China	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 11 October 2019. It is a direct subsidiary of Chapman Freeborn International Limited.
Chapman Freeborn Airmarketing GmbH	Germany	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 11 October 2019. It is a direct subsidiary of Chapman Freeborn International Limited.
Chapman Freeborn Airchartering pvt Ltd	India	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 11 October 2019. It is a direct subsidiary of Chapman Freeborn International Limited.
Chapman Freeborn International Limited	The United Kingdom	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 11 October 2019. It is a direct subsidiary of Chapman Freeborn Holdings Limited.
Al tajer Al Hur for Air freight and passenger services LLC - Baghdad	Iraq	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 11 October 2019. It is a direct subsidiary of Chapman Freeborn Aviation Services FZE.
Chapman Freeborn OBC GmbH	Germany	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 11 October 2019. It is a direct subsidiary of Chapman Freeborn International Limited.
Chapman Freeborn Handcarry Limited	Hong Kong	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 11 October 2019. It is a direct subsidiary of Chapman Freeborn International Limited.
Chapman Freeborn OBC Inc.	United States	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 11 October 2019. It is a direct subsidiary of Chapman Freeborn International Limited.
Chapman Freeborn Airchartering S.p.a	Poland	Aviation Logistics and Distribution Services	100	100	85	The subsidiary was acquired on 11 October 2019. It is a direct subsidiary of Chapman Freeborn International Limited.

2 Investments in subsidiaries and associates (continued)

The Group's companies	Country of establishment	Operating segment	Share of equity, %			Date of acquiring/establishment and activity
			31-03-2021	31-12-2020	31-03-2020	
Chapman Freeborn Airchartering PTE. LTD.	Singapore	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 11 October 2019. It is a direct subsidiary of Chapman Freeborn International Limited.
Chapman Freeborn Airchartering (South Africa) Proprietary Limited	South Africa	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 11 October 2019. It is a direct subsidiary of Chapman Freeborn International Limited.
Chapman Freeborn Airchartering SL	Spain	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 11 October 2019. It is a direct subsidiary of Chapman Freeborn International Limited.
Chapman Freeborn Aviation Services FZE	Sharjah - UAE	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 11 October 2019. It is a direct subsidiary of Chapman Freeborn International Limited.
Chapman Freeborn Aviation Services FZCO	Dubai - UAE	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 11 October 2019. It is a direct subsidiary of Chapman Freeborn International Limited.
Chapman Freeborn Airchartering Limited	The United Kingdom	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 11 October 2019. It is a direct subsidiary of Chapman Freeborn International Limited.
Chapman Freeborn Airchartering Inc	USA	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 11 October 2019. It is a direct subsidiary of Chapman Freeborn International Limited.
Intradco Cargo Services Limited	The United Kingdom	Aviation Logistics and Distribution Services	75	75	75	The subsidiary was acquired on 11 October 2019. It is a direct subsidiary of Zeusbond Limited.
Logik Logistics International Limited	The United Kingdom	Aviation Logistics and Distribution Services	-	-	80	The subsidiary was acquired on 11 October 2019. On 12 May 2020 the Company was sold to third parties.
Magma Aviation Limited	The United Kingdom	Aviation Logistics and Distribution Services	100	100	75	The subsidiary was acquired on 11 October 2019. It is a direct subsidiary of Chapman Freeborn International Limited.
Wings 24 Limited	The United Kingdom	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 11 October 2019. It is a direct subsidiary of Chapman Freeborn International Limited.

2 Investments in subsidiaries and associates (continued)

The Group's companies	Country of establishment	Operating segment	Share of equity, %			Date of acquiring/establishment and activity
			31-03-2021	31-12-2020	31-03-2020	
Zeusbond Limited	The United Kingdom	Aviation Logistics and Distribution Services	75	75	75	The subsidiary was acquired on 11 October 2019. It is a direct subsidiary of Chapman Freeborn International Limited.
Chapman Freeborn Airchartering Ltd.	Afghanistan	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 11 October 2019. It is a direct subsidiary of Chapman Freeborn International Limited. The subsidiary is under liquidation procedures.
SCI France Patrimoine	France	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 11 October 2019. It is a direct subsidiary of Chapman Freeborn International Limited. The subsidiary is under liquidation procedures.
Chapman Freeborn Airchartering GmbH	Germany	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 11 October 2019. It is a direct subsidiary of Chapman Freeborn International Limited. The subsidiary is under liquidation procedures.
Chapman Freeborn Hava cilik Tasimacilik Ticaret Limited Sirketi	Turkey	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 11 October 2019. It is a direct subsidiary of Chapman Freeborn International Limited. The subsidiary is under liquidation procedures.
Chapman Freeborn Airchartering (Uganda) Limited	Uganda	Aviation Logistics and Distribution Services	-	-	100	The subsidiary was acquired on 11 October 2019. It was a direct subsidiary of Chapman Freeborn International Limited. On 2 July 2020 the subsidiary was liquidated.
Arcus-Air-Logistic GmbH	Germany	Aviation Logistics and Distribution Services	100	100	-	The subsidiary was acquired on 18 June 2020. It is a direct subsidiary of Chapman Freeborn Airmarketing GmbH.
Arcus-Air-Logistic Iberica S.L.U.	Spain	Aviation Logistics and Distribution Services	100	100	-	The subsidiary was acquired on 18 June 2020. It is a direct subsidiary of Chapman Freeborn Airmarketing GmbH.
Arcus-Air-Logistic s.r.o.	Slovakia	Aviation Logistics and Distribution Services	100	100	-	The subsidiary was acquired on 18 June 2020. It is a direct subsidiary of Chapman Freeborn Airmarketing GmbH.
Arcus OBC GmbH	Germany	Aviation Logistics and Distribution Services	100	100	-	The subsidiary was acquired on 18 June 2020. It is a direct subsidiary of Chapman Freeborn OBC GmbH.

2 Investments in subsidiaries and associates (continued)

The Group's companies	Country of establishment	Operating segment	Share of equity, %			Date of acquiring/establishment and activity
			31-03-2021	31-12-2020	31-03-2020	
Smart Aviation Holding SIA	Republic of Latvia	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 2 October 2019. The company is acting as a holding company which controls 100 % of the share capital in Smart Lynx Airlines SIA and 51% of the share capital in Eyjafofl SAS. The subsidiaries of Smart Aviation Holding SIA provide aircraft ACMI and full charter services and acts as intermediary in leasing-in and leasing-out the aircraft capacity to non-airline or airline customers.
SIA SMARTLYNX AIRLINES	Republic of Latvia	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 2 October 2019. It is a direct subsidiary of Smart Aviation Holdings SIA.
SmartLynx Airlines Estonia OÜ	Republic of Estonia	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 2 October 2019. It is a direct subsidiary of SMARTLYNX AIRLINES SIA.
SmartLynx Airlines Crewing OÜ	Republic of Estonia	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 2 October 2019. It is a direct subsidiary of SMARTLYNX AIRLINES SIA.
Smartlynx Airlines Malta Limited	Republic of Malta	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 2 October 2019. It is a direct subsidiary of Air Holding Limited.
Air Holding Limited	Republic of Malta	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 2 October 2019. It is a direct subsidiary of Avia Solutions Group PLC.
Smartlynx Airlines Cabo Verde SA	Cabo Verde	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 2 October 2019. It is a direct subsidiary of SMARTLYNX AIRLINES SIA. The subsidiary is under liquidation procedures.
"SLH Invest LLC (OOO «САХ ИНВЕСТ»)"	Russian Federation	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 2 October 2019. It is a direct subsidiary of SMARTLYNX AIRLINES SIA. The subsidiary is under liquidation procedures.
Smart Aviation Limited	Republic of Malta	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 2 October 2019. It is a direct subsidiary of Avia Solutions Group PLC.
SIA Smartlynx Technik	Republic of Latvia	Aviation Logistics and Distribution Services	100	100	100	The subsidiary was acquired on 2 October 2019. It is a direct subsidiary of SMARTLYNX AIRLINES SIA.
Blafugl ehf (Bluebird Nordic)	Republic of Iceland	Aviation Logistics and Distribution Services	100	100	-	The subsidiary was acquired on 31 March 2020. The subsidiary provides import and export air freight services worldwide.
Aviator Airport Alliance, AB	Kingdom of Sweden	Aviation Supporting Services	100	100	-	The subsidiary was acquired on 1 March 2020. The company is acting as a holding company. Aviator group subsidiaries provides aircraft ground handling services.

2 Investments in subsidiaries and associates (continued)

The Group's companies	Country of establishment	Operating segment	Share of equity, %			Date of acquiring/establishment and activity
			31-03-2021	31-12-2020	31-03-2020	
Nordic Aero Holding, AB	Kingdom of Sweden	Aviation Supporting Services	100	100	-	The subsidiary was acquired on 1 March 2020. It is a direct subsidiary of Aviator Airport Alliance, AB.
Copenhagen Flight services, ApS	Kingdom of Denmark	Aviation Supporting Services	100	100	-	The subsidiary was acquired on 1 March 2020. It is a direct subsidiary of Nordic Aero Holding, AB.
OY Nordic Airport Services, AB	Republic of Finland	Aviation Supporting Services	100	100	-	The subsidiary was acquired on 1 March 2020. It is a direct subsidiary of Nordic Aero Holding, AB.
Aviator Airport Services Sweden, AB	Kingdom of Sweden	Aviation Supporting Services	100	100	-	The subsidiary was acquired on 1 March 2020. It is a direct subsidiary of Nordic Aero Holding, AB.
Aviator Airport Services Finland, OY	Republic of Finland	Aviation Supporting Services	100	100	-	The subsidiary was acquired on 1 March 2020. It is a direct subsidiary of Nordic Airport Services, AB.
Aviator Airport Alliance, AS	Kingdom of Norway	Aviation Supporting Services	100	100	-	The subsidiary was acquired on 1 March 2020. It is a direct subsidiary of Aviator Airport Alliance, AB.
Aviator OSL, AS	Kingdom of Norway	Aviation Supporting Services	100	100	-	The subsidiary was acquired on 1 March 2020. It is a direct subsidiary of Aviator Airport Alliance, AS.
Aviator Airport Services Denmark, A/S	Kingdom of Denmark	Aviation Supporting Services	100	100	-	The subsidiary was acquired on 1 March 2020. It is a direct subsidiary of Aviator Airport Alliance Denmark, A/S.
Aviator Relaxium, ApS	Kingdom of Denmark	Aviation Supporting Services	100	100	-	The subsidiary was acquired on 1 March 2020. It is a direct subsidiary of Aviator Airport Alliance Denmark, A/S.
Aviator Airport Services, AB	Kingdom of Sweden	Aviation Supporting Services	100	100	-	The subsidiary was acquired on 1 March 2020. It is a direct subsidiary of Aviator Airport Alliance Denmark, A/S.
Aviator Robotics, AB	Kingdom of Sweden	Aviation Supporting Services	100	100	-	The subsidiary was acquired on 1 March 2020. It is a direct subsidiary of Aviator Airport Alliance, AB.
Aviator Logistics AB	Kingdom of Sweden	Aviation Supporting Services	100	100	-	The subsidiary was established on 21 September 2020. It is a direct subsidiary of Aviator Airport Alliance, AB.

* - the percentages represent economic interests

As at 31 March 2021 the Company had one representative Office in the Russian Federation, 2nd Bre tskaja Str., 30, Moscow, Russia, one permanent establishment in Republic of Lithuania, Dariaus ir Gireno st. 21a, LT-02189 Vilnius, Lithuania, one representative Office in Cyprus, 117 Makariou III & Sissifou Quarter of Apostoloi Petrou & Pavlou, 3021 Limassol and no branches.

The number of full-time staff employed by the Group on 31 March 2021 amounted to 3 908 (31 December 2020: 3 983; 31 March 2020: 4 309).

3 Revenue

For management purposes, the Group is organized into business units based on the services provided, and has four reportable operating segments:

- (1) Aviation Supporting Services;
- (2) Aviation Logistics and Distribution Services;
- (3) Aircraft Trading and Portfolio Management;
- (4) Unallocated (holding, financing and other activities not related to aviation).

The unallocated sales include sales of management services, financing and other activities not related to aviation, which cannot be attributed to the other segments. The management assesses the performance of the Group based on Operating Profit.

Transfer pricing between business segments are set on an arm's length basis in a manner similar to transactions with third parties. Segment revenue, cost and operating expenses, other income, other gain/loss and segment operating profit include transfers between business segments. Those transfers are eliminated on consolidation.

The following tables present sales to external customers, cost and operating expenses, other income, other gain/loss and operating profit information according to the Group's business segments for the three-month period ended 31 March 2021 and for the three-month period ended 31 March 2020:

	Aviation Support Services	Aviation Logistics and Distribution Services	Aircraft Trading and Portfolio Management	Unallocated	Inter- segment transactions	Total
Three-month period ended 31 March 2021						
Sales to external customers	54 734	102 881	161	4 368	-	162 144
<i>Timing of revenue recognition</i>						
<i>At a point in time</i>	25 415	102 881	12	4 211	-	132 519
<i>Over time</i>	29 319	-	149	157	-	29 625
Inter-segment sales	3 373	731	2 921	1 489	(8 514)	-
Total revenue	58 107	103 612	3 082	5 857	(8 514)	162 144
Other income	281	278	830	2 124	(2 624)	889
Cost of services and goods purchased	(25 534)	(72 648)	(460)	(3 209)	6 793	(95 058)
Depreciation and amortisation	(3 928)	(11 447)	(1 027)	(1 794)	156	(18 040)
Employee related expenses	(26 277)	(10 668)	(250)	(1 801)	1	(38 995)
Other operating expenses	(6 299)	(4 855)	(606)	(1 017)	1 257	(11 520)
Impairment losses of financial assets	(643)	(86)	623	(436)	306	(236)
Other impairment-related expenses	(308)	(324)	-	-	-	(632)
Other gain/(loss) – net	431	13 001	(9)	50	-	13 473
Segment operating profit	(4 170)	16 863	2 183	(226)	(2 625)	12 025
As at 31 March 2021						
Segment assets	244 579	296 164	197 681	245 801	-	984 225
Segment liabilities	149 808	237 607	37 366	273 042	-	697 823

3 Revenue (continued)

	Aviation Support Services	Aviation Logistics and Distribution Services	Trading and Portfolio Management	Unallocated	Inter-segment transactions	Total
Three-month period ended 31 March 2020						
Sales to external customers	94 431	83 631	87 071	2 736	-	267 869
<i>Timing of revenue recognition</i>						
At a point in time	71 289	71 447	85 849	2 736	-	231 321
Over time	23 142	12 184	1 222	-	-	36 548
Inter-segment sales	3 265	724	650	1 012	(5 651)	-
Total revenue	97 696	84 355	87 721	3 748	(5 651)	267 869
Other income	216	613	991	942	(1 728)	1 034
Cost of services and goods purchased	(55 699)	(69 467)	(63 938)	(557)	4 389	(185 272)
Depreciation and amortisation	(3 821)	(20 742)	(999)	(1 095)	18	(26 639)
Employee related expenses	(26 911)	(11 340)	(421)	(1 305)	-	(39 977)
Other operating expenses	(6 518)	(4 709)	(775)	(1 339)	1 013	(12 328)
Impairment losses of financial assets	(1 122)	(31)	(143)	(1 146)	1 072	(1 370)
Other impairment-related expenses	(230)	(26)	-	-	-	(256)
Other gain/(loss) – net	(1 112)	1 611	29	(154)	3	377
Segment operating profit	2 499	(19 736)	22 465	(906)	(884)	3 438
As at 31 March 2020						
Segment assets	254 702	395 642	176 082	352 104	-	1 178 530
Segment liabilities	174 598	323 284	36 015	302 597	-	836 494

Reportable Group's business segments are influenced by seasonal movements on both summer and winter periods. The highest growth comes in summer-season (June-September) from Aviation Logistics and Distribution Services segment, and in the winter-season (October-April) increase of sales is recorded in Aviation Support Services segment (aircraft maintenance, repair and overhaul (MRO) and crew training activity).

	January – March	
	2021	2020
6 Finance income and costs		
Gain from fair value recognized in profit and loss	1 958	-
Unwinding of discounted financial assets placed	287	73
Foreign exchange gain on financing activities	132	395
Interest income on cash and cash equivalents	26	552
Other finance income	-	39
Finance income	2 403	1 059
Interest expenses on borrowings	(5 848)	(5 929)
Interest expenses on lease liabilities (IFRS16)	(2 361)	(4 057)
Other finance costs	(285)	(957)
Finance costs	(8 494)	(10 943)
Finance costs – net	(6 091)	(9 884)

7 Income tax and deferred income tax

The income tax expenses for the period comprise current and deferred tax as follows:

	January – March	
	2021	2020
Current income tax	(5 668)	(3 561)
Deferred income tax	1 466	1 766
Total income tax expenses	(4 202)	(1 795)

8 Share capital and reserves

On 31 March 2021 the share capital of the Company amounts to EUR 22 555 555 and consists of 77 777 777 ordinary registered shares with a nominal value of 0.29 Euro each (on 31 December 2020 – 77 777 777 ordinary registered shares). All shares are fully paid up.

As at 31 March 2021 the Group has 270 014 treasury shares (370 014 as at 31 December 2020) which are deducted from equity attributable to the Group's equity holders.

On 31 March 2021 and on 31 December 2020 the share premium of the Company amounted to EUR 282 158 thousand. During three months period ended 31 March 2021 there was no movement of share premium.

The merger reserve consists of the difference between the purchase consideration for the acquisition of remaining stake of the share capital of the Group companies and nominal value of the share capital acquired.

Fair value reserves comprise changes in fair value of cash flow hedge.

Other reserves are formed for option agreements which give the right for the Group employees to put back acquired shares of the Company during the period from 2019 to 2024.

9 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to the parent entity's ordinary equity holders by the weighted average number of ordinary shares in issue during the period. The Group has no dilutive potential ordinary shares and therefore diluted earnings per share are the same as basic earnings per share.

	January – March	
	2021	2020
Profit (loss) attributable to equity holders of the parent	1 636	(8 006)
Weighted average number of ordinary shares (thousand)	77 463	77 435
Basic and diluted earnings per share	0,021	(0,103)

10 Property, plant and equipment, intangible assets

	Property, plant and equipment	Intangible assets	Right of use assets	Investment property
Opening net book amount as at 1 January 2020	90 931	74 412	272 355	11 842
Acquisition of subsidiary (Note 16)	8 900	20 748	30 465	-
Additions	17 827	781	17 109	953
Disposals	(176)	(12)	(5 054)	-
Write-offs	(109)	-	(64)	-
Reclassifications	(1 144)	10	1 149	-
Cumulative currency differences	(546)	(1 116)	214	(23)
Depreciation charge (Note 3)	(4 505)	(442)	(21 565)	(127)
Closing net book amount as 31 March 2020	111 178	94 381	294 609	12 645
Opening net book amount as at 1 January 2021	187 286	102 777	165 645	10 132
Acquisition of subsidiary (Note 16)	154	2 605	-	-
Additions	19 022	419	4 113	2 818
Disposals	(142)	-	-	-
Write-offs	(336)	-	-	-
Termination of the lease contracts	-	-	(3 205)	-
Reclassification	1 159	244	(652)	-
Cumulative currency differences	4 394	2 263	4 280	542
Depreciation (amortisation) charge (Note 3)	(4 878)	(778)	(12 248)	(136)
Closing net book amount as at 31 March 2020	206 659	107 530	157 933	13 356

11 Investment in joint venture

On 25 October 2018, Avia Solutions Group PLC subsidiary Storm Aviation Ltd. together with partners established a joint venture company *BSTS & Storm Aviation Limited (Bangladesh)*. The share of equity of the Group is 49% and the Group does not have a control over an investee. Registered capital is TK 50 000 000 (equivalent of EUR 525 thousand). The company is providing aircraft maintenance services in Bangladesh. The cost of Group's investment in joint venture company *BSTS & Storm Aviation Limited* as at 31 March 2021 and as at 31 December 2020 amounted to EUR 103 thousand. The share of net assets attributable to the Group and accounted for using the equity method amounted to EUR 88 thousand as at 31 March 2021 (EUR 90 thousand as at 31 December 2020). Share of loss attributable to the Group for the three months period ended 31 March 2020 amounted to EUR 6 thousand (profit of EUR 2 thousand for the three months period ended 31 March 2020).

On 18 December 2018 Avia Solutions Group PLC subsidiary FL Technics Hong Kong Limited together with partners established a joint venture company *FLARI Aircraft Maintenance & Engineering Company CO. LTD (China)*. The share of equity of the Group is 40% and the Group does not have a control over an investee. The joint venture company is providing aircraft maintenance services in China. The cost of Group's investment in joint venture company *FLARI Aircraft Maintenance & Engineering Company CO* amounted to USD 3 200 thousand as at 31 March 2021 and as at 31 December 2020. The share of net assets attributable to the Group and accounted for using the equity method were equal to zero as the company's generated losses exceeded investment as at 31 March 2021 and as at 31 December 2020. Share of loss attributable to the Group for the three months period ended 31 March 2021 amounted to EUR 592 thousand (loss of EUR 554 thousand for the three months period ended 31 March 2020).

On 2 October 2019 Avia Solutions Group PLC completed the acquisition of the share capital in Avia AM Leasing AB. Avia AM Leasing AB holds a 51% stake in a joint venture *Avia AM Financial Leasing China Co. Ltd.*, established on 4 August 2016. The cost of investment in joint venture amounted to USD 39,015 thousand (EUR 34,869 thousand) as at 31 March 2021 and as at 31 December 2020. Joint venture is engaged in the business of operating leasing and management of brand new narrow and wide body aircraft. The share of net assets attributable to the Group and accounted for using the equity method amounted to EUR 45 973 thousand as at 31 March 2021 (EUR 43 318 thousand as at 31 December 2020). Share of profit attributable to the Group for the three months period ended 31 March 2021 amounted to EUR 620 thousand (profit of EUR 1 392 thousand for the three months period ended 31 March 2020).

On 21 October 2019 Avia Solutions Group PLC together with partners established a joint venture company *BAA Training China Co., Ltd.* The share of equity of the Group is 50%, but the Group does not have a control over an investee. The cost of Group's investment in joint venture company *BAA Training China Co., Ltd* as at 31 March 2021 and as at 31 December 2020 amounted to EUR 272 thousand. The joint venture company is planning to provide aircraft crew training services in China. The joint venture company had no activities during the three months period ended 31 March 2021 and during the year 2020.

12 Trade and other receivables	31 March 2021	31 December 2020
Trade receivables	114 934	100 445
Less: provision for impairment of trade receivables	(31 711)	(30 984)
Trade receivables – net	83 223	69 461
Prepayments	8 929	9 563
Less: provision for impairment of prepayments	(215)	(204)
Prepayments – net	8 714	9 359
Other receivables	12 120	10 245
Discounting of other receivables	(17)	(66)
Less: provision for impairment of other receivables	(3 243)	(2 985)
Other receivables – net	8 860	7 194
Trade receivables from related parties	642	606
Less: provision for impairment of trade receivables from related parties	(177)	(101)
Trade receivables from related parties – net (Note 17)	465	505
Loans granted to related parties	24 852	23 199
Less: provision for impairment of loans granted to related parties	(377)	(330)
Loans granted to related parties – net (Note 17)	24 475	22 869
Loans granted	26 290	25 433
Discounting of loans granted	(146)	(152)
Less: provision for impairment of loans granted	(17 412)	(16 912)
Loans granted – net	8 732	8 369
Receivables from investment in bonds (at 5.20%)	9 894	9 792
Less: provision for impairment of investment in bonds	(9 894)	(9 792)
Receivables from investment in bonds	-	-
Other receivables from related parties	4 793	4 641
Discounting of other receivables from other related parties	(66)	(125)
Less: provision for impairment of other receivables from related parties	(31)	(28)
Other receivables from related parties – net (Note 17)	4 696	4 488
VAT receivables – net	8 733	8 200
Deferred charges	24 576	14 066
Security deposit – net	10 957	14 112
Deferred charges from other related parties (Note 17)	1	37
Security deposits placed to other related parties placed (Note 17)	3	3
Prepayments to other related parties (Note 17)	13	252
	183 448	158 915
Less non-current portion:	(43 301)	(42 091)
Current portion:	140 147	116 824

12 Trade and other receivables (continued)

Non-current portion of other receivables is disclosed below:

	31 March 2021	31 December 2020
Loans granted to related parties	23 848	22 195
Less: provision for impairment of loans granted to related parties	(373)	(326)
Loans granted to related parties - net	23 475	21 869
Loans granted - gross	21 343	20 612
Less: provision for impairment of loans granted	(12 757)	(12 263)
Loans granted - net	8 586	8 349
Prepayments - gross	27	48
Less: provision for impairment of prepayments	-	-
Prepayments - net	27	48
Security deposits - net	6 306	7 479
Other receivables	5 267	4 659
Less: provision for impairment of other receivables	(2 700)	(2 457)
Other receivables - net	2 567	2 202
Other receivables from related parties	2 352	2 155
Less: provision for impairment of other receivables from related parties	(12)	(11)
Other receivables from related parties - net	2 340	2 144
Total	43 301	42 091

Classification of trade and other receivables to non-financial and financial is disclosed below:

	31 March 2021	31 December 2020
<i>Financial trade and other receivables</i>		
Trade receivables	83 223	69 461
Trade receivables from related parties (Note 17)	465	505
Other receivables	8 583	6 918
Loans granted to related parties (Note 17)	24 475	22 869
Other receivables from related parties (Note 17)	4 696	4 488
Security deposits	-	-
Loans granted	8 732	8 369
<i>Non-financial trade and other receivables</i>		
Prepayments	8 714	9 359
Other non-financial receivables	277	276
VAT receivables	8 733	8 200
Deferred charges	24 576	14 066
Security deposits	10 957	14 112
Deferred charges to other related parties (Note 17)	1	37
Security deposit with lessor from related parties (Note 17)	3	3
Prepayments to other related parties (Note 17)	13	252
Total:	183 448	158 915

The revenue recognised in the three months ended 31 March 2021 related to the contract liabilities as at the beginning of the period is EUR 9 239 thousand (in the same period 2020: EUR 67 429 thousand). Revenue from performance obligations satisfied as at the beginning of the period was not significant for the Group.

13 Cash and cash equivalents	31 March 2021	31 December 2020	31 March 2020
Cash and cash equivalents	150 808	178 352	136 283
Bank overdraft	-	(500)	(5 268)
Total	150 808	177 852	131 015

14 Inventories	31 March 2021	31 December 2020
Spare parts and materials – gross amount	39 701	37 178
Less: provision for impairment of inventories	(7 299)	(7 249)
Spare parts and materials	32 402	29 929
Goods for sales – gross amount	2 717	2 092
Less: provision for impairment of inventories	(447)	(447)
Goods for sale	2 270	1 645
Aircraft	1 758	1 750
Aircraft components	220	216
Aircraft fuel	1 382	1 056
Work in progress	939	480
Goods in transit	2 540	91
Other inventories	2 777	3 809
	44 288	38 976

15 Trade and other payables	31 March 2021	31 December 2020
Trade payables	62 745	59 653
Accrued expenses	42 637	42 607
Salaries and social security payable	47 924	37 129
Provisions	8 006	8 653
Employee benefit obligations	184	177
Amounts payable to related parties (Note 17)	164	408
Payable for PPE	1 035	5 133
VAT payable	6 382	6 168
Pension reserve accrual	260	250
Other payables to related parties (Note 17)	4 146	3 124
Other payables	10 008	4 076
	183 491	167 378
Less: non-current portion	(2 739)	(2 450)
Current portion	180 752	164 928

On 3 December 2019 Avia Solutions Group PLC completed bonds issue process and issued USD 300 000 thousand of senior unsecured notes which included 7,875% USD interest. The notes were issued in the Euronext Dublin.

The Company or its subsidiaries may, at any time and from time to time, seek to retire or purchase outstanding debt (including bonds) through cash purchases, in open-market purchases, privately negotiated transactions or otherwise. Such repurchases, if any, will be upon such terms and at such prices as we may determine, and will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors.

16 Business combination and disposals

Establishment and acquisitions in 2021

The primary reason for all business combinations mentioned below is the Group's overall strategy to expand and diversify its operations.

On 15 February 2021, the Group subsidiary Jet Maintenance Solutions UAB established new subsidiary JetMS Holding limited. Registered capital is GBP 10 thousand. The company is acting as a holding company.

On 2 March 2021 JetMS Holding limited acquired 100% of the shareholding of the UK-based RAS Group, comprising of RAS Completions Limited and RAS Interiors Limited. RAS Group is a long-established aircraft interior, exterior, and completions company specialising in interior repairs, manufacturing, and exterior paint refinishing for both VIP and Commercial aircraft. At the time the consolidated interim financial information were authorised for issue, the Group had not yet completed the accounting for the acquisition of RAS Completions Limited and RAS Interiors Limited.

The provisionally determined fair values of the assets and liabilities of RAS Completions Limited and RAS Interiors Limited as at the date of acquisition are as follows:

	GBP	EUR
RAS Completions Limited		
Property, plant and equipment	74	85
Deferred income tax	12	14
Inventory	151	174
Trade and other receivables	727	839
Contract assets	26	31
Cash and cash equivalents	146	168
Deferred income tax liabilities	(14)	(17)
Trade and other payables	(458)	(529)
Net assets acquired RAS Completions Limited	664	765
RAS Interiors Limited		
Property, plant and equipment	60	69
Deferred income tax	21	24
Inventory	481	555
Trade and other receivables	295	340
Cash and cash equivalents	334	386
Trade and other payables	(475)	(545)
Net assets acquired RAS Interiors Limited	716	829
Total identifiable net assets acquired	1 380	1 594
Purchase consideration	3 300	3 812
Contingent consideration*	300	347
Goodwill as at 29 February 2021	2 220	2 565
Currency translation differences	-	40
Goodwill as at 31 March 2021	2 220	2 605

* Contingent payment in the amount of EUR 347 thousand out of total shares purchase price was placed in an escrow account, to be released upon signing of the specific contract following mutually agreed provisions. Management of the Company has no doubts in respect of the fulfilment of this condition, therefore 100% of contingent payment was recognized as at 31 March 2021.

The values included in purchase price allocation are provisional and will be updated within 12 months period after the acquisition date.

16 Business combination and disposals (continued)

Purchase consideration – cash outflow (summary of acquisition during three months period of 2021):

Outflow of cash to acquire subsidiary:

Cash consideration RAS Completions Limited and RAS Interiors Limited	(4 159)
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Balances acquired:

Cash RAS Completions Limited	168
Cash RAS Interiors Limited	386

Net outflow of cash – investing activities	(3 605)
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Establishments, acquisitions and disposals in 2020

On 21 December 2020, FL Technics UAB established new subsidiary FL Technics Ukraine MRO LLC. Registered capital UAH 1 000 which was fully paid. The subsidiary is planning to provide aircraft maintenance services in Ukraine.

On 21 December 2020, BGS Rail LLC established new subsidiary RE Invest LLC. Registered capital UAH 1 000 which was fully paid. The subsidiary is planning to provide other with aviation not related services.

On 21 September 2020, Aviator Airport Alliance, AB established new subsidiary Aviator Logistics AB. Registered capital EUR 2 500 which was fully paid. The subsidiary is planning to provide aviation training services.

On 15 December Avia Solutions Group PLC subsidiary Chapman Freeborn International Limited completed minority acquisition of 25% of the share capital in Magma Aviation Limited. As at 31 December 2020 Chapman Freeborn International Limited owns 100% of the share capital to subsidiary.

On 17 November 2020 FL Technics UAB established new subsidiary FL Technics Line Maintenance Canada Inc. Registered capital CAD 1 which was fully paid. On 2 December 2020 share capital of the subsidiary was increased CAD to 5 547 which was fully paid. The subsidiary is planning to provide aircraft maintenance services.

On 17 November 2020 Avia Solutions Group PLC subsidiary FL Technics Line Maintenance Canada Inc. completed acquisition of 100% of the share capital in Wright International Holdings Inc. which controls 100 % of the share capital in Wright International Aircraft Maintenance Services Inc. The acquired group is providing aircraft maintenance services. Details of purchase consideration and the fair values of assets and liabilities arising from the Wright International Holdings Inc. are given below:

	Wright International Aircraft Maintenance Services Inc. - a acquiree's fair value EUR
Property, plant and equipment	235
Intangible assets	4 141
Trade and other receivables	279
Cash and cash equivalents	216
Deferred income tax liabilities	(1 158)
Trade and other payables	(141)
Total identifiable net assets acquired	3 572
Purchase consideration	2 284
Contingent consideration	1 288
Goodwill as at 31 December 2020	-

Fair values of net assets acquired that were recognized in relation to the fair value of intangible assets and property, plant and equipment have been determined provisionally. If new information obtained within one year of the date of acquisition about the facts and circumstances that existed at the date of acquisition identifies adjustments to the above amounts, or any additional provision that existed at the date of acquisition, then the accounting of the acquisition will be revised. As of the date of the approval of this interim financial information, the Management of the Group is not aware of any circumstances that could drive the changes in fair values recognized.

16 Business combination and disposals (continued)

On 16 November 2020 Avia Solutions Group PLC subsidiary DG21 UAB completed acquisition of 99,99% of the share capital in Universali arena UAB and 100% of the share capital in Tiketa UAB, Panevėžio arena UAB and SEVEN Live UAB. The subsidiaries are engaged in the business of organizing concerts and shows, distributing tickets and providing rental services for sports and events.

Details of purchase consideration and the fair value of assets and liabilities arising from the acquisition of Universali arena UAB, Tiketa UAB, Panevėžio arena UAB, SEVEN Live UAB are as follows:

	Acquiree's fair value EUR
Property, plant and equipment	11 152
Intangible assets	1 723
Deferred income tax asset	457
Inventory	7
Trade and other receivables	1 198
Cash and cash equivalents	2 321
Borrowings	(2 129)
Deferred income tax liabilities	(1 410)
Trade and other payables	(2 528)
Total identifiable net assets acquired	10 791
Purchase consideration	14 600
Goodwill as at 31 December 2020	3 809

Fair values of net assets acquired that were recognized in relation to the fair value of intangible assets and property, plant and equipment have been determined provisionally. If new information obtained within one year of the date of acquisition about the facts and circumstances that existed at the date of acquisition identifies adjustments to the above amounts, or any additional provision that existed at the date of acquisition, then the accounting of the acquisition will be revised. As of the date of the approval of this interim financial information, the Management of the Group is not aware of any circumstances that could drive the changes in fair values recognized.

Goodwill recorded in connection with acquisitions is primarily attributable to the assembled professionals, synergies expected to arise after the acquisition of those businesses and expected profitability of the acquired business driven by professionalism of work force acquired

On 16 November 2020 Avia Solutions Group PLC subsidiary Chapman Freeborn International Limited completed minority acquisition of 15% of the share capital in Chapman Freeborn Airchartering S.p.z.o.o. As at 31 December 2020 Chapman Freeborn International Limited owns 100% of the share capital to subsidiary.

On 7 July 2020, Avia Solutions Group PLC established new subsidiary JetMS Regional UAB. Registered capital was EUR 10 000 which was fully paid. In September 2020 registered share capital was increased to EUR 300 000.

On 1 July 2020, Avia Solutions Group PLC subsidiary FL Technics UAB established new subsidiary FL Technics S.R.L. Registered capital RON 48 400 (equivalent to EUR 10 000), FL Technics UAB fully paid for share capital. The subsidiary is planning to provide repair and maintenance of aircraft and spacecraft, repair of fabricated metal products, machinery and equipment.

On 22 June 2020, Avia Solutions Group PLC subsidiary Avion Express UAB established new subsidiary Avion Express GmbH. Registered capital EUR 25 thousand, Avion Express UAB fully paid for share capital. In September registered share capital was increased to EUR 4 000 000 and was fully paid by Avion Express UAB (75 % of the share capital) and Blafugl ehf. (25 % of the share capital).

16 Business combination and disposals (continued)

On 18 June 2020 Avia Solutions Group PLC subsidiary Chapman Freeborn Airmarketing GmbH and Chapman Freeborn OBC GmbH completed acquisition of 100% of the share capital in Arcus-Air-Logistic GmbH for consideration for amount of EUR 1 946 thousand, Arcus OBC GmbH for consideration for amount of EUR 6 thousand, Arcus-Air-Logistic S.L.U. – Iberica for consideration for amount of EUR 1 149 thousand, Arcus-Air-Logistic s.r.o. – Slovakia for consideration for amount of EUR 602 thousand. Details of purchase consideration and the fair values of assets and liabilities arising from the acquisition, including fair value adjustments are given below. The fair values of assets and liabilities below are presented in British Pounds (GBP) which is the functional currency of Chapman Freeborn International Limited and translated to EUR at the rate as at acquisition date 30 June 2020 used 1EUR = 0,9154 GBP. The values included in purchase price allocation are provisional and will be updated within 12 months period after the acquisition date.

	Arcus-Air-Logistic GmbH - acquiree's fair value	
	GBP	EUR
Property, plant and equipment	33	36
Trade and other receivables	426	465
Cash and cash equivalents	1 164	1 272
Trade and other payables	(807)	(882)
Total identifiable net assets acquired	816	891
Purchase consideration	1 787	1 952
Goodwill as at 30 June 2020	971	1 061
Currency translation differences	-	19
Goodwill as at 31 December 2020	971	1 080

	Arcus OBC GmbH - acquiree's fair value	
	GBP	EUR
Property, plant and equipment	36	39
Intangible assets	12	14
Trade and other receivables	16	17
Cash and cash equivalents	77	84
Trade and other payables	(143)	(156)
Total identifiable net assets acquired	(2)	(2)
Purchase consideration	6	6
Goodwill as at 30 June 2020	8	8
Currency translation differences	-	1
Goodwill as at 31 December 2020	-	9

	Arcus-Air-Logistic S.L.U. – Iberica - acquiree's fair value	
	GBP	EUR
Property, plant and equipment	17	19
Trade and other receivables	237	259
Cash and cash equivalents	274	299
Trade and other payables	(2)	(2)
Total identifiable net assets acquired	526	575
Purchase consideration	1 051	1 149
Goodwill as at 30 June 2020	525	574
Currency translation differences	-	10
Goodwill as at 31 December 2020	525	584

16 Business combination and disposals (continued)

	Arcus-Air-Logistic s.r.o. – Slovakia - acquiree's fair value	
	GBP	EUR
Property, plant and equipment	17	19
Trade and other receivables	150	164
Cash and cash equivalents	167	182
Trade and other payables	(47)	(51)
Total identifiable net assets acquired	287	314
Purchase consideration	559	611
Goodwill as at 30 June 2020	272	297
Currency translation differences	-	6
Goodwill as at 31 December 2020	272	303

On 19 February 2020 Avia Solutions Group PLC subsidiary FL Technics UAB completed acquisition of 100% of the share capital in Flash Line maintenance S.r.l. for consideration for amount of EUR 578 thousand. The subsidiary provides aircraft line maintenance services.

Details of purchase consideration and consolidated assets and liabilities arising from the acquisition of Flash Line maintenance S.r.l. are as follows:

	Flash Line maintenance S.r.l. - acquiree's fair value	
	EUR	
Property, plant and equipment		502
Intangible assets		1 481
Inventories		18
Trade and other receivables		551
Cash and cash equivalents		71
Deferred income tax liability		(350)
Borrowings		(27)
Trade and other payables		(1 668)
Total identifiable net assets acquired		578
Purchase consideration		578
Goodwill as at 31 March 2020		-

On the 24th of January 2020, Avia Solutions Group PLC signed an agreement with BB Holding EHF for the full acquisition of Bluebird Nordic (Bláfugl ehf.), which entails a 100% stake ownership of the company's shareholdings, for consideration for amount of EUR 5 152 thousand (USD 5 685 thousand). On the 31st of March 2020, following the completion of all prerequisites and receipt of relevant clearances from competition authorities, the transaction was finalised. Bluebird Nordic provides cargo ACMI and charter services.

Details of purchase consideration and the fair values of assets and liabilities arising from the acquisition, including fair value adjustments are given below. As goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of that foreign operation shall be treated as assets and liabilities of the foreign operation, the fair values of assets and liabilities below are presented in US Dollars (USD) which is the functional currency of Bláfugl ehf. (Bluebird Nordic) and translated to EUR at the rate as at acquisition date 31 March 2020 used 1EUR = 1,1034 USD.

16 Business combination and disposals (continued)

	Blafugl ehf (Bluebird Nordic) - acquiree's fair value	
	USD	EUR
Property, plant and equipment	26 297	23 833
Intangible assets	573	519
Deferred income tax assets	168	152
Inventories	240	218
Trade and other receivables	5 488	4 974
Cash and cash equivalents	1 628	1 475
Borrowings	(24 760)	(22 440)
Provisions	(1 967)	(1 783)
Trade and other payables	(3 955)	(3 584)
Total identifiable net assets acquired	3 712	3 364
Purchase consideration	5 685	5 152
Goodwill as at 31 March 2020	1 973	1 788
Currency translation differences	-	(180)
Goodwill as at 31 December 2020	1 973	1 608

On 14th of February 2020, Avia Solutions Group PLC signed an agreement to acquire 100% of the shareholding of Aviator Airport Alliance AB (Aviator), a full-range aviation services provider for the Nordic region. Aviator provides aircraft ground handling and fuelling services. Offering flexible and cost-effective solutions that meet the demand for high-quality support services of a wide range of airlines, Aviators a valuable addition to Avia Solution Group's portfolio.

As goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of that foreign operation shall be treated as assets and liabilities of the foreign operation, the fair values of assets and liabilities below are presented in Sweden Krona (SEK) which is the functional currency of Aviator Group and translated to EUR at the rate as at acquisition date 29 February 2020 used 1EUR = 10,6738 SEK. At the balance sheet date, the goodwill was translated to SEK using the balance sheet closing rate, which was 1EUR = 10,674 SEK.

Details of purchase consideration and the fair values of assets and liabilities arising from the acquisition of Aviator Group, including fair value adjustments are given below:

	Aviator Airport Alliance AB acquiree's fair value	
	SEK	EUR
Property, plant and equipment	157 569	14 762
Intangible assets	36 221	3 393
Deferred income tax assets	21 205	1 987
Inventories	13 724	1 286
Trade and other receivables	218 456	20 467
Cash and cash equivalents	23 739	2 224
Borrowings	(199 614)	(18 701)
Deferred income tax liabilities	(41 509)	(3 889)
Trade and other payables	(366 953)	(34 380)
Total identifiable net liabilities acquired	(137 162)	(12 851)
Purchase consideration	20 040	1 877
Goodwill as at 29 February 2020	157 202	14 728
Currency translation differences	-	938
Goodwill as at 31 December 2020	157 202	15 666

The fair value of acquired trade and other receivables is EUR 20 467 thousand. The gross contractual amount for trade and other receivables due is EUR 22 242 thousand, with the amount of EUR 1 775 thousand being the best estimate at the acquisition date of the contractual cash flows not expected to be collected.

16 Business combination and disposals (continued)

On 19 October 2020 Avia Solutions Group PLC subsidiary Aviator Airport Alliance AB lost control of its subsidiary Aviator Airport Services Denmark A/S which is currently being liquidated. Details of assets and liabilities arising from the disposal of Aviator Airport Services Denmark A/S are as follows:

	Aviator Airport Services Denmark A/S	
	SEK	EUR
Property, plant and equipment	27 217	2 712
Financial assets	3 371	336
Deferred income tax assets	26 037	2 595
Trade and other receivables	32 763	3 265
Cash and cash equivalents	60 032	5 983
Borrowings	(21 181)	(2 111)
Trade and other payables	(139 586)	(13 911)
Total identifiable net liabilities	(11 347)	(1 131)
Gain on loss of interest in subsidiary		1 131

The result on loss of interest in subsidiary is presented in the statement of comprehensive income within "other gain/(loss) – net".

On 30 March 2020, Avia Solutions Group PLC subsidiary Baltic Ground Services UAB completed the acquisition of 100% of the share capital in BGS Trading (previously: Aviatehniks TOV) for consideration of EUR 5 thousand.

On 2 January 2020 the Group, through one of its subsidiaries AviaAM Leasing AB, acquired 100% of the share capital in Dariaus ir Gireno 20 UAB for consideration for amount of EUR 2 500 thousand which was paid in December 2019. The Company is incorporated in Lithuania and is engaged in real estate business. The Company owns land and a few buildings. The fair value of the assets acquired is equal to consideration paid as the group treats these investments as the acquisition of investment property.

On 12 May 2020, Avia Solutions Group PLC subsidiary Chapman Freeborn International Limited sold its 80% of shares in the subsidiary Logik Logistics International Limited. Sales proceeds from the disposal amounted to EUR 546 thousand. Disposal's carrying amount of assets and liabilities below are presented in British Pounds (GBP) which is the functional currency of Chapman Freeborn International Limited and translated to EUR at the rate as at end of period date 30 June 2020 used 1EUR = 0,9154 GBP.

Details of sale price and assets and liabilities arising from the disposal in Group's financial statements are as follows:

	Logik Logistics International Limited disposal's carrying amount	
	GBP	EUR
Property, plant and equipment	40	43
Trade and other receivables	1 146	1 252
Cash and cash equivalents	192	210
Trade and other payables	(1 063)	(1 161)
Total identifiable net assets	315	344
NCI based on proportionate share of net assets (80%)	63	69
Net assets attributed to equity holders of the parent	252	275
Proceeds from sale of interest in subsidiaries	500	546
Gain (loss) on disposal, directly recognised in disposal's group other gains/(losses)	248	271

16 Business combination and disposals (continued)

On 3 March 2020 the Group, through one of its subsidiaries, acquired 100% of the share capital in BUSNEX POLAND SP. Z.O.O – with a purpose to develop business in relation to public transportation solutions. The newly established company with a share capital of PLN 5 thousand is incorporated in Poland. Purchase consideration paid was USD 3 thousand (EUR 2 thousand or PLN 10 thousand).

On 13 March 2020 the Group, through one of its subsidiaries, acquired 100% of the share capital in Skyroad Leasing UAB for consideration for a amount of EUR 3 thousand. The company is incorporated in Lithuania and is engaged in aircraft leasing business.

On 2 June 2020, Avia Solutions Group PLC subsidiary Baltic Ground Services UAB sold its 100% of shares in the subsidiary Baltic Ground Services Sp.z.o.o. Sales proceeds from the disposal amounted to EUR 79 thousand. Disposal's carrying amount of assets and liabilities below are presented in Poland Zloty (PLN) which is the functional currency of Baltic Ground Services Sp.z.o.o. and translated to EUR at the rate as at disposal's date used 1EUR = 4,4664 PLN.

Details of sale price and assets and liabilities arising from the disposal in Group's financial statements are as follows:

	Baltic Ground Services Sp.z.o.o - disposal's carrying amount	
	PLN	EUR
Property, plant and equipment	6 322	1 421
Deferred income tax assets	2 655	597
Trade and other receivables	2 161	493
Inventories	202	44
Cash and cash equivalents	1 686	383
Borrowings	(18 941)	(4 234)
Trade and other payables	(3 616)	(856)
Deferred income tax liabilities	(872)	(196)
Total identifiable net liabilities disposed	(10 403)	(2 348)
Proceeds from sale of interest in subsidiaries	353	79
Gain (loss) on disposal, directly recognised in disposal's group other gains/(losses)	10 756	2 427

17 Related party transactions

Related parties of the Group include entities having significant influence over the Group, parent, key management personnel of the Group and other related parties which are controlled by the ultimate beneficial owner or close members of that person's family. Entities having significant influence over the Group are VERTAS AIRCRAFT LEASING LIMITED and Vertas Management AB. Parent entity - PROCYONE FZE. Transactions with these companies are presented separately. Related parties include subsidiaries of the entities having significant influence over the Group. They are presented as other related parties.

The following transactions were carried out with related parties:

	January – March	
	2021	2020
Sales of services to:		
Entities having significant influence	3	3
Other related parties	20	367
	23	370
Sales of assets to:		
Other related parties	-	14
Other income	243	175
Total sales of assets, services and other income	266	559

17 Related party transactions (continued)

	January – March	
	2021	2020
Purchases of services from:		
Other related parties	723	915
Purchases of assets from:		
Other related parties	101	93
Total purchases of assets and services	824	1 008
Finance costs	(96)	(10)
	31 March 2021	31 December 2020
Trade receivables from related parties:		
Trade receivables from entities having significant influence	39	36
Trade receivables from other related parties	603	570
Impairment of trade receivables from other related parties	(177)	(101)
Trade receivables from related parties – net (Note 12)	465	505
Loans granted to other related parties	3 058	3 573
Loans granted to the Parent	9 454	9 290
Loans granted to entities having significant influence	12 340	10 336
Impairment of loans granted to other related parties	(377)	(330)
Loans granted to other related parties – net (Note 12)	24 475	22 869
Security deposit with lessor from related parties (Note 12)	3	3
Other receivables from the Parent	2 344	2 309
Other receivables from entities having significant influence	1 308	1 157
Other receivables from other related parties	1 141	1 175
Discounting of other receivables from other related parties	(66)	(125)
Impairment of other receivables from other related parties	(31)	(28)
Other receivables from related parties – net (Note 12)	4 696	4 488
Prepayments to related parties (Note 12)	13	252
Contract asset from other related parties	7	7
Deferred charges (Note 12)	1	37
	29 660	28 161
	31 March 2021	31 December 2020
Payables and advances received from related parties		
Amounts payable to other related parties (Note 15)	143	388
Amounts payable to the Parent	21	20
Amounts payable to entities having significant influence (Note 15)	-	-
Finance lease liabilities from other related parties	11 449	11 316
Advances received from other related parties	7 284	1
Other accrued expenses from other related parties	36	20
Other payables to other related parties (Note 15)	4 129	3 107
Other financial payables to the Parent	17	17
	23 079	14 869

18 Derivatives

Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

The following table presents the group's financial assets and financial liabilities measured and recognised at fair value at 31 March 2021 and 31 December 2020:

Recurring fair value measurements at 31 March 2021	Level 1	Level 2
Financial assets		
Financial assets at fair value through profit or loss (FVPL)	3 246	-
Hedging derivatives - foreign currency interest rate swap	-	4 707
Total financial assets	3 246	4 707
Financial liabilities		
Derivatives - commodity swap	-	235
Hedging derivatives - foreign currency interest rate swap	-	9 132
Total financial assets	-	9 367
Recurring fair value measurements at 31 December 2020	Level 1	Level 2
Financial assets		
Financial assets at fair value through profit or loss (FVPL)	1 231	-
Hedging derivatives - foreign currency interest rate swap	-	3 563
Total financial assets	1 231	3 563
Financial liabilities		
Derivatives - commodity swap	-	137
Hedging derivatives - foreign currency interest rate swap	-	12 453
Total financial assets	-	12 590

There were no transfers between levels 1, 2 and 3 for recurring fair value measurements during the year.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

Specific valuation techniques used to value financial instruments include:

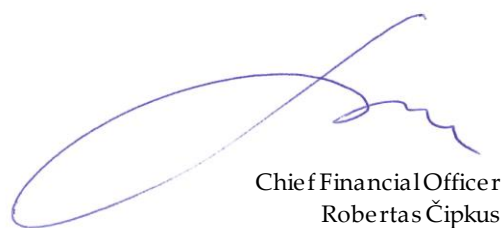
- for foreign currency interest rate swaps – the present value of the estimated future cash flows based on observable yield curves. Additionally, the instruments' value is agreed upon with bank;
- for foreign currency forwards – the present value of future cash flows based on the forward exchange rates at the balance sheet date;
- for foreign currency options – option pricing models (Black-Scholes, Vanna-Volga models).

All of the resulting fair value estimates are included in level 2.

19 Events after the reporting date

There were no material post balance sheet events that could have a material effect on the Group's interim financial information for the three month period ended 31 March 2021.


Managing Director
Jonas Janukėnas


Chief Financial Officer
Robertas Čipkus