

AVIA SOLUTIONS GROUP AB

Consolidated Interim Financial Information,
For the Six-Month Period Ended 30 June 2018
(Unaudited)

Beginning of the financial period	1 January 2018
End of reporting period	30 June 2018
Name of the company	Avia Solutions Group AB (hereinafter “the Company”)
Legal form	Public company (joint-stock company)
Date of registration	31 August 2010
Code of enterprise	302541648
Name of Register of Legal Entities	State Enterprise Centre of Registers
Registered office	Smolensko St. 10, LT-03201 Vilnius, Lithuania
Telephone number	+44 20 808 99777 / +370 5 252 5500
E-mail	info@aviasg.com
Internet address	www.aviasg.com
Main activities of consolidated Group	Aircraft and Helicopter Maintenance, Repair and Overhaul, Aircraft Ground Handling and Fuelling, Crew Training and Staffing, Private Jet Charter, Flight and Tour Operations

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	April – June		January - June	
		2018	2017	2018	2017
Revenue	3	112 310	87 735	204 172	168 797
Other income	3	256	115	470	189
Cost of services and goods	3, 4	(82 551)	(64 243)	(148 994)	(126 414)
Employee related expenses	3	(18 123)	(14 498)	(34 833)	(27 844)
Other operating expenses	3, 5	(6 026)	(4 796)	(10 723)	(9 054)
Depreciation and amortisation	3, 10	(1 696)	(1 262)	(3 204)	(2 441)
Impairment-related expenses	3	(919)	(499)	(1 151)	(706)
Other gain/(loss) - net	3	318	(196)	(276)	(217)
Operating profit (loss)		3 569	2 356	5 461	2 310
Finance income	6	420	90	296	217
Finance cost	6	(289)	(934)	(568)	(1 630)
Finance costs – net		131	(844)	(272)	(1 413)
Profit (loss) before income tax		3 700	1 512	5 189	897
Income tax	7	(734)	(139)	(1 151)	(129)
Profit for the period		2 966	1 373	4 038	768
Profit (loss) attributable to:					
Equity holders of the parent		3 285	1 742	4 763	1 370
Non-controlling interests		(319)	(369)	(725)	(602)
		2 966	1 373	4 038	768
Other comprehensive income					
Net gain (loss) on cash flow hedges		-	7	-	14
Income tax		-	(1)	-	(2)
		-	6	-	12
Exchange differences on translation of foreign operations		(125)	307	(197)	233
Other comprehensive income (loss) for the period		(125)	313	(197)	245
Total comprehensive income for the period attributable to:					
Equity holders of the parent		3 175	1 979	4 534	1 542
Non-controlling interests		(334)	(293)	(693)	(529)
		2 841	1 686	3 841	1 013
Basic and diluted earnings per share	9	0.422	0.224	0.612	0.176

CONSOLIDATED BALANCE SHEET

	Notes	30 June 2018	31 December 2017
ASSETS			
Non-current assets			
Property, plant and equipment	10	51 636	31 984
Intangible assets	10	6 329	6 270
Deferred income tax assets	7	6 838	6 805
Non-current trade and other receivables	11, 16	8 786	7 318
		73 589	52 377
Current assets			
Inventories	13	27 854	29 778
Trade and other receivables	11, 16	65 649	57 238
Amount due from customers for contract work		3 804	3 886
Prepaid income tax		717	487
Short-term bank deposit		-	-
Cash and cash equivalents	12	6 887	8 636
		104 911	100 025
Total assets	3	178 500	152 402
EQUITY			
Equity attributable to the Group's equity shareholders			
Share capital	8	2 256	2 256
Share premium		33 133	33 133
Legal reserve		237	225
Merger reserve		(457)	(457)
Fair value reserve		-	-
Cumulative translations differences		(446)	(217)
Retained earnings		31 431	26 680
		66 154	61 620
Equity attributable to equity holders of the parent		66 154	61 620
Non-controlling interests		325	1 018
Total equity		66 479	62 638
LIABILITIES			
Non-current liabilities			
Borrowings		14 568	7 544
Government grants		1 142	1 270
Security deposits received		391	446
Trade and other payables	14, 16	202	331
Deferred income tax liabilities	7	1 554	350
Derivative financial instruments		1 479	-
		19 336	9 941
Current liabilities			
Trade and other payables	14	43 852	38 874
Borrowings		32 528	24 530
Advances received		13 405	14 863
Security deposits received		256	186
Current income tax liabilities		1 573	1 370
Derivative financial instruments		1 071	-
		92 685	79 823
Total liabilities		112 021	89 764
Total equity and liabilities		178 500	152 402

AVIA SOLUTIONS GROUP AB

CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2018

(All tabular amounts are in EUR '000 unless otherwise stated)


CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Equity attributable to equity holders of the Group							Non-	Total equity
	Share capital	Share premium	Merger reserve	Legal reserve	Fair value reserve	Currency translation differences	Retained earnings	controlling interests	
Balance at 31 December 2016	2 256	33 133	(457)	192	(16)	(89)	24 705	(464)	59 260
Adjustment on initial application of IFRS 9 (net of tax) *	-	-	-	-	-	-	(3 924)	(1)	(3 925)
Adjusted balance at 1 January 2017 *	2 256	33 133	(457)	192	(16)	(89)	20 781	(465)	55 335
Comprehensive income									
Net gain on cash flow hedge	-	-	-	-	12	-	-	-	12
Currency translation difference	-	-	-	-	-	160	-	73	233
Profit (loss) for the period	-	-	-	-	-	-	1 370	(602)	768
Total comprehensive income	-	-	-	-	12	160	1 370	(529)	1 013
Balance at 30 June 2017	2 256	33 133	(457)	192	(4)	71	22 151	(994)	56 348
Balance at 1 January 2018	2 256	33 133	(457)	225	-	(217)	26 680	1 018	62 638
Comprehensive income									
Currency translation difference	-	-	-	-	-	(229)	-	32	(197)
Profit (loss) for the period	-	-	-	-	-	-	4 763	(725)	4 038
Total comprehensive income	-	-	-	-	-	(229)	4 763	(693)	3 841
Transactions with owners									
Transfer to legal reserve	-	-	-	12	-	-	(12)	-	-
Total transactions with owners	-	-	-	12	-	-	(12)	-	-
Balance at 30 June 2018	2 256	33 133	(457)	237	-	(446)	31 431	325	66 479

* The Group have early adopted IFRS 9 Financial Instruments with a date of initial application of 1 January 2017 that resulted in adjustment on the Group's retained earnings as at 1 January 2017. Detail information and impact of changes are disclosed in Note 34 of Avia Solutions Group AB audited consolidated financial statements for the year ended 31 December 2017.

CONSOLIDATED STATEMENT OF CASH FLOWS

		January – June	
	Notes	2018	2017
Operating activities			
Profit for the period		4 038	768
Income tax	7	1 151	129
<i>Adjustments for:</i>			
Depreciation and amortisation	3, 10	3 204	2 441
Impairment-related expenses	3	1 151	706
Accruals of buildings lease payments, PBH contracts		282	249
Interest expenses	6	512	493
Fair value profit on derivative financial instruments		-	(12)
Discounting effect on financial assets		4	7
(Profit) / loss of PPE disposals		195	(94)
Amortisation of government grants		(127)	(129)
Interest income		(4)	(20)
Currency translations differences		(249)	(45)
<i>Changes in working capital:</i>			
- Inventories		1 183	(423)
- Trade and other receivables		(9 103)	(6 136)
- Short-term bank deposits		-	46
- Trade and other payables, advances received		2 317	10 091
- Security deposits received		30	124
Cash generated from (used in) operations		4 584	8 195
Interest received		-	1
Interest paid		(460)	(416)
Income tax paid		(624)	(653)
Net cash generated from (used in) operating activities		3 500	7 127
Investing activities			
Purchase of PPE and intangible assets		(10 985)	(1 878)
Proceeds from PPE and intangible assets		79	392
Purchase of subsidiaries (net of cash acquired) (Note 15)	15	(3 239)	-
Loans granted		(313)	(289)
Repayments of loans granted		5	53
Deposits placed		(499)	(295)
Repayments of deposits placed		224	444
Net cash generated from (used in) investing activities		(14 728)	(1 573)
Financing activities			
Bank borrowings received		9 387	6 235
Repayments of bank borrowings		(3 527)	(7 048)
Borrowings from related parties received	16	100	1 902
Repayments of borrowings from related parties		(93)	(2)
Other borrowings received		30	474
Repayment of other borrowings		(30)	(474)
Repayments of lease liabilities		(1 432)	(1 147)
Net cash generated from (used in) financing activities		4 435	(60)
Increase (decrease) in cash and cash equivalents		(6 793)	5 494
At beginning of period	12	(11 516)	(15 094)
Increase (decrease) in cash and cash equivalents		(6 793)	5 494
At end of period	12	(18 309)	(9 600)

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL INFORMATION

1 Accounting policies

The consolidated interim financial information for the six-month period ended 30 June 2018 (hereinafter *The Consolidated Financial Information*) is prepared in accordance with the International Financial Accounting Standards, as adopted by the European Union, includes IAS 34 „Interim financial reporting“. In all material respects, the same accounting principles have been followed as in the preparation of financial statements for the year ended 31 December 2017.

The Group have early adopted IFRS 9 Financial Instruments with a date of initial application of 1 January 2017, which resulted in adjustments to the amounts recognised in the financial statements. Detail information and impact of changes is disclosed in Note 34 of Avia Solutions Group AB audited consolidated financial statements for the year ended 31 December 2017 (available on <https://www.aviasg.com/en/investor-relations/reports-codes.html>). The Group has initially adopted IFRS 15 Revenue from Contracts with Customers and other new standards that are effective from 1 January 2018, but they do not have a material effect on the Group's financial statements.

The presentation currency is euro. 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 six-month period ended 30 June 2018 is not audited. Financial Statements for the year ended 31 December 2017 were audited by the external auditor *PricewaterhouseCoopers UAB*.

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
			30-06-2018	31-12-2017	30-06-2017	
Avia Solutions Group (CY) LTD	Republic of Cyprus	Unallocated	100	-	-	The subsidiary was established on 28 February 2018 (Note 15). The subsidiary does not conduct active operations.
AviationCV.com UAB	Republic of Lithuania	Crew Training and Staffing	100	100	100	The subsidiary was established in spring of 2011. The company provides aviation personnel solutions.
BAA Training UAB	Republic of Lithuania	Crew Training and Staffing	100	100	100	The Group company was established on 22 November 2006. The company provides aircraft crew training services.
BAA Simulators UAB	Republic of Lithuania	Crew Training and Staffing	100	100	-	The subsidiary was established on 24 October 2017. The company will act as a holding company for subsidiary DNIPROTRANSLOGISTYKA LLC.
BAA Simulators 2 UAB	Republic of Lithuania	Crew Training and Staffing	100	-	-	The subsidiary was established on 8 January 2018 (Note 15). The company will provide lease of full flight simulators and other training equipment.
BAA Training Vietnam LLC	Socialist Republic of Vietnam	Crew Training and Staffing	100	-	-	The subsidiary was established on 02 February 2018 (Note 15). The company will provide training services and lease of full flight simulators.

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
			30-06-2018	31-12-2017	30-06-2017	
FLT Trading House UAB	Republic of Lithuania	Aircraft and Helicopter Maintenance, Repair and Overhaul (MRO)	100	100	100	The subsidiary was acquired on 19 November 2010. The subsidiary does not conduct active operations and is under liquidation procedures (Note 15).
Helisota UAB	Republic of Lithuania	Aircraft and Helicopter Maintenance, Repair and Overhaul (MRO)	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	Aircraft and Helicopter Maintenance, Repair and Overhaul (MRO)	100	100	100	The subsidiary was acquired on 16 December 2013. It is a direct subsidiary of Helisota UAB. The subsidiary does not conduct any significant active operations.
Jet Maintenance Solutions UAB	Republic of Lithuania	Aircraft and Helicopter Maintenance, Repair and Overhaul (MRO)	100	100	100	The subsidiary was acquired on 1 December 2010. The company provides maintenance services for business aircraft.
KIDY Tour UAB	Republic of Lithuania	Private Jet Charter, Flight and Tour Operations	100	100	100	The subsidiary was established on 3 December 2015. The company provides tour operator services.
KIDY Tour OÜ	Republic of Estonia	Private Jet Charter, Flight and Tour Operations	100	100	100	The subsidiary was acquired on 16 September 2016. The company provides tour operator services.
KIDY Tour OOO	Russian Federation	Private Jet Charter, Flight and Tour Operations	100	100	100	The subsidiary was established on 6 March 2017. The company is providing tour operator services.
KIDY Tour SIA	Republic of Latvia	Private Jet Charter, Flight and Tour Operations	100	100	-	The subsidiary was established on 9 October 2017. The company is providing tour operator services.
KlasJet UAB	Republic of Lithuania	Private Jet Charter, Flight and Tour Operations	100	100	100	The subsidiary was established on 9 October 2013. The subsidiary has started business charter activity in summer 2014. From April 2017 it is a direct subsidiary of Jet Maintenance Solutions UAB.
Laserpas UAB	Republic of Lithuania	Private Jet Charter, Flight and Tour Operations	50	50	90	The subsidiary was established in summer of 2011. The subsidiary started unmanned aerial flight operations. On 8 August 2017 the Company sold 50 per cent shareholding in the subsidiary to third party while retaining the control (Note 15).
Locatory.com UAB	Republic of Lithuania	Aircraft and Helicopter Maintenance, Repair and Overhaul (MRO)	95	95	95	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.
Baltic Ground Services UAB	Republic of Lithuania	Aircraft Ground Handling and Fuelling	100	100	100	The subsidiary was acquired on 31 October 2008. The company provides aircraft ground handling and fuelling services in Lithuania.

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
			30-06-2018	31-12-2017	30-06-2017	
Baltic Ground Services Sp.z.o.o.	Republic of Poland	Aircraft Ground Handling and Fuelling	100	100	100	The subsidiary was established in spring of 2010. It is a direct subsidiary of Baltic Ground Services UAB. The company provides aircraft ground handling and fuelling services in Poland.
Baltic Ground Services UA TOV	Ukraine	Aircraft Ground Handling and Fuelling	50	50	50	The subsidiary was established in summer of 2011. On 29 September 2015, 50% of share capital was sold to a third party. The subsidiary provides fuelling services in Ukraine. The Group has a control over an investee.
Baltic Ground Services RU OOO	Russian Federation	Aircraft Ground Handling and Fuelling	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	Aircraft Ground Handling and Fuelling	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	Aircraft Ground Handling and Fuelling	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	Aircraft Ground Handling and Fuelling	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.
BGS Trans UA LLC	Ukraine	Aircraft Ground Handling and Fuelling	100	100	-	The subsidiary was established on 3 July 2017. It is a direct subsidiary of Baltic Ground Services UAB. The subsidiary does not conduct active operations.
Baltic Ground Services DE GmbH	Federal Republic of Germany	Aircraft Ground Handling and Fuelling	100	-	-	The subsidiary was established on 11 January 2018 (Note 15). The company is providing fuel logistic services.
DNIPROTRANS-LOGISTYKA LLC	Ukraine	Aircraft Ground Handling and Fuelling	100	-	-	The subsidiary was acquired on 13 June 2018. The company is involved in semi wagon lease.
FL Technics UAB	Republic of Lithuania	Aircraft and Helicopter Maintenance, Repair and Overhaul (MRO)	100	100	100	The subsidiary was established on 22 December 2005. In summer of 2007 the company started aircraft maintenance, repair and overhaul (MRO) services.
Avia Technics Dirgantara PT.	Republic of Indonesia	Aircraft and Helicopter Maintenance, Repair and Overhaul (MRO)	49	49	25	An investee of FL Technics UAB was established on 5 August 2014. The company provides line and base maintenance services in Jakarta. The Group has a control over an investee. On 7 December 2017 the Company additionally acquired 24 per cent shareholding in the subsidiary from third party (Note 15).

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
			30-06-2018	31-12-2017	30-06-2017	
FL Technics Asia Co. Ltd.	Kingdom of Thailand	Aircraft and Helicopter Maintenance, Repair and Overhaul (MRO)	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 Line OOO	Russian Federation	Aircraft and Helicopter Maintenance, Repair and Overhaul (MRO)	93	93	93	The subsidiary was established in summer of 2011. It is a direct subsidiary of FL Technics UAB.
Storm Aviation Ltd.	The United Kingdom	Aircraft and Helicopter Maintenance, Repair and Overhaul (MRO)	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.
Storm Aviation (Cyprus) Ltd.	Republic of Cyprus	Aircraft and Helicopter Maintenance, Repair and Overhaul (MRO)	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.
Storm Aviation (Nigeria) Ltd.	Federal Republic of Nigeria	Aircraft and Helicopter Maintenance, Repair and Overhaul (MRO)	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	Aircraft and Helicopter Maintenance, Repair and Overhaul (MRO)	100	100	100	The subsidiary was established on 29 March 2017 (Note 15). It is a direct subsidiary of Storm Aviation Ltd. The company is providing aircraft line station services in Germany.
Avia Solutions Group B.V.	Netherlands	The associate	30	30	30	The associate was acquired in the third quarter of 2014.
Avia Solutions Group Airports Management LLC	Russian Federation	Airport Infrastructure Management	30*	30*	30*	The company was established on 14 March 2014. The company's portfolio includes the development of the Moscow's fourth airport – Zhukovsky International.
RAMPORT AERO JSC	Russian Federation	Airport Infrastructure Management	22.5*	22.5*	22.5*	It is a direct subsidiary of Avia Solutions Group – Airports Management LLC. It was established on 30 July 2014 and provides services in the Zhukovsky International airport.
RAMPORT SECURITY LLC	Russian Federation	Airport Infrastructure Management	22.5*	22.5*	22.5*	It is a direct subsidiary of RAMPORT AERO JSC. It was established on 6 May 2015 and will provide services in the Zhukovsky International airport.
RAMPORT Aviation Commerce JSC	Russian Federation	Airport Infrastructure Management	22.5*	22.5*	16.88*	It is a direct subsidiary of RAMPORT AERO JSC. It was established in 2016 and provides services in the Zhukovsky International airport.
ZIA CARGO JSC	Russian Federation	Airport Infrastructure Management	11.47*	11.47*	11.47*	It is a direct subsidiary of RAMPORT AERO JSC. It was established in 2016 and provides services in the Zhukovsky International airport.

* - in case of indirect associates the percentages represent economic interests.

(All tabular amounts are in EUR '000 unless otherwise stated)

As at 30 June 2018 the Company had one representative Office in Russia, 1st Tverskaya-Yamskaja St., 21, 2nd floor, 125047, Moscow and no branches.

The number of full-time staff employed by the Group on 30 June 2018 amounted to 2 503 (31 December 2017: 2 297; 30 June 2017: 2 143). The number of full-time staff employed by the Company on 30 June 2018 amounted to 79 (31 December 2017: 72; 30 June 2017: 62).

3 Segment information

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

- (1) aircraft and helicopter maintenance, repair and overhaul (MRO);
- (2) aircraft ground handling and fuelling;
- (3) crew training and staffing;
- (4) private jet charter, flight and tour operations;
- (5) unallocated segment;

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

Transfer prices 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 in 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 six-month period ended 30 June 2018 and for the six-month period ended 30 June 2017:

	Aircraft maintenance, repair and overhaul	Aircraft ground handling and fuelling	Pilot and crew training	Private Jet Charter, Flight and Tour Operations	Unallo- cated	Inter- segment trans- actions	Total
Six-month period ended 30 June 2018							
Sales to external customers	86 105	92 008	9 032	16 423	604	-	204 172
Inter-segment sales	3 200	1 966	196	192	1 189	(6 743)	-
Total revenue	89 305	93 974	9 228	16 615	1 793	(6 743)	204 172
Other income	256	227	55	14	411	(493)	470
Cost of services and goods purchased	(50 632)	(83 842)	(3 919)	(15 019)	(433)	4 851	(148 994)
Depreciation and amortisation	(1 374)	(1 192)	(419)	(70)	(116)	(33)	(3 204)
Employee related expenses	(24 530)	(5 473)	(2 540)	(1 233)	(1 152)	95	(34 833)
Other operating expenses	(7 975)	(1 504)	(1 669)	(815)	(618)	1 858	(10 723)
Impairment-related expenses	(1 257)	(65)	(70)	(158)	(95)	494	(1 151)
Other gain/(loss) - net	(215)	(138)	105	(18)	(3)	(7)	(276)
Segment operating profit	3 578	1 987	771	(684)	(213)	22	5 461
As at 30 June 2018							
Segment assets	92 371	48 021	17 791	9 199	11 118	-	178 500

3 Segment information (continued)

	Aircraft maintenance, repair and overhaul	Aircraft ground handling and fuelling	Pilot and crew training	Private Jet Charter, Flight and Tour Operations	Unallo- cated	Inter- segment trans- actions	Total
Six-month period ended 30 June 2017							
Sales to external customers	74 213	76 292	8 647	9 343	302	-	168 797
Inter-segment sales	2 178	4 369	55	6	1 045	(7 653)	-
Total revenue	76 391	80 661	8 702	9 349	1 347	(7 653)	168 797
Other income	242	70	53	2	299	(477)	189
Cost of services and goods purchased	(45 197)	(73 643)	(4 745)	(8 551)	(263)	5 985	(126 414)
Depreciation and amortisation	(1 007)	(926)	(323)	(41)	(95)	(49)	(2 441)
Employee related expenses	(20 265)	(4 238)	(1 784)	(717)	(840)	-	(27 844)
Other operating expenses	(7 041)	(1 185)	(1 493)	(535)	(463)	1 663	(9 054)
Impairment-related expenses	(643)	(33)	(25)	-	(5)	-	(706)
Other gain/(loss) - net	68	(170)	22	4	(17)	(124)	(217)
Segment operating profit	2 548	536	407	(489)	(37)	(655)	2 310
As at 30 June 2017							
Segment assets	95 458	31 909	11 098	5 011	12 536	-	156 012

Four reportable Group's business segments were influenced by seasonal movements on both summer and winter periods. The highest growth comes in summer-season (June-September) from aircraft ground handling and fuelling and private jet charter, flight and tour operations segments, and in the winter-season (October-April) increase of sales is recorded in aircraft and helicopters maintenance, repair and overhaul (MRO) and crew training segment. The Management motivates these seasonal movements to have a material effect on Group's consolidated revenue.

	April - June		January - June	
	2018	2017	2018	2017
4 Cost of goods and services				
Aircraft fuel expenses	45 626	30 915	78 183	66 328
Cost of goods purchased	17 903	15 177	37 266	29 559
Cost of purchased services	15 666	14 479	27 035	23 544
Rent and maintenance of premises	1 575	1 599	3 260	3 248
Rent of aircraft, training and other equipment	1 781	2 073	3 250	3 735
	82 551	64 243	148 994	126 414
5 Other operating expenses				
Transportation and related expenses	1 637	1 550	2 737	2 805
Business travel expenses	1 177	813	2 107	1 558
Consultation expenses	804	515	1 378	1 101
Office administrative, communications and IT expenses	662	450	1 177	788
Marketing and sales expenses	513	440	1 113	863
Insurance expenses	379	317	698	595
Other expenses	854	711	1 513	1 344
	6 026	4 796	10 723	9 054

	April - June		January - June	
	2018	2017	2018	2017
6 Finance income and costs				
Interest income on cash and cash equivalents	2	1	4	3
Foreign exchange gain on financing activities	414	-	281	-
Other finance income	4	89	11	214
Finance income	420	90	296	217
Interest expenses on borrowings	(269)	(261)	(512)	(493)
Foreign exchange loss on financing activities	-	(609)	-	(982)
Unwinding of discounted financial assets received	(1)	(3)	(4)	(6)
Other finance costs	(19)	(61)	(52)	(149)
Finance costs	(289)	(934)	(568)	(1 630)
Finance costs – net	131	(844)	(272)	(1 413)

7 Income tax and deferred income tax

Domestic income tax is calculated at 15 per cent of the annual profit for the year, in Poland income tax – 19 per cent, in the United Kingdom – 20 per cent, in Russia – 20 per cent, in Ukraine – 18 per cent, in Indonesia – 25 per cent, in Thailand – 20 per cent, in Cyprus – 12.5 per cent, in Nigeria – 30 per cent, in Czech Republic – 19 per cent. Deferred income tax asset and liability related to the entities operating in Lithuania are calculated at 15% rate (2017: 15% rate), in Poland - at 19% rate (2017: 19% rate), in the United Kingdom – at 20% rate (2017: 20% rate), in Russia – at 20% rate (2017: 20% rate), in Ukraine – at 18% rate (2017: 18% rate), in Indonesia – at 25% rate (2017: 25% rate), in Cyprus – at 12.5% rate (2017: 12.5% rate), in Nigeria – at 30% rate (2017: 30% rate), in Czech Republic – at 19% rate (2017: 19% rate). Corporate income tax in Estonia and Latvia is shifted from the moment of earning the profits to the moment of their distribution, i.e. until dividend pay out.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when deferred income taxes relate to the same fiscal authority. The tax expenses for the period comprise current and deferred tax as follows:

	April - June		January - June	
	2018	2017	2018	2017
Current income tax	(123)	(282)	(708)	(624)
Deferred income tax	(611)	143	(443)	495
Total income tax expenses	(734)	(139)	(1 151)	(129)

8 Share capital

On 30 June 2018 the share capital of the Company amounts to EUR 2 255 555 and consists of 7 777 777 ordinary registered shares with a nominal value of 0.29 Euro each (on 31 December 2017 – 7 777 777 ordinary registered shares). All shares are fully paid up.

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.

	April - June		January - June	
	2018	2017	2018	2017
Profit (loss) for the period attributable to equity holders of the parent	3 285	1 742	4 763	1 370
Weighted average number of ordinary shares (thousand)	7 778	7 778	7 778	7 778
Basic and diluted earnings per share	0.422	0.224	0.612	0.176

10 Property, plant and equipment, intangible assets

	Property, plant and equipment	Intangible assets
Opening net book amount as at 1 January 2017	29 812	6 056
Additions	2 233	347
Disposals	(250)	-
Cumulative currency differences	46	(3)
Depreciation charge (Note 3)	(2 131)	(310)
Closing net book amount as at 30 June 2017	29 710	6 090
Opening net book amount as at 1 January 2018	31 984	6 270
Acquisition of subsidiary (Note 15)	7 402	-
Additions	15 338	603
Disposals	(136)	-
Reclassifications	(116)	-
Cumulative currency differences	(179)	3
Depreciation charge (Note 3)	(2 657)	(547)
Closing net book amount as at 30 June 2018	51 636	6 329

11 Trade and other receivables

	30 June 2018	31 December 2017
Trade receivables	48 852	48 297
Less: provision for impairment of trade receivables	(13 356)	(13 495)
Trade receivables – net	35 496	34 802
Other receivables	2 898	1 345
Less: provision for impairment of other receivables	(86)	(18)
Other receivables – net	2 812	1 327
Loans granted	970	428
Less: provision for impairment of loans granted	(31)	(29)
Loans granted - net	939	399
Receivables from investment in bonds from other related parties	6 433	6 253
Less: provision for impairment of investment in bonds from other related parties	(804)	(784)
Receivables from investment in bonds from other related parties – net (Note 16)	5 629	5 469
Prepayments	9 901	8 154
Less: provision for impairment of prepayments	(85)	(85)
Prepayments - net	9 816	8 069
Trade receivables from related parties	4 521	1 424
Less: provision for impairment of trade receivables from related parties	(64)	(233)
Trade receivables from related parties - net (Note 16)	4 457	1 191
VAT receivables	7 437	5 997
Deferred charges	1 972	2 199
Accrued revenue	1 217	839
Security deposit	2 686	2 532
Other receivables from related parties	1 155	957
Less: provision for impairment of other receivables from related parties	(138)	(162)
Other receivables from related parties – net (Note 16)	1 017	795
Loans granted to related parties	897	897
Less: provision for impairment of loans granted to related parties	(25)	(25)
Loans granted to related parties – net (Note 16)	872	872
Deferred charges to related parties (Note 16)	6	20
Accrued revenue to related parties (Note 16)	28	-
Prepayments from related parties (Note 16)	23	20
Security deposits from related parties placed (Note 16)	28	25
	74 435	64 556
Less non-current portion :	(8 786)	(7 318)
Current portion :	65 649	57 238

12 Cash and cash equivalents

	30 June 2018	31 December 2017	30 June 2017
Cash and cash equivalents	6 887	8 636	8 858
Bank overdraft	(25 196)	(20 152)	(18 458)
	(18 309)	(11 516)	(9 600)

13 Inventories	30 June 2018	31 December 2017
Spare parts and materials – gross amount	27 068	25 390
Less: provision for impairment of inventories	(4 414)	(4 133)
Spare parts and materials	22 654	21 257
Goods for sale – gross amount	2 003	5 877
Less: provision for impairment of inventories	(357)	(1 009)
Goods for sale	1 646	4 868
Aircraft fuel	1 683	1 328
Work in progress	361	508
Goods in transit	-	632
Other inventories	1 510	1 185
	27 854	29 778

14 Trade and other payables	30 June 2018	31 December 2017
Trade payables	25 024	23 504
Accruals for hangar lease payments, PBH contracts and other accrued expenses	7 764	6 631
Salaries and social security payable	8 250	6 586
Provisions	227	321
Deferred revenue	1 006	954
Amounts payable to related parties (Note 16)	683	224
Other payables	1 100	985
	44 054	39 205
Less: non-current portion	(202)	(331)
Current portion	43 852	38 874

15 Business combination and disposals

Establishment in 2018

On 8 January 2018, Avia Solutions Group AB subsidiary BAA Training UAB established new subsidiary BAA Simulators 2 UAB. Registered capital is EUR 10 000. BAA Training UAB fully paid for share capital. The company is planning to provide lease of full flight simulators and other training equipment.

On 02 February 2018, Avia Solutions Group AB subsidiary BAA Training UAB established new subsidiary BAA Training Vietnam LLC. Registered capital is VND 454 000 000 (equivalent to EUR 16 thousand)). BAA Training UAB fully paid for share capital. The company is planning to provide training services and lease of full flight simulators.

On 28 February 2018, Avia Solutions Group AB established new subsidiary Avia Solutions Group (CY) LTD. Registered capital is EUR 1 000. Avia Solutions Group AB fully paid for share capital.

On 11 January 2018, Avia Solutions Group AB subsidiary Baltic Ground Services UAB established new subsidiary Baltic Ground Services DE GmbH. Registered capital is EUR 25 000. The company is providing fuel logistic services in Germany.

15 Business combination and disposals (continued)

Acquisitions in 2018

On 13 June 2018 Avia Solutions Group AB completed the acquisition of 100 percent of the share capital in a limited liability company DNIPROTRANSLOGISTYKA established and operating in Ukraine. Acquired company is involved in transport lease and to be further developed by Baltic Ground Services UAB, a direct subsidiary of Avia Solutions Group AB. According to the share sale and purchase agreement the purchase price was USD 3 850 thousand (equivalent to EUR 3 268 thousand). Details of purchase consideration and assets and liabilities arising from the acquisition are as follows:

	<i>DNIPROTRANSLOGISTYKA LLC - acquiree's fair value</i>
Property, plant and equipment	7 402
Deferred income tax assets	459
Trade and other receivables	307
Cash and cash equivalents	29
Non-current borrowings	(1 120)
Derivative financial instruments	(2 550)
Deferred income tax liabilities	(1 187)
Trade and other payables	(63)
Total identifiable net assets acquired	3 277
Purchase consideration – paid in cash	(3 268)
Excess of cost over fair value of acquiree's net assets (recognised in statement of comprehensive income)	9

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

Disposals and liquidations in 2018

On 25 May 2018, BAA Training UAB sold 100% of the share capital of BAA Simulators UAB to the Group company Baltic Ground Services UAB.

On 19 January 2018, Avia Solutions Group AB approved liquidator for its subsidiary FLT Trading House UAB.

On 14 March 2018, Avia Solutions Group AB subsidiary FL Technics Ulyanovsk OOO has been liquidated.

Establishment in 2017

On 6 March 2017, KIDY Tour OOO was established by Avia Solutions Group AB. Registered capital RUB 3 million (equivalent to EUR 49 thousand), Avia Solutions Group AB fully paid for share capital.

On 29 March 2017, Storm Aviation (Germany) GmbH. was established by the FL Technics UAB subsidiary Storm Aviation Ltd. Registered capital is EUR 12 500, Storm Aviation Ltd. fully paid for share capital.

On 3 July 2017, BGS Trans (Ukraine) LLC was established by the Baltic Ground Services UAB. Registered capital is UAH 149 100 (equivalent to EUR 5 thousand), Baltic Ground Services UAB fully paid for share capital.

On 9 October 2017, KIDY Tour SIA was established by Avia Solutions Group AB. Registered capital EUR 10 000, Avia Solutions Group AB fully paid for share capital.

On 24 October 2017, BAA Simulators UAB was established by BAA Training UAB. Registered capital EUR 10 000, BAA Training UAB fully paid for share capital.

15 Business combination and disposals (continued)

Acquisitions and disposals in 2017

On 1 April 2017, Avia Solutions Group AB sold 100% of the share capital of KlasJet UAB to subsidiary Jet Maintenance Solutions UAB at a consideration of EUR 47 thousand.

On 29 June 2017, Avia Solutions Group AB acquired 99.99885% of the share capital of FL Technics Ulyanovsk from subsidiaries FL Technics Line OOO and FL Trading House UAB at a consideration of EUR 177 thousand.

On 14 July 2017, Avia Solutions Group AB acquired 10% of the share capital of Laserpas UAB from the general director of Laserpas UAB at a consideration of EUR 319 and increased a control in the subsidiary to 100%.

On 8 August 2017, Avia Solutions Group AB sold 50% of the share capital of Laserpas UAB. European Union based investor acquired 500 000 newly issued ordinary registered shares of Laserpas UAB (50 per cent of the total registered share capital) for the total issue price of EUR 2 609 thousand. Avia Solutions Group AB committed to invest and invested to Laserpas UAB EUR 1 000 000. The Group retains the control in Laserpas UAB.

On 7 December 2017, FL Technics UAB additionally acquired 24% of the share capital of Avia Technics Dirgantara PT. from the third party. The investment for shares amounted to USD 374 400 (equivalent to EUR 318 thousand).

16 Related party transactions

Related parties of the Company and the Group include entities having significant influence over the Company, key management personnel of the Group and other related parties. Entities having significant influence over the Company and the Group are *ZIA Valda Cyprus Ltd* and *ZIA Valda AB* (the sole shareholder of *ZIA Valda Cyprus Ltd*). Transactions with these companies are presented separately. Related parties also include subsidiaries of *ZIA Valda AB* group. They are presented as other related parties. The following transactions were carried out with related parties:

	January – June	
	2018	2017
Sales of services to:		
Entities having significant influence	6	4
Other related parties	5 629	3 290
	5 635	3 294
Total sales of assets and services	5 635	3 294
Purchases of assets from:		
Other related parties	315	-
	315	-
Purchases of services from:		
Entities having significant influence	-	2
Other related parties	2 782	1 511
	2 782	1 513
Total purchases of assets and services	3 097	1 513

16 Related party transactions (continued)

	30 June 2018	31 December 2017
Trade receivables from related parties		
Receivables from investment in bonds from related parties (Note 11)	5 629	5 469
Trade receivables from entities having significant influence (Note 11)	1	2
Trade receivables from other related parties (Note 11)	4 456	1 189
Other receivables from related parties (Note 11)	1 017	795
Loans provided to other related parties (Note 11)	872	872
Accrued revenue to other related parties (Note 11)	28	-
Prepayments from related parties (Note 11)	23	20
Deferred charges to other related parties (Note 11)	6	20
Security deposit with lessor from related parties (Note 11)	28	25
	12 060	8 392
Payables and advances received from related parties		
Loans received from related parties	101	99
Advances received from related parties	775	620
Trade and other payables to entities having significant influence (Note 14)	-	1
Trade and other payables to other related parties (Note 14)	683	222
	1 559	942

17 Events after the reporting date

On 5 July 2018, *Avia Solutions Group AB* established new subsidiary *ALH Airlines Limited* (Malta). Registered capital is EUR 100 thousand. The company is planning to provide air transport services.

On 2 August 2018, the Extraordinary General Meeting of Shareholders of *Avia Solutions Group AB* decided to initiate delisting of all the outstanding shares of the Company from trading on the regulated market Warsaw Stock Exchange and non-continuation of the public offering of the shares of the Company.

CONSOLIDATED INTERIM REPORT

I. GENERAL INFORMATION

Reporting period

Six-month period ended 30 June 2018

Issuer and its contact details

Name of the Issuer

Avia Solutions Group AB

(hereinafter – ‘Avia Solutions Group AB’ or ‘the Company’)

Legal form

Public company (joint-stock company)

Date of registration

31 August 2010

Name of Register of Legal Entities

State Enterprise Centre of Registers

Code of enterprise

302541648

Registered office

Smolensko St. 10, LT-03201 Vilnius, Lithuania

Telephone number

+370 5 252 5500 / +44 20 808 99777

E-mail

info@aviasg.com

Internet address

www.aviasg.com

Persons responsible for the accuracy of the provided information:

Name	Position	Telephone number	E-mail
Jonas Janukenas	CEO of Avia Solutions Group AB	+370 5 252 5500	Jonas.Janukenas@aviasg.com
Aurimas Sanikovas	CFO of Avia Solutions Group AB	+370 5 252 5500	Aurimas.Sanikovas@aviasg.com
Daiva Sitonienė	Financial Reporting Manager of Avia Solutions Group AB	+370 5 252 5500	Daiva.Sitoniene@aviasg.com

Main activities

Avia Solutions Group AB is a holding company together with its subsidiaries (hereinafter collectively – the ‘Group’) engaged in delivering our clients integrated aviation related services.

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

- Aircraft and Helicopter Maintenance, Repair and Overhaul (MRO);
- Aircraft Ground Handling and Fuelling;
- Crew Training and Staffing;
- Private Jet Charter, Flight and Tour Operations;
- Unallocated segment.

Aircraft Maintenance, Repair and Overhaul (MRO)

Activities in our MRO business segment are conducted by FL Technics UAB (FL Technics), Jet Maintenance Solutions UAB (Jet Maintenance Solutions), FL Technics Line OOO (FL Technics Line), Locatory.com AB (Locatory.com), Helisota UAB (Helisota), Storm Aviation Limited (Storm Aviation), Storm Aviation (Cyprus) Limited (Storm Aviation Cyprus), Storm Aviation (Nigeria) Limited (Storm Aviation Nigeria), Storm Aviation (Germany) GmbH (Storm Aviation Germany), Avia Technics Dirgantara PT. and FL Technics Asia Co. Ltd and include: aircraft base and line maintenance; component management; engineering services; spare parts and consumable sales; technical training; consulting; engine maintenance management; defence aircraft component support; aircraft parts marketplace services; business jet maintenance and repair services and other related aircraft and helicopter maintenance services.

Base maintenance

FL Technics occupies 3 aircraft maintenance hangars together with administrative, warehouse and back shop facilities in Vilnius International Airport, Kaunas International Airport and Soekarno - Hatta International Airport, Jakarta – 31,200 sq. meters in total. The hangars are comprised of total 8 airframe maintenance bays with 3 more in Jakarta. Utilizing these hangars and the nearby premises FL Technics provides base maintenance services, including: aircraft base maintenance checks, structure inspection and structure repairs, routine maintenance, technical defect rectification, interior refurbishment, minor/major modifications (avionics, airframe), engine replacement, landing gear replacement and non-destructive testing.

Line maintenance

Line maintenance is defined as maintenance that is carried out before each flight to ensure that the aircraft is airworthy and fit for the intended flight and includes: daily service and weekly checks, unscheduled checks, 24/7 AOG support troubleshooting, defect rectification and minor component replacements. As at 30 June 2018 FL Technics, Storm Aviation, Storm Aviation (Cyprus), Storm Aviation Germany and Storm Aviation (Nigeria) collectively operated thirty eight line stations (at 31 December 2017 – thirty five line stations).

Continuing airworthiness management (engineering) services

FL Technics provides comprehensive engineering management services to the aircraft operators, airlines and leasing companies. Basic engineering services provided by FL Technics include: aircraft airworthiness review and renewal, engine condition monitoring, aircraft weighting, flight data read-out, monitoring and analysis and ageing aircraft programs.

Spare parts and consumable sales

Spare parts and consumable sales are carried by the Group through FL Technics and FL Technics Line. The Group provides comprehensive spare parts management services including: planning/provisioning, purchasing, inventory control, asset management, warehousing and distribution of spare parts and consumables. One of the core competences of the Group is expanded own stock of spare parts and components in a number of locations, such as London, Vilnius, Moscow. Stock and in-house capabilities are listed in databases such as ILS, Parts Base and Locatory.com. FL Technics provides cost saving programmes for airlines and component repair management. In addition to ad hoc and pool agreements, the power-by-the-hour (PBH), Consumable Support products, full wheels and brakes (W&B) programs, including pool of W&B assets, repairs and logistics are provided by FL Technics for existing and new customers.

Technical training and consulting services

FL Technics provides technical training for aviation specialists involved in the maintenance and repair of aircraft, as well as other specialized training programs and consulting services. The training programs, which are drawn up in accordance with the requirements of EASA, cover four main areas: basic maintenance training, aircraft type training, specialized aviation training and other consulting services. FL Technics has developed specialized online training program specifically for aircraft technical professionals worldwide: www.147training.com. Specialized aviation training includes auditors training (theory and practice), wheels and brakes training, avionics components maintenance training, implementing rules – PART-M and PART-145 training, human factors training, fuel tank safety training, quality systems training, aviation legislation training, aircraft structure repair training, engineering and planning procedures training, material management and logistics training, escape slides and life preservers maintenance training and engine borescope inspection (CFM56-3) training.

Engine and Components management services

FL Technics provides comprehensive engine and component management services aimed at saving its customers' time and money. Scrap replacement materials are provided during a shop visit. FL Technics also offers a number of alternative options to deal with the engine, landing gear, APU and other components' problems, including exchange, sale, purchase and lease of an engine or other components.

Defence aircraft component support

FL Technics provides comprehensive spare parts support and overhaul of components for various types of defence aircraft. It has possibilities to support defence vehicles with spare parts supply, overhaul and modernization services.

Other MRO services

Other MRO services are mainly comprised of non-destructive testing (eddy current, magnetic particle, dye penetrate and ultrasonic) of airframes and components services provided by FL Technics, and of aircraft parts marketplace services provided by Locatory.com. Locatory.com develops and maintains its own trading platform catered specifically to the aircraft spare parts aftermarket while offering proactive customer support and enhancing the industry with effective supply chain management solutions. Locatory.com developed Sensus MRO a web-based ERP solution for the MRO industry, which easily integrates with other software services and ensures connectivity.

Business jet MRO

Business jet MRO operations are carried by the Group through *Jet Maintenance Solutions*. The subsidiary is a global provider of tailor-made maintenance, repair and overhaul services for business aviation. Certified as an EASA Part-145 organization, *Jet Maintenance Solutions* serves business aircraft registered in the Russian Federation, Belarus, Turkmenistan, Kazakhstan, Ukraine, Lebanon, Nigeria, Aruba, Bermuda and Cayman Islands. This company is the first service centre in the region authorized to provide warranty support for Tronair's ground support equipment (GSE) and is appointed by Rockwell Collins as an Authorized Business and Regional Systems (BRS) Dealer. *Jet Maintenance Solutions* provides base maintenance services for Hawker Beechcraft BAe 125 (Hawker Beechcraft 700 / 750 / 800 / 800XP / 850XP / 900XP), Bombardier CL-600-2B19 (Bombardier CRJ100/200 and Bombardier Challenger 850), Bombardier CL-600-2B16 (Bombardier Challenger 604/605) and Bombardier BD-700 (Bombardier Global 5000/6000) aircraft type families.

Helicopter MRO

Helisota is an international provider of integrated maintenance, repair and overhaul (MRO) services for rotor craft aviation. The company is an EASA Part 145 maintenance organisation for Robinson and Airbus Helicopters, Part 145 organisation and Part 147 organisation as well as an authorized Robinson Helicopters Company service center. *Helisota* is also approved by Interstate Aviation Committee (IAK) as Overhaul and Repair station, Holds GosNII GA and ASA100 approvals for supply of aviation spares. Furthermore, *Helisota* is approved under quality management system ISO 9001, AQAP-2120 quality requirements. Based on certificates and years of experience *Helisota* is able to offer a list of services for various government and private rotor craft operators worldwide: helicopters MRO, component MRO, spare parts supply, helicopters sales, upgrades and modernization.

Aircraft Ground Handling and Fuelling

Aircraft ground handling and fuelling services are conducted by Subsidiaries of the Company, namely: Baltic Ground Services UAB (*Baltic Ground Services LT*), Baltic Ground Services Sp.z.o.o. (*Baltic Ground Services PL*), Baltic Ground Service UA TOV (*Baltic Ground Service UA*), Baltic Ground Services RU OOO (*Baltic Ground Services RU*), Baltic Ground Services EE OÜ (*Baltic Ground Services EE*), Baltic Ground Services CZ s.r.o. (*Baltic Ground Services CZ*), Baltic Ground Services LV SIA (*Baltic Ground Services LV*) and Baltic Ground Services DE GmbH.

The above mentioned companies are jointly referred to as *Baltic Ground Services*. *Baltic Ground Services* is a regional group of ground handling companies, which provide full range of aircraft ground handling and fuelling services. As at 30 June 2018, *Baltic Ground Services* activities were concentrated in main airports of Lithuania, Latvia, Estonia, Poland, Ukraine and Russia. In the 1st half of the year, *Baltic Ground Services* started its fuel logistics activities in Germany and Russia. *Baltic Ground Services* expands its network and continues to develop its activities in aforementioned regions.

Crew Training and Staffing

Crew training and staffing operations are carried through BAA Training UAB (*BAA Training*) and AviationCV.com UAB (*AviationCV.com*).

Certified as the Approved Training Organization (ATO), *BAA Training* offers Fixed or Rotary wing Ab Initio, Type Rating, Cabin Crew, Ground Handling, Flight Dispatcher and UAV/UAS training solutions including online training courses. Headquartered in Vilnius, Lithuania, the academy provides custom training solutions combined with personal care and seeks to establish itself as a globally recognised leading aviation training centre.

BAA Training occupies approx. 4 000 sq. meters. The training centre is divided into Ab Initio school and Type Rating training learning complex with modern auditoriums, rest areas, dining rooms and specialised training facilities equipped with FNPT II (Flight Navigation Procedures Trainer), A320 FTD (Flight Training Device), Boeing 737-300/400/500, Airbus A320 Full Flight Simulators (FFS), Real Fire Fighting and Smoke Trainer, A320 Door Trainer and A320 Slide; aircraft fleet of 4 Cessna 172S, 11 Tecnam P2002JF and 2 Tecnam 2006T. The fleet of *BAA Training* is located and practical training conducted in S. Dariaus and S. Girėno, Istra, Kyviskes aerodromes and also a new flight base in in Spain, Lleida to ensure year-round flight training for all airline cadets. Ab initio department signed partnership contracts with 7 different airlines for Cadet Pilot programmes last year.

BAA Training offers training solutions for more than 15 types of aircraft on 86 Full Flight Simulators at more than 30 locations in Europe, North and South Americas, Africa and Asia. Furthermore, a new training centre in Vietnam has been established in the beginning of 2018. An agreement was signed to purchase 3 simulators - two of them, Airbus A320 and Boeing 737NG, will be placed in Lithuania, Vilnius in September, and one, Airbus A320, will be placed in new training centre in Vietnam. Additional 3 simulators in Vietnam will be placed in the next couple of years. Course completion certificates issued by *BAA Training* are valid in all EASA countries as well as in Belarus, Jordan, Laos, Kazakhstan, Kyrgyzstan, Kenya, Nepal, Republic of Korea, Russia, Seychelles, Tanzania, Tajikistan and Ukraine and many other countries.

Moreover, *BAA Training* created and is constantly developing MOMook - intelligent business management software designed specifically for aviation training centres. MOMook also offers an integrated solution for efficient and cost-effective tracking of aircrafts – Flight Tracker. SimHelp, yet another business line of *BAA Training*, is the first point of contact for FFS Operators regarding spare parts supply. In 2016 *BAA Training* launched Embllick – an internal Avia Solutions Group training and competency centre, which is also open for other organizations.

The new business line TAPK PILOTU is working to promote an advanced pilot studies model. The first-of-its-kind study project will enable students to gain the pilot's profession by providing them with financial solution and facilitating employment in the first officer's position right after the completion of training. The study program includes ATPL training, Type Rating and Line Training as a whole package. It is aimed at preparing the top-level specialists qualified to work as experienced commercial pilots. The partnership with the pilot recruitment agency is to ease the placement of the new pilots to the wide network of airlines globally. First students will be starting their training in autumn of the year 2018.

The business line EMBLICK offers human recourse training programs (mainly for sales force and middle management) based on main aviation training principles, search and selection of various non-aviation specialists and pilot assessment services. In 2018 EMBLICK is also launching a special non-aviation competencies' development program for Ab Initio students.

AviationCV.com is a global provider of aviation specialist resourcing solutions for airlines, MRO providers and other industry players. The company runs a job search portal (www.aviationcv.com) for flight crew members, aircraft engineers and other aviation specialists aimed at meeting short and long term human resource needs of the global aviation industry.

Private Jet Charter, Flight and Tour Operations

The Group is involved in private jet charter operations related activities conducted through KlasJet UAB. *KlasJet* is a charter carrier (EASA AOC holder), specializing in private and corporate flights as well as comprehensive aircraft management solutions. With a fleet of business jets based in Vilnius, Lithuania, as well as other airports across Russian Federation, Eastern Europe and the CIS, *KlasJet* is perfectly positioned to provide VIP flight services to customers and partners at any place and time. *KlasJet* offers its customers, aircraft owners, maintenance and refurbishment solutions, CAMO support, crew recruitment and training solutions, spare parts and components supply.

The Group is involved in flight operations related activities conducted through its subsidiary, Laserpas UAB. In March 2015 Laserpas started its operations as an international remotely piloted airborne system (RPAS) operator, offering comprehensive and tailor-made UAV solutions to accommodate a wide array of customer needs in a variety of industries. Laserpas is the first independent RPAS operator in the Baltic States, engaged in the activity of developing state-of-the-art payload control and image processing systems. The company also conducts high-precision, long distance UAV and manned helicopter operations, providing its customers with actionable data and professional support. In 2016 Laserpas has executed first commercial contracts, and currently has pending contracts in Serbia, Brazil, Peru and Chile. Currently Laserpas is able to use both – its own and leased UAVs and manned helicopters.

KIDY Tour UAB, KIDY Tour OÜ, KIDY Tour OOO and KIDY Tour SIA collectively represent Tour Operations companies. The purpose of companies' activities is to provide clients with tour operator as well as other related services. Currently companies are offering a wide range of holiday tours into Turkish and Egypt resorts. In order to become one of the leading travel operators in Baltic States, Kidy Tour companies are actively working on introducing new travel destinations.

The Company's vision and mission

The Company's vision is to be the best partner in aviation related services in the region. By employing professionalism of our employees, taking responsibility and being flexible in finding the best way to improve any situation we enable customers to focus on their core activities. The Group's mission is to create value for shareholders and customers by providing professional and high-quality aviation related services.

As on 30 June 2018, the Group consisted of the parent company, *Avia Solutions Group AB*, (registered on 31 August 2010, code 302541648, name of the Register of Legal Entities: State Enterprise Center of Registers; address: Smolensko St. 10, LT-03201 Vilnius tel.: +44 20 808 99777; e-mail: info@aviasg.com; internet address: www.aviasg.com) and its effective subsidiaries and associate:

Name of the company	Date of registration, code, name of Register of Legal Entities	Contact details	Effective holding of the Company (%)
Avia Solutions Group (CY) LTD	28 February 2018, code HE380586, Ministry of Commerce, Industry and Tourism, Department of Registrar of Companies and Official Receiver Nicosia	28 Oktovriou, 1, Engomi Business Center BLC E, Flat/Office 111, Egkomi, 2414, Nicosia, Cyprus info@aviasg.com, www.aviasg.com	100.00
AviationCV.com UAB	13 April 2011, code 302615625, Register of Legal Persons of the Republic of Lithuania	Saltoniškių str. 29, LT-08105, Vilnius, Lithuania tel. +44 203 468 7523, info@aviationcv.com, www.aviationcv.com	100.00
BAA Training UAB	22 November 2006, code 300618099, Register of Legal Persons of the Republic of Lithuania	Dariaus ir Girėno st. 21, LT-02189 Vilnius, Lithuania tel. +370 5 2525536, fax. +370 5 2525537, info@baatraining.com, www.baatraining.com	100.00
BAA Simulators UAB	24 October 2017, code 304700437, Register of Legal Persons of the Republic of Lithuania	Dariaus ir Girėno st. 21, LT-02189 Vilnius, Lithuania tel. +370 5 252 55 92, fax. +370 5 252 50 07	100.00***
BAA Simulators 2 UAB	8 January 2018, code 304742048, Register of Legal Persons of the Republic of Lithuania	Dariaus ir Girėno st. 21, LT-02189 Vilnius, Lithuania tel. +370 5 2525536, fax. +370 5 2525537, info@baatraining.com, www.baatraining.com	100.00
BAA Training Vietnam LLC	2 February 2018, code 0314876711, Department of Planning and Investment of Ho Chi Minh city Business registration office	4th floor, Hai Au Building, 39B Truong Son, Ward 4, Tan Binh Dist, Ho Chi Minh City, Vietnam info@baatraining.com, www.baatraining.com	100.00
FLT Trading House UAB	26 May 2010, code 302514409, Register of Legal Persons of the Republic of Lithuania	Žirmūnų st. 139, LT-09120, Vilnius, Lithuania tel. +44 20 808 99777	100.00
Helisota UAB	7 May 1997, code 134953768, Register of Legal Persons of the Republic of Lithuania	Europos Ave. 5, LT-46329 Kaunas, Lithuania tel. +370 3 742 1637, fax. +370 3 742 0420, helisota@helisota.com, www.helisota.com	100.00
Kauno aviacijos gamykla UAB	16 July 1993, code 133745440, Register of Legal Persons of the Republic of Lithuania	Europos Ave. 21, LT-46329 Kaunas, Lithuania tel. + 370 3 742 0395, fax. +370 3 742 0994 kag@kaunas.omnitel.net	100.00*
Jet Maintenance Solutions UAB	11 June 2007, code 300869952, Register of Legal Persons of the Republic of Lithuania	Smolensko st. 10A, LT-03201 Vilnius, Lithuania tel. +370 5 252 5662, info@jetms.aero, www.jetms.aero	100.00
KIDY Tour UAB	3 December 2015, code 304147043, Register of Legal Persons of the Republic of Lithuania	Konstitucijos ave. 12-2, LT-09038, Vilnius, Lithuania, tel. +370 5 2078070, info@kidytour.lt, www.kidytour.lt	100.00
KIDY Tour OÜ	20 November 2006, code 11324349, Centre of Registers and Information Systems	Narva str. 7-352, Kesklinna district, Tallinn 10117, Estonia, tel. +372 6108000, info@kidytour.ee, www.kidytour.ee	100.00
KIDY Tour OOO	6 March 2017, code 1177746219969, State Register of Legal Entities of Russian Federation	Four Winds Plaza, 1st Tverskaya-Yamskaja Str., 21, 125047, Moscow, Russia, tel. +7 495 233 32 99, fax +7 495 956 10 06 info@kidytour.ru, www.kidytour.ru	100.00
KIDY Tour SIA	9 October 2017, code 50203097901, State Enterprise Register	Dzirnavu Street 57A-4, Riga, LV-1010, Latvia tel. +371 67660656, info@kidytour.lv, www.kidytour.lv	100.00
KlasJet UAB	9 October 2013, code 303163347, Register of Legal Persons of the Republic of Lithuania	Smolensko st. 10, LT-03201 Vilnius, Lithuania tel. +370 6 332 2768, fax. +370 5 252 5529 info@klasjet.aero, www.klasjet.aero	100.00**

Name of the company	Date of registration, code, name of Register of Legal Entities	Contact details	Effective holding of the Company (%)
Laserpas UAB	4 July 2011, code 302644356, Register of Legal Persons of the Republic of Lithuania	Smolensko st. 10B, LT-03201 Vilnius, Lithuania tel. +370 5 2525500, fax. +370 5 2525501, info@laserpas.com, www.laserpas.lt	50.00
Locatory.com UAB	7 December 2010, code 302572273, Register of Legal Persons of the Republic of Lithuania	Smolensko st. 10, LT-03201 Vilnius, Lithuania tel. +370 520 75423, info@locatory.com, www.locatory.com	95.00
Baltic Ground Services UAB	11 August 2005, code 300136658, Register of Legal Persons of the Republic of Lithuania	Rodūnios road 6, LT- 02187 Vilnius, Lithuania tel. +370 5 252 55 92, fax. +370 5 252 50 07, info@bgs.aero, www.bgs.aero	100.00
Baltic Ground Services Sp.z.o.o.	15 April 2010, code 0000353957, Register of Entrepreneurs of the National Court Register held by the District Court for the Capital City of Warsaw in Warsaw, XIII Commercial Division of the National Court Register	Komitetu Obrony Robotników 45 B, 02-146 Warsaw, Poland, tel. +48 22 256 99 00 info.waw@bgs.aero, www.bgs.aero	100.00***
Baltic Ground Services UA TOV	29 August 2011, code 37856865, State Register of Legal Entities and Individual Entrepreneurs of Ukraine	Muzeinyi lane, 4, 01001, Kyiv, Ukraine tel. +380 96 731 59 76, info@bgs.aero, www.bgs.aero	50.00***
Baltic Ground Services RU OOO	23 March 2015, code 1155040001973, State Register of Legal Entities of Russian Federation	Zhukovskiy-5, 140185, Moscow region, Russian Federation, tel. +7 495 922 40 07 info.mow@bgs.aero, www.bgs.aero	100.00***
Baltic Ground Services EE OÜ	15 July 2015, code 12890890, State Enterprise Register	Lennujaama st. 13, Tallinn, Harju Region 11101, Estonia, www.bgs.aero	100.00***
Baltic Ground Services LV SIA	12 December 2012, code 40103619641, State Enterprise Register	Nakotne street 3, Riga Airport, Marupe district, LV-1053, Latvia, tel. +37167280007, info.lv@bgs.aero, www.bgs.aero	51.00***
Baltic Ground Services CZ s.r.o.	31 December 2015, code 04681061, State Enterprise Register	Mošnov 413 , 742 51, Czech Republic Tel. +420 777 147 856 Info.cz@bgs.aero	100.00***
BGS Trans UA LLC	3 July 2017, code 41429950, State Register of Legal Entities and Individual Entrepreneurs of Ukraine	Muzeinyi lane, 4 Kyiv 01001, Ukraine, tel. +380 50 533 21 11, www.bgs.aero	100.00***
Baltic Ground Services DE GmbH	19 December 2017, code HRB35050, Amtsgericht Nürnberg, State Register of Legal Entities and Individual Entrepreneurs of Federal Republic of Germany	Flughafenstr. 118, D-90411, Nürnberg, Germany www.bgs.aero	100.00***
DNIPROTRANS-LOGISTYKA LLC	24 April 2000, code 30944148, State Register of Legal Entities and Individual Entrepreneurs of Ukraine	30A Zhylianska street, office 57, Kyiv, Ukraine www.bgs.aero	100.00***
FL Technics UAB	22 December 2005, code 300517602, Register of Legal Persons of the Republic of Lithuania	Rodūnios road 18, LT-02188 Vilnius, Lithuania tel. +370 5 252 5015, fax. +370 5 252 5646, info@fltechnics.com, www.fltechnics.com	100.00
Avia Technics Dirgantara PT.	5 August 2014, code (TDP) No.09.04.1.33.39698, Ministry of Justice and Human Rights	Bandara Soekarno-Hatta International Airport, Tangerang, Banten 19120, Indonesia, indonesia@fltechnics.com	49.00****
FL Technics Asia Co. Ltd.	4 January 2016, code 0105559000107, The Bangkok Partnerships/Companies Registry Office	184/30 Forum Tower 12A Fl. Ratchadaphisek Road, Huay Khwang, Bangkok 10320, Thailand tel. +66 204 75458, asia@fltechnics.com	99.997****
FL Technics Line OOO	3 August 2011, code 7746600289, State Register of Legal Entities of Russian Federation	Vnukovo International Airport, 2nd Reysovaya Street 2, Building 5, Moscow, Russia tel. +7 915 270 4220, fax. +370 5 252 5646, line@fltechnics.com, www.fltechnicsline.com	93.00****
Storm Aviation Ltd	30 September 2011, code 05229468, The Registrar of Companies for England	The Diamond Hangar, Long Border Road, Stansted Airport, Essex, CM24 1RE, Great Britain, tel. +44 1279 681330 line@stormaviation.com, www.stormaviation.com	100.00****

Name of the company	Date of registration, code, name of Register of Legal Entities	Contact details	Effective holding of the Company (%)
Storm Aviation (Cyprus) Ltd.	30 September 2011, code HE290461, Ministry of Commerce, Industry and Tourism, Department of Registrar of Companies and Official Receiver Nicosia	Rafail Santi 58, Nefeli Court 11, 1st floor, Flat/Office 104-105, 6052, Larnaca, Cyprus www.stormaviation.com	100.00*****
Storm Aviation (Nigeria) Ltd	26 August 2016, code RC1357613, Corporate Affairs Commission Federal Republic of Nigeria	Suite 7, Second Floor, Ibukun House 70, Adetokunbo Ademola Street, Victoria Island, Lagos State, Nigeria, tel. +234 (0) 909 999 3057	100.00*****
Storm Aviation (Germany) GmbH	29 March 2017, code HRB 80251, German Commercial Register	Königsallee 70, 40212, Düsseldorf, Germany tel +44 (0) 7476 328085	100.00*****
Avia Solutions Group B.V.	21 March 2014, code 60335653, The Dutch Chamber of Commerce	Keizersgracht 241, 1016EA Amsterdam, the Netherlands	30.00
Avia Solutions Group Airports Management LLC	14 March 2014, code 1147746272190, State Register of Legal Entities of Russian Federation	Four Winds Plaza, 1st Tverskaya-Yamskaja Str., 21, 125047, Moscow, Russia tel. +7 495 232 0139, fax +7 495 232 0139 info@ramport.aero , www.ramport.aero	30.00*****
RAMPORT AERO JSC	30 July 2014, code 1145040008827, State Register of Legal Entities of Russian Federation	Four Winds Plaza, 1st Tverskaya-Yamskaja Str., 21, 125047, Moscow, Russia tel. +7 495 232 0139, fax +7 495 232 0139 info@ramport.aero , www.ramport.aero	22.50*****
RAMPORT SECURITY LLC	6 May 2015, code 1155040003051, State Register of Legal Entities of Russian Federation	Narkomvoda St. 23, 140180, Zhukovsky, Moscow Region, Russia tel. +7 495 232 0139, fax +7 495 232 0139 info@ramport.aero , www.ramport.aero	22.50*****
RAMPORT Aviation Commerce JSC	19 December 2012, code 1125040004033, State Register of Legal Entities of Russian Federation	Garnaeva St. 2A, building 14, room 11, 140180, Zhukovsky, Moscow Region, Russia tel. +7 495 228 96 22, aviacom@ramport.aero	22.50*****
ZIA CARGO JSC	29 September 2016, code 1165040055938, State Register of Legal Entities of Russian Federation	Narkomvod St. 23, 140180, Zhukovsky, Moscow Region, Russia tel.+7 495 228 9626 info@ziac.aero , ww.ziac.aero	11.47*****

* - Shareholding through Helisota UAB

** - Shareholding through Jet Maintenance Solutions UAB

*** - Shareholding through Baltic Ground Services UAB

**** - Shareholding through FL Technics UAB

***** - Shareholding through Storm Aviation Limited

***** - Shareholding through associate Avia Solutions Group B.V.

Information about date of acquiring/establishment and activity of Group's subsidiaries is provided in Note 1 of the Group's Financial Statements for the six-month period ended 30 June 2018.

As at 30 June 2018 the Company had one representative Office in the Russian Federation, Four Winds Plaza, 1st Tverskaya-Yamskaja Str., 21, Moscow, Russia , Moscow and no branches.

Agreements with intermediaries of public trading in securities

Securities' accounting services are performed by Orion Securities UAB FMI (code 122033915), A. Tumėno St. 4, B corps, 7 floor, LT-01109 Vilnius.

II. FINANCIAL AND OPERATIONAL INFORMATION

During the six-month period ended 30 June 2018 *Avia Solutions Group AB* and its subsidiaries (hereinafter – the Group) generated net profit of EUR 4.0 million (during the same period in 2017 - almost EUR 0.8 million). Comparing with six-month period ended 30 June 2017 the consolidated revenue from continuing operations has increased up to EUR 204 million, or by 21% as compared with EUR 169 million.

The major events to the Group's structure during six-month period ended 30 June 2018 were as follows:

Date	Operating Segment	Event
June 2018	Aircraft Ground Handling and Fuelling	<i>BAA Simulators UAB</i> acquired 100% of the share capital of <i>DNIPROTRANS-LOGISTYKA LLC</i> established and operating in Ukraine. Acquired company is involved in transport lease and to be further developed by <i>Baltic Ground Services UAB</i> , a direct subsidiary of <i>Avia Solutions Group AB</i> .
May 2018	Aircraft Ground Handling and Fuelling	<i>BAA Training UAB</i> sold 100% of the share capital of <i>BAA Simulators UAB</i> to <i>Baltic Ground Services UAB</i> .
March 2018	Aircraft and Helicopter Maintenance, Repair and Overhaul (MRO)	<i>Avia Solutions Group AB</i> subsidiary <i>FL Technics Ulyanovsk OOO</i> has been liquidated.
February 2018	Unallocated segment	<i>Avia Solutions Group AB</i> established a new subsidiary named <i>Avia Solutions Group (CY) LTD</i> , where it holds 100 per cent of shareholding.
February 2018	Crew Training and Staffing	<i>BAA Training UAB</i> established a new subsidiary named <i>BAA Training Vietnam LLC</i> , where it holds 100 per cent of shareholding.
January 2018	Aircraft and Helicopter Maintenance, Repair and Overhaul (MRO)	<i>Avia Solutions Group AB</i> approved liquidator for its subsidiary <i>FLT Trading House UAB</i> .
January 2018	Aircraft Ground Handling and Fuelling	<i>BAA Training UAB</i> established a new subsidiary named <i>BAA Training Vietnam LLC</i> , where it holds 100 per cent of shareholding.
January 2018	Crew Training and Staffing	<i>BAA Training UAB</i> established a new subsidiary named <i>BAA Simulators 2 UAB</i> , where it holds 100 per cent of shareholding.

The consolidated financial statements of the Group have been prepared according to International Financial Reporting Standards as adopted by the European Union.

Key figures of the Group

Financial ratios	January - June	
	2018	2017
Return on equity (ROE)* (%)	6.1	1.3
Gearing ratio** (%)	37.7	26.6
Equity to total assets ratio*** (%)	37.2	38.6
Liquidity ratio	1.1	1.2
Number of full-time employees at the end of the period	2 503	2 143

* - *Return on equity (ROE)* = Net profit for the period / Total equity

** - *Gearing ratio* = Net debt / (Net debt + Total equity), *Net debt* = Borrowings – Cash and cash equivalents

*** - *Equity ratio* = Total equity / Total assets

Key figures of the Group (continued)

Financial figures	January - June		Change
	2018	2017	
Revenue (EUR thousand)	204 172	168 797	+21%
Operating profit (EUR thousand)	5 461	2 310	+136%
Operating profit margin (%)	2.7	1.4	+1.3 p.p.
Profit (loss) before income tax (EUR thousand)	5 189	897	+478%
Net profit (loss) for the period (EUR thousand)	4 038	768	+426%
Net profit (loss) for the period margin (%)	2.0	0.5	+1.5 p.p.
Profit (loss) for the year attributable to equity holders of the parent	4 763	1 370	+248%
Earnings per share (EUR)	0.612	0.176	+248%
Weighted number of shares (thousand)	7 778	7 778	-

Operating figures	January - June		Change
	2018	2017	
Number of SOLD man-hours in base maintenance	215 468	268 889	-20%
Number of SOLD man-hours in engineering	34 499	36 566	-6%
Number of SOLD man-hours in maintenance training	6 235	5 752	+8%
Number of line stations as at 30 June	38	31	+7
Number of aircrafts served	9 020	7 134	+26%
Number of passengers served	991 377	683 663	+45%
Logistics (km)	4 036 730	2 745 480	+47%
Volume of fuel sold (tonnes)	119 355	118 743	+1%
AbInitio - Number of SOLD flight hours	4 871	2 033	+140%
AbInitio - Number of SOLD FNPT hours	1 314	250	+426%
TRTO - Number of sold theoretical training hours	7 117	9 105	-22%
TRTO - Number of sold practical training (FFS) hours	9 261	13 125	-29%

Revenue related to continuing operations

The total consolidated Group's revenue for the six-month period ended 30 June 2018 was EUR 204 million, an increase by 21 per cent over the total revenue of EUR 169 million for the six-month period ended 30 June 2017.

During the period revenue growth was noticed in all business segments as compared to the same period in 2017. *Aircraft and helicopter maintenance, repair and overhaul segment* revenue to external customers increased by EUR 11.9 million and amounted to EUR 86.1 million in the first half year 2018 as compared to EUR 74.2 million during the same period in 2017, which is a 16% increase. The growth was driven primarily by increase in spare parts/consumables and engine management services, where revenue to external customers from these services increased by EUR 8.1 million and amounted to EUR 43 million during 2018 as compared to EUR 34.9 million in 2017 same period.

In the first half-year 2018 *ground handling and fuelling segment* revenue to external customers increased by EUR 15.7 million (increase of 21%) and amounted to EUR 92.0 million as compared to EUR 76.3 million during the same period in 2017. The increase was caused by increase in fuel price benchmark, significantly increased fuel logistic services and new contracts with clients signed. *Baltic Ground Services* has started expansion to other countries and significantly strengthen position in existing airports.

Crew training and staffing business segment's revenue to external customers has increased by EUR 0.4 million (increase of 4%). During the 2018 subsidiaries offering training services generated revenue in amount of EUR 9.0 million as compared to EUR 8.6 million during the same period in 2017. The most significant amount in this segment was generated from FTO (AbInitio) sales.

During the six-month period ended 30 June 2018 *private jet charter, flight and tour operations* segment generated revenue in amount of EUR 16.4 million, as compared to EUR 9.3 million during the same period in 2017, which is an increase of 76%. *KIDY Tour* started its tour operator activity in April 2017. During the first half-year 2018 *KIDY Tour* generated EUR 9.9 million revenue contributing to the segment's revenue.

Operating expenses related to continuing operations

In the first half-year 2018 the change in expenses was due to the higher amounts sold and increase in fuel prices. The most significant element in expenses is aircraft fuel expenses which totalled to EUR 78.2 million (increase of EUR 11.9 million compared to EUR 66.3 million during the same period in 2017).

Due to higher volume of sales, cost of goods purchased during the six month period of 2018 increased by EUR 7.7 million (increase of almost 26.1%) to EUR 37.3 million as compared with EUR 29.6 million in the 2017. The most significant increase of these expenses was noted in MRO and ground handling and fuelling business segments. Costs of purchased services increased by EUR 3.5 million to EUR 27 million during the first half of 2018. Rent and maintenance of premises expenses in the first half-year 2018 has not changed significantly and remains at the same level.

The Group expanded the number of employees, therefore, employee related expenses during the six-month period ended 30 June 2018 increased by 25.1% and equalled to EUR 34.8 million compared with EUR 27.8 million during the same period in 2017.

Net financial costs decreased primarily as a result of foreign exchange gain on financing activities for the six-month period ended 30 June 2018.

Balance sheet and cash flow

During the first half-year 2018 total assets of the Group increased by EUR 26.1 million or 17.1% comparing with EUR 152.4 million as at 31 December 2017 primarily due to significant investments made to property, plant and equipment in ground handling and fuelling, pilot and crew training business segments, additionally, due to increase of trade receivables in aircraft and helicopter maintenance, repair and overhaul segment.

During the six-month period ended 30 June 2018 total liabilities increased by EUR 22.2 million up to EUR 112.0 million primarily due to increase in borrowings received as the Group made significant investments to property, plant and equipment during the six month period of 2018.

During the six-month period ended 30 June 2018 net cash flow used in investing activities was EUR 14.7 million. The Group invested EUR 11.0 million to purchase property, plant and equipment.

During the six-month period ended 30 June 2018 net cash flow from financing activities was EUR 4.4 million which was primarily due to bank borrowings received.

Information about related party transactions

Information about related party transactions is provided in Note 16 of the Group's Financial Statements for the period ended 30 June 2018.

Related parties include the following:

- Entities having significant influence over the Company and the Group;
- Associates of the Group;
- Subsidiaries of the Company;
- Key management personnel of the Company and the Group;
- Other related parties.

Following the International Financial Reporting Standards as adopted by the EU, the parties related to the Company and the Group are the Company's subsidiaries and associates, entities having significant influence over the Company, key management personnel of the Group and other related parties. Entities having significant influence over the Company and the Group are ZIA Valda Cyprus Ltd and ZIA Valda AB (the sole shareholder of ZIA Valda Cyprus Ltd). Transactions with these companies are presented separately. Related parties also include subsidiaries of ZIA Valda AB group. They are presented as other related parties. Transactions with related parties are carried out based on the arm's length principle.

The Company and its subsidiaries are providing to each other business consulting and management services, aircraft maintenance, providing of spare parts, private jet charter services. During the six-month period ended 30 June 2018 amount of sales of consulting and management services from the Company to its related parties were EUR 1 588 thousand (during the same period 2017: EUR 1 278 thousand). During the first half year of 2018 amount of sales of aircraft maintenance services from the Group to related parties was EUR 3 438 thousand (during the same period 2017: EUR 2 223 thousand). During the six-month period ended 30 June 2018 amount of purchases of premises lease services was EUR 814 thousand (during the same period 2017: EUR 770 thousand).

Investments related to continuing operations

The Group has significant investments in Property, plant and equipment as well as Intangible assets for the total amount of EUR 15.9 million (during the same period in 2017: EUR 2.6 million). The majority of capital investments from continuing operations (EUR 8.4 million) went to the development of crew training and staffing segment. The remaining part was invested into a property of aircraft maintenance, repair and overhaul business segment and aircraft ground handling and fuelling business segment.

Investments ('000 EUR)	January - June		Change
	2018	2017	
Aircraft maintenance, repair and overhaul business segment	1 736	1 787	-3%
Aircraft ground handling and fuelling business segment	5 408	561	+864%
Crew training and staffing business segment	8 466	136	+6125%
Unallocated business segment	115	61	+88%
Private Jet Charter, Flight and Tour business segment	216	35	+517%
Total investments	15 941	2 580	+518%

All details concerning the assets of the Group are presented in the Consolidated Interim Financial Statements for the six-month period ended 30 June 2018 (Notes 3, 10).

Research and development activities

During the six-month period ended 30 June 2018 the Group invested into on-going improvements of Group's services and especially:

- (a) Web-based aviation training management software MOMook dedicated for ATO, Type Rating Training Centers, Ab Initio Training Centers, and airlines with training centers;
- (b) Virtual reality Training program;
- (c) Development of modern web-based and cloud-enabled operation management solution for airports and ground handling operators. SENSUS.AERO provides following modules: AODB (Airport Operational Data Base), RMS (Resource Management System), FIDS (Flight Information Display System), PA (Public Announcement), Quality Control System, GSE (Ground Service Equipment) management, commerce and billing, reporting, Rostering (Staff planning), Slot Coordination System, Fuel Operation management, Fuel Storage Management and DCS (Departure Control System);
- (d) XML invoicing for all Baltic Ground Services clients project. Already some of clients are satisfied with the invoicing upgrade and numerous are in process to receive a specific XML format adjusted by each airlines accountancy needs;
- (e) Implemented e-learning system for faster, cheaper and better quality employee trainings. This system also helps to standartize employee training throughout the whole Group;
- (f) Started using video surveillance cameras to monitor quality of ground handling and fueling operations. It allows fast and easy control of operations, reducing the risk of errors and increasing operations efficiency;
- (g) *Laserpas* is currently in experience-gathering stage, performing 100-5000km projects as proof of concept to customers around the globe, with aim of achieving annual contracts. Additionally, *Laserpas* is currently carrying out the project "UAB "Laserpas" development of monitoring system on power grids", which is jointly financed from European Union structural funds;
- (h) Development of Enterprise Resource Planning system for aviation MRO organizations – Sensus MRO. In 2017-2018, the following modules were developed: System Core: System Configuration Management, User Permission Management, RESTful API, Third Party Solution Integration, Reporting, Powerful Search, Customized View, Data Changelog. Bidding and Quoting: Customer Profiles Management, Aircraft Management, Workscope Loading, Historical Data Analysis And Estimation, Project Budgeting And Quoting. Planning: Project Creation Based On Quotation, Hangar Slot Planning, Task And Subtask Planning, Tooling And Resource Pre-draw, Project Status Tracking And Change Management, Contract Costing Management. Executing: Work Orders Management, Material Management, Time And Labour Tracking, Structure Shop Maintenance Execution, Customer Portal. Operations Support: Human Resource Management, Tools Management, PQF And Authorization Management. Release and Invoicing: Maintenance Cost Administration, Invoicing Data Preparation, Performance Analysis, Project Closure;
- (i) The service of Secure Money Transactions, implemented on Locatory.com marketplace;
- (j) Shipping Services on Locatory.com marketplace, which allows users to calculate shipping costs, provides competitive prices that can reduce the costs and allows to order aircraft parts shipping directly on the marketplace;
- (k) Advertising Placement on the popular Locatory.com aircraft parts search engine which attracts 800 000 visitors a year;
- (l) Locatory.com keeps developing Sensus MRO ERP system and had several successful system presentations to one of the largest Switzerland MRO organizations.

Environmental protection

In its activities, the Group uses innovative means and the modern technological processes that meet all ecological standards and help reduce the negative impact on the environment.

Risk management

The main risk factors associated with the activities of the Group are as follows:

- Strategic risk;
- Demand for aviation services;
- Changes in the legal regulation of the Group's activities;
- Competition with other market players;
- Currencies' exchange rates fluctuation;
- General economic situation in the Republic of Lithuania;
- Changes in the Lithuanian legislation;
- Safety, Health and Environmental (SHE) risks.

Strategic risk arises from adverse or erroneous business decisions, improper decisions implementation or lack of response to any political or regulatory developments. During the six-month period ended 30 June 2018 the Group was constantly monitoring its' strategic risk.

Demand for aviation services risk is a risk of getting lower profit than planned due to adverse changes in aviation services market. During the six-month period ended 30 June 2018 the Group has not experienced any significant adverse changes in aviation services market.

Changes in the legal regulation of the Group's activities risk is a risk of an increase in the loss and (or) loss of goodwill and a decrease of trust which can be due to external factors (such as law violations, regulatory non-compliance, failure to comply with contractual obligations with third parties) or internal factors (such as violations of ethical standards, failure to comply with internal regulations internal fraud, etc.). Legal department manages legal compliances risks – lawyers are involved in agreement review process.

An economic downturn could have a significant detrimental effect on the achievement of the targets. This effect could be aggravated by *volatility in currencies*. The sensitivities to variations in several key currencies are analysed at the end of the year. The Group will proceed with its profit protection plans, including further control on operating working capital.

The Group has strict safety policies which mitigate *Safety, Health and Environmental (SHE) risks*.

Competition with other market players risk arises when price pressure and other competitive challenges may cause the profitability of the Group's activities to deviate from the projected levels. Companies' management is constantly monitoring the market and relevant decisions to increase competitiveness are being made.

The Group's activities expose it to the following financial risks: market risk (including foreign exchange risk, and cash flow and fair value interest rate risk), credit risk, liquidity risk.

The Group's Policy for Treasury Management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects of the financial performance of the Group. The Company's financial risk management is carried out by the CEO, CFO and the Management Board.

Plans and forecasts

In the second half of 2018 the Group will strive for revenue increase in all business lines with the focus on lean operations and profitability. The Group will also work on managing start-ups and implementation of IT solutions for overall business effectiveness. It is expected to continue sustainable growth and geographical expansion.

III. INFORMATION ABOUT SHARE CAPITAL AND SHAREHOLDERS

Share capital

On 30 June 2018 the share capital of the Company amounts to EUR 2 255 555 and consists of 7 777 777 ordinary registered shares with a nominal value of 0.29 Euro each. All shares carry equal voting rights. All shares are fully paid up.

Share premium as at 30 June 2018 amounts to EUR 33 133 thousand.

Shareholders

On 30 June 2018 the Company had twenty one shareholders whose shares were accounted in Lithuanian securities depository system. The shares of remaining shareholders were accounted in Polish securities depository system. Due to prevailing private information protection laws in Poland, Polish National Depository for Securities is not able to provide the Company with information about number of Company's shareholders whose shares are accounted in Polish securities depository system.

Shareholders, holding more than 5 per cent of the share capital and votes, as on 30 June 2018 and as on 14 August 2019:

No.	Name of the shareholder	Company code and address	Number of ordinary registered shares owned by the shareholder	Share of the share capital (%)	Share of votes given by the shares owned by the right of ownership (%)
1.	ZIA Valda Cyprus Ltd.	Company code: HE 270489 Address: 1 Avlonos Street, Maria House, 5th floor, 1075 Nicosia, Cyprus	2 175 045	27.96	27.96
2.	HAIFO LTD	Company code: HE 270472 Address: Arch. Makariou III, 1 Mitsi Building 3, 2 nd floor, Office 211, 1065 Nicosia, Cyprus	906 720	11.66	11.66
3.	Indeco: Investment and Development UAB	Company code: 300134995 Address: Žirmūnų Street 139, Vilnius, Lithuania	832 666	10.71	10.71
4.	Mesotania Holdings Limited	Company code: HE 280922 Address: 1 Avlonos Street, Maria House, 5 th floor, Nicosia, Cyprus	699 115	8.99	8.99
5.	Harberin Enterprises Limited	Company code: HE 268672 Address: 7 Florinis, Greg Tower, 6 th floor, Cyprus	605 227	7.78	7.78
6.	Other shareholders	-	2 559 004	32.90	32.90
Total			7 777 777	100.00	100.00

The number of shares directly owned by the Management of the Company, members of the Management Board and Supervisory Council as on 30 June 2018 and as on 14 August 2018 is listed in the table below:

Name	Role in the Company's Management	Number of shares	%
Mr Aurimas Sanikovas	Member of the Management Board, CFO of Avia Solutions Group AB	69 377	0.89
Mr Žilvinas Lapinskas	Member of the Management Board, CEO of FL Technics UAB	32 960	0.42
Mr Anatolij Legenzov	Member of the Management Board (until 29 March 2018), CEO of Helisota UAB	29 302	0.38

Information about the number of shares directly or indirectly owned by the Management of the Company, members of the Management Board and Supervisory is available on the Company's website:

<https://www.aviasg.com/en/investor-relations/shareholders.html>

Treasury stocks

On 30 June 2018 neither the Company nor its subsidiaries hold any treasury stock.

Acquisition of treasury stocks

Under applicable Lithuanian laws a qualified $\frac{3}{4}$ majority of votes of shareholders is required to adopt a resolution on the acquisition of its own shares. The Company is not entitled to exercise property and non-property rights conferred by such shares.

The Company may acquire its own shares under the following conditions: a) the acquisition of its own shares shall occur within a period of eighteen months after the resolution of the General Shareholders' Meeting specifying the terms, conditions and purpose for the acquisition of its own shares is adopted; (b) the total nominal value of the shares to be acquired shall not exceed one-tenth of the share capital of the Company; (c) after the acquisition of its own shares, the Company's equity shall not fall below the sum of the paid share capital, mandatory reserve and the reserve for acquisition of own shares; (d) price for the treasury shares shall be paid from a special reserve for acquisition of its own shares which has to be formed by the Company prior to acquisition; (e) acquired shares shall be fully paid; (f) acquisition of its own shares by the Company shall ensure equal possibilities for all shareholders to sell their shares to the Company.

Shares that were acquired infringing the above listed requirements (a)-(d) must be sold within twelve months from the acquisition of these shares. If the shares are not sold during this period, then the corresponding portion of the share capital of the Company must be annulled.

Shall the Company undertake no actions to annul the preference shares which were acquired infringing the above listed requirements, the share capital shall be reduced accordingly by the court decision. The right to apply to the court shall be vested in the manager of the Company, the Management Board, the shareholder and the creditor. The General Manager of the Company shall be responsible for compliance with the requirements set for the acquisition of the treasury shares of the Company.

Shareholders' rights

None of the shareholders of the Company have any special controlling rights. Rights of all shareholders are equal. The number of *Avia Solutions Group AB* shares that provide voting rights during the General Meeting of Shareholders amounts to 7,777,777. One ordinary registered share of *Avia Solutions Group AB* gives one vote in the General Meeting of Shareholders. The Company and its' subsidiaries do not own any shares of the Company.

The Company is not aware of any agreements between the shareholders that could limit transfer of securities and/or their ability to exercise their voting rights, except for notification received from HAIFO LTD on exceeding threshold of 75% of votes at the general meeting of shareholders in *Avia Solutions Group AB* in connection with entering into acting in Concert Agreement. The Notification is announced in Warsaw Stock Exchange and is available on the Company's website (<https://www.aviasg.com/en/major-event/avia-solutions-group-ab-notice-of-the-receipt-of-notification-on-exceeding-threshold-of-75-of-votes-at-the-general-meeting-of-shareholders-in-avia-solutions-group-ab.html>). The Acting in Concert Agreement was concluded solely for matters related to the public tender offer for the Company's shares.

Type of shares	Number of shares	Nominal value in EUR	Total nominal value in EUR	ISIN
Ordinary registered shares	7,777,777	0.29	2,255,555	LT0000128381

Information about trading in the Company's securities

On 3 March 2011 shares of the Company were introduced to trading at Warsaw Stock Exchange (code: AVIASG).

On 2 August 2018 the Extraordinary General Meeting of Shareholders of *Avia Solutions Group AB* decided to initiate delisting of all the outstanding shares of the Company from trading on the regulated market Warsaw Stock Exchange and non-continuation of the public offering of the shares of the Company.

Securities of the Company's subsidiaries are not traded publicly.

Dividends

The Company has not paid out to the shareholders any dividends.

IV. PERSONNEL

On 30 June 2018 the number of employees was 2 503, while the total number of Group's staff has increased by 206 (which amounts to 9.0% increase). The most significant positive change (above 10%) has occurred in following companies: AviationCV.com, BAA Training UAB, Baltic Ground Services UAB, Baltic Ground Services RU UAB, Baltic Ground Services EE, UAB, Baltic Ground Services LV, Locatory.com UAB, Storm Aviation Germany, KIDY Tour UAB, KIDY Tour OÜ, KIDY Tour LV, KlasJet and Laserpas UAB due to further expansion of offered services and growth of sales.

The breakdown of the number of full-time employees by the Group's companies as at 30 June 2018 and as at 31 December 2017:

The Group's companies	30 June 2018	31 December 2017	Change
Avia Solutions Group AB	79	72	+7
Avia Solutions Group CY Ltd	-	-	-
AviationCV.com UAB	47	38	+9
BAA Training UAB	139	118	+21
BAA Training Vietnam Ltd	1	-	+1
BAA Simulators 2 UAB	-	-	-
Baltic Ground Services UAB	328	294	+34
BAA Simulators UAB	-	-	-
Dniprotranslogistyka	1	-	+1
Baltic Ground Services Sp.z.o.o.	88	86	+2
Baltic Ground Services UA TOV	32	33	-1
Baltic Ground Services RU OOO	215	122	+93
Baltic Ground Services EE OÜ	7	4	+3
Baltic Ground Services LV SIA	14	10	+4
Baltic Ground Service CZ s.r.o.	5	5	-
Baltic Ground Services Trans UA LLC	1	1	-
Baltic Ground Service DE GmbH	14	-	+14
Laserpas UAB	18	14	+4
FL Technics UAB	824	836	-12
Jet Maintenance Solutions UAB	104	100	+4
FL Technics Line OOO	3	3	-
FLT Trading House UAB	-	-	-
Locatory.com UAB	37	29	+8
Storm Aviation Ltd.	110	107	+3
Storm Aviation (Cyprus) Ltd.	3	3	-
Storm Aviation (Nigeria) Ltd.	3	4	-1
Storm Aviation (Germany) GmbH	6	5	+1
KlasJet UAB	29	24	+5
Helisota UAB	195	203	-8
Kauno aviacijos gamykla UAB	3	5	-2
KIDY Tour UAB	24	20	+4
KIDY Tour OÜ	14	12	+2
KIDY Tour OOO	1	4	-3
KIDY Tour LV	7	4	+3
Avia Technics Dirgantara P.T.	139	130	+9
FL Technics Asia Co. Ltd.	12	11	+1
Number of all full-time employees at the end of the period	2 503	2 297	+206

The breakdown of the Group's number of full-time employees and average salaries by categories during six-month period ended 30 June 2018:

Employee category	Number as on 30 June 2018	Average monthly salary, EUR	Number as on 31 December 2017	Average monthly salary, EUR
Management (first and second level managers)	414	2 759	363	2 598
Specialists (qualified and/or certified, if the Company requires)	1 634	1 530	1 449	1 434
Other operative staff	455	879	485	809
Number of full-time employees at the end of the period from continuing operations only and weighted average monthly salary (before taxes)	2 503	1 615	2 297	1 486

The breakdown of the Group's number of part-time employees and average salaries by categories during six-month period ended 30 June 2018:

Employee category	Number as on 30 June 2018	Average monthly salary, EUR	Number as on 31 December 2017	Average monthly salary, EUR
Management (first and second level managers)	24	1 788	23	1 139
Specialists (qualified and/or certified, if the Company requires)	64	655	64	459
Other operative staff	35	577	33	585
Number of part-time employees at the end of the period from continuing operations only and weighted average monthly salary (before taxes)	123	854	120	624

The breakdown of the Group's number of employees (including part-time employees) by education level:

Education level	30 June 2018	31 December 2017
University third cycle studies (doctoral, postgraduate and residency studies)	4	4
University second cycle studies (master and specialized professional studies)	553	508
First cycle studies (bachelor studies, including non-university studies)	1 046	980
Secondary professional education	459	367
Secondary education	520	520
Primary education	31	35
Other	13	3
Number of employees (including part-time employees) at the end of the period	2 626	2 417

The breakdown of the Company's number of full-time employees and average salaries by categories:

Employee category	Number as on 30 June 2018	Average monthly salary, EUR	Number as on 31 December 2017	Average monthly salary, EUR
Management (first and second level managers)	17	3 778	14	3 638
Specialists (qualified and/or certified, if the Company requires)	48	1 313	45	1 289
Other operative staff	14	979	13	1 071
Number of full-time employees at the end of the period and weighted average monthly salary (before taxes)	79	1 784	72	1 706

The breakdown of the Company's number of part-time employees and average salaries by categories:

Employee category	Number as on 30 June 2018	Average monthly salary, EUR	Number as on 31 December 2017	Average monthly salary, EUR
Management (first and second level managers)	4	754	3	420
Specialists (qualified and/or certified, if the Company requires)	2	1 120	1	1 715
Other operative staff	1	51	3	215
Number of part-time employees at the end of the period and weighted average monthly salary (before taxes)	7	758	7	517

The breakdown of the Company's number of employees (including part-time employees) by education level:

Education level	30 June 2018	31 December 2017
University third cycle studies (doctoral, postgraduate and residency studies)	3	3
University second cycle studies (master and specialized professional studies)	35	31
First cycle studies (bachelor studies, including non-university studies)	41	37
Secondary professional education	1	1
Secondary education	6	7
Number of employees (including part-time employees) at the end of the period	86	79

V. MANAGING BODIES OF THE ISSUER

According to the Articles of Association of *Avia Solutions Group AB*, the managing bodies of the Company are General Meeting of Shareholders, the Supervisory Council, the Board and the Head of the Company (the General Director).

The Supervisory Board is responsible for the supervision of activities of the Company and its management bodies. Board is responsible for the strategic management of the Company (including the appointment and removal of the General Director), whereas the General Director manages day-to-day operations of the Company and has the exclusive right to represent the Company in relations with third parties.

The decisions of the General Meeting made regarding the matters of competence of the General Meeting, are binding upon the Shareholders, the Supervisory Council, the Board, General Director and other officials of the Company. The Shareholders of the Company have the right to participate in the General Meeting.

The Supervisory Council is a collegial supervisory body, which is responsible for supervising the activities of the Company and its management bodies, the appointment and removal of the members of the Management Board, submitting its comments and proposals to the General Meeting on the Company's operating strategy, set of annual financial statements, draft of profit/loss appropriation, the annual report of the Company, the activities of the Management Board and the General Director, submitting proposals to revoke decisions of the General Meeting, Management Board or General Director, etc. The Supervisory Council consists of three members for a term of four years. Two members of the Supervisory Council comprise an Audit Committee. On 10 June 2016 during the meeting of the Supervisory Council it was decided to terminate the activities of previously established Nomination and Remuneration Committee of the Supervisory Council.

The Audit Committee is a collegial body, which is established to observe the integrity of financial information, review internal controls and risk management systems, ensure the effectiveness of internal control functions, make recommendations to the Supervisory Council in relation to the selection of the audit firm, etc. The members of the Committee as well as its' Chairman are appointed by the Supervisory Council. The Supervisory Council has the right to withdraw the Audit Committee in corpore or its' individual members and to appoint a new Audit Committee or individual members of the Audit Committee.

Members serving on the Board of the Company are acting jointly as a governing body of the Company. The Board approves the operating strategy, the annual report of the Company, the management structure of the Company and the positions of the employees, the positions to which employees are recruited by holding competitions, regulations of branches and representative offices of the Company, etc. The Board consists of five members. The members of the Board are elected for a term of four years. The Chairman of the Board is elected by the Board from its members for four years. The members of the Board are elected by the Supervisory Council in accordance with the procedure established by the Law on Companies of the Republic of Lithuania.

The Board elects and recalls the General Director, sets his/her remuneration and other conditions of the employment agreement, approves his/her office regulations, induces and applies penalties to him/her. The General Director is the Head of the Company. The Head of the Company is a one-man management body of the Company and, within his scope of authority, organizes the day-to-day operation of the Company.

Procedure for amending the Company's Articles of Association

Avia Solutions Group AB Articles of Association provides that present Articles of Association of the Company may be amended in the manner prescribed by the Lithuanian Company Law.

The Supervisory Council activities

According to the Articles of Association the Supervisory Council should be comprised of three members.

During the six-month period ended 30 June 2018 three meetings of the Supervisory Council were held. The Supervisory Council reviewed and discussed the Group's Consolidated Financial Information for the year 2017, elected new members of the Company's Management Board and Supervisory Council's Chairman and elected the new members of the Company's Audit Committee.

Members of the Supervisory Council

According to the decision of the Extraordinary General Meeting of Shareholders on 24 September 2014 the number of the members of the Supervisory Council was decreased to 3.

On 30 April 2018 during the Annual Meeting of Shareholders Mr Vladas Bagavičius, Mr Tadas Goberis and Ms Karolina Savickaite were elected as the new members of the Supervisory Council.

Currently the Supervisory Council is comprised of three members elected for the tenure of four years. The table below indicates the elected members of the Supervisory Council at the balance sheet date:

Name	Position within the Company	In the position	
		Since	Until*
Supervisory Council			
Mr Vladas Bagavičius	Chairman of the Supervisory Council (the independent member)	28 April 2017	30 April 2022
Mr Tadas Goberis	Member of the Supervisory Council (the independent member)	28 April 2017	30 April 2022
Ms Karolina Savickaite	Member of the Supervisory Council (the independent member)	30 April 2018	30 April 2022

* - but, in any case, not longer than Annual Shareholders' Meeting to be held in April 2022.

Information about all members of the Supervisory Council is presented below:

Mr Vladas Bagavičius. Mr Vladas Bagavičius graduated from the Vilnius University, Faculty of Law in 1997. Mr Vladas Bagavičius is experienced in legal and management issues. He started his career in 1996 in area of securities market and related legal matters. Since 1999 till 2010 he lectured at International Business School of Vilnius University. From 2008 till 2017 Mr Vladas Bagavičius acted as a member/chairman of the Management Board in Agrowill Group AB (presently, AUGA group AB). He successfully led company through restructuring case, creating additional value for investors by merging Agrowill Group AB with Baltic Champs, UAB into one of the biggest agricultural units in Central and Eastern Europe.

Mr Tadas Goberis. Mr Tadas Goberis has obtained an exceptional level of experience in the sales and organization management, accumulated during almost 20 years of professional activity in aviation and IT industry. He started his career as a Sales Manager in 1999 at Baltic Amadeus UAB, the first IT company in Lithuania, providing programming and IT services. In 2001 Mr Tadas Goberis joined Sonex kompiuteriai UAB as a Project Manager, where he supervised and lead large IT projects. Four years later he was appointed as the Director of TetraneTA UAB, a daughter company of Sonex Group, which has provided IT outsourcing services in the market. In 2006 Mr Tadas Goberis joined Hewlett-Packard UAB, the Lithuanian branch of one of the world's leading IT technology vendor, Hewlett-Packard. Over the following two and a half years, Mr Tadas Goberis proved to be true and dedicated sales professional and was subsequently appointed to the position of Sales Director in Lithuania. In 2013, Mr Tadas Goberis was promoted to the position of the Sales Director in the Baltic States thus taking the lead of the entire sales team and organization for the region's three countries. The diverse experience Mr Tadas Goberis has accumulated throughout his successful professional career has lead him to the current position of the General Manager of AviaAM Leasing in 2013. Since 2014 Mr Tadas Goberis also acts as a Chairman of the Management Board of AviaAM Leasing AB. Mr. Goberis obtained a bachelor's degree in Business Management at Vilnius Gediminas Technical University, is regular speaker at professional aviation summits and conferences.

Ms Karolina Savickaite. Ms Karolina Savickaite has started her career as an financial advisor for EU projects, while creating financial models, performing feasibility studies, advising during project implementation. During the year 2013 - 2017 Karolina Savickaite acted as a Board Member for the steel production company Profileksas, UAB, while closely participating in budgeting, financial reporting and long - term strategy development process. In 2014 Karolina continued her career as an audit associate in PricewaterhouseCoopers, Lithuania and in 2017 she left the company as senior associate with experience of performing, supervising and executing of audit engagements performed in accordance with the IFRS and US GAAP. Karolina Savickaite has principal expertise in auditing entities from a wide range of sectors such as investment, banking, energy and utilities, logistics, manufacturing, retail, real estate and pharmacy. From 2017 she is acting as the Chief Financial Officer of ŽIA Valda, AB. From April, 2018 Karolina Savickaite is as a member of the Supervisory Board of Avia Solutions Group, AB.

The Audit Committee activities

During the six-month period ended 30 June 2018 one meeting of the Audit Committee was held. The Committee selected audit company for 2018-2019 period.

According to the Regulations of the Audit Committee the main functions of this committee are as follows:

- to observe the integrity of financial information provided by the Company with particular attention to the relevance and consistency of methods used by the Company and the Group;
- at least once a year to review internal controls and risk management systems to ensure that the main risks (including the risk associated with compliance with the existing laws and regulations) are properly established, managed and information of them is disclosed;
- to ensure the effectiveness of internal control functions;
- to make recommendations to the Supervisory Council with regard to the selection of external audit firm, its appointment, reappointment and dismissal, and with the terms and conditions of agreement with the audit firm. The Committee shall examine situations in which the audit firm or an auditor has a basis to resign, and provide recommendations on actions required in such case;
- to monitor the independence and objectivity of the external audit firm, to check whether the audit firm takes into account the requirements in relation to the audit partner rotation, inspect the amount of remuneration paid by the Company to the audit firm and other matters;
- to check the effectiveness of the external audit process and the administration's response to the recommendations made by the external auditor's firm in the letter to management;
- to decide and approve whether the Committee is satisfied with the independence of the audit process, providing a brief description of the steps taken to reach the appropriate conclusions.

Members of the Audit Committee

According to the Supervisory Council meeting held on 24 September 2014 the number of the members of the Audit Committee was reduced to 2. On 1 June 2017 during the meeting of the Supervisory Council Mr Vladas Bagavičius and Mr Tadas Goberis were elected as the new members of the Company's Audit Committee.

The table below indicates the elected members of the Audit Committee at the balance sheet date:

Name	Position within the Company	In the position	
		Since	Until*
Audit Committee			
Mr Tadas Goberis	Member of the Audit Committee	1 June 2017	30 April 2022
Mr Vladas Bagavičius	Chairman of the Audit Committee (the independent member)	1 June 2017	30 April 2022

* - but, in any case, not longer than Annual Shareholders' Meeting to be held in April 2022.

Information about members of the Audit Committee is presented in paragraphs above.

According to the Supervisory Council meeting held on 10 June 2016 the activities of the Nomination and Remuneration Committee were terminated.

The Board Activities

During the six-month period ended 30 June 2018 twenty eight meetings of the Board were held. During all Board meetings there was quorum prescribed by legal acts. The Board approved to take a loan from a third party by a Group company, to issue loans to Group and other related companies, approved the purchase and selling of property, plant and equipment by Group, approved guarantee and surety agreements of the Group companies, adopted a decision to prolong surety ship agreement under amended terms, agreed to amend and conclude new bank overdraft agreements with Group companies, prolong the pledges of the property and loan subordination agreement, decided on implementation of student's financing project. The Board approved the acquisition of 100% of share capital in Dniprotranslohistyka OOO from third party, selling of 100% of share capital in BAA Simulators UAB to a Group company, establishment of voluntary reserve by one of Group companies as well commencing procedure of liquidation of one of Group companies. During the meetings the set of annual financial statements of the Group and the Company as well as profit allocation for 2017 were approved. The Board re-elected Mr Gediminas Žiemelis as its Chairman.

Members of the Board

Currently the Management Board consists of five members. The Supervisory Council of Avia Solutions Group AB on 30 April 2018 elected the new members of the Management Board of the Company.

The table below indicates the elected members of the Board at the balance sheet date:

The table below indicates the elected members of the Board at the balance sheet date.

Name	Position within the Company	In the position	
		Since	Until*
Management Board			
Mr Gediminas Žiemelis	Chairman of the Management Board	25 April 2014	30 April 2022
Mr Aurimas Sanikovas	Member of the Management Board	25 April 2014	30 April 2022
Mr Linas Dovydenas	Member of the Management Board	8 September 2017	30 April 2022
Mr Žilvinas Lapinskas	Member of the Management Board	25 April 2014	30 April 2022
Mr Ricardas Laukaitis	Member of the Management Board	29 March 2018	30 April 2022

* - but, in any case, not longer than Annual Shareholders' Meeting to be held in April 2022.

Information about all members of the Board is presented below:

Mr Gediminas Žiemelis. Mr Gediminas Žiemelis has a unique management and advisory experience. He started his career in 1999 as the Deputy Manager of the Vindication and Fraud Division in Lithuania Savings bank, AB (currently, Swedbank, AB), the Department of Problematic Assets and Vindication (1999–2001). He acted as the General Manager of Zvilgsnis is arciau UAB (2001–2005) (currently named Creditinfo UAB), which was engaged mainly in debt recovery and credit risk management, the General Manager of ZIA VALDA AB (2002–2006). Mr Gediminas Žiemelis is a Chairman of the Management Board in ZIA VALDA AB since 2008 and was a Business development Manager since 2007 till 2009. Mr Gediminas Žiemelis is the Chairman of the Management Board in Avia Solutions Group AB and the Manager of the Development Department since 2009 and was a member of the Supervisory Board in Agrowill AB (2004–2010) (currently AUGA group AB). Mr Gediminas Žiemelis also acted as a chairman of the Management Board of AviaAM Leasing AB (2012–2014).

During Mrs Gediminas Žiemelis carrier he led 3 companies to IPO, supported and consulted Chinese Banks, led a team of experts in a successful working session of the establishment of a Joint Venture with the Henan Province and China Aviation Agency. Mr Gediminas Žiemelis actively participated in the creation of more than 10 successful startups like: Locatory.com, Laserpas.com, Skycop.com, AviationCV.com, etc.

Mr Gediminas Žiemelis obtained a bachelor's degree at the Faculty of Business Management in the Vilnius Gediminas Technical University, Lithuania in 1999 and a master's degree at the Faculty of Law in the Mykolas Romeris University, Lithuania in 2004. He has also finished the Program for Leadership Development (PLD) in the Harvard Business School, Boston, MA, U.S.: Accelerating the Careers of High-Potential Leaders. Mr Gediminas Žiemelis was selected twice among the top 40 most talented young industry leaders by Aviation Week & Space Technology and is a member of the YPO (Young Presidents Organization) organization.

Mr Aurimas Sanikovas. Mr Aurimas Sanikovas started his career as an audit associate in PricewaterhouseCoopers, Lithuania in 2001. In 2007 his last position held at the company was that of a manager. He performed supervision and execution of audit engagements performed in accordance with the IAS and US GAAS. Mr Aurimas Sanikovas has principal expertise in telecommunications, IT, manufacturing, construction, consumer products and energy sectors. From 2007 till 2010 he acted as the Chief Financial Officer of Avia Solutions Group Holdings AB. Mr Aurimas Sanikovas also acted as a member of the Management Board of Avia Asset Management AB (2008–2010), a member of the Management Board of FL Technics (2008–2010) and a member of the Management Board of Small Planet Airlines Sp.z.o.o. and Small Planet Airlines AS (2009–2010). He has also acted as the Interim General Manager of Avia Funds Management UAB (2010–2011). Moreover, since 2010 until January 2017 Mr Aurimas Sanikovas was a member of the Supervisory Board of Agrowill Group AB (presently, AUGA group AB). From 2012 Mr Aurimas Sanikovas is as a member of the Management Board of AviaAM Leasing AB. His main responsibilities at the Group include control of operations of subsidiaries, leading budgeting, reporting, treasury and risk management functions, finance function staffing, fund raising, deal structuring, tax planning and managing resolution of finance related issues. Mr Aurimas Sanikovas obtained his bachelor's and master's degrees in economics at the Faculty of Economics, Vilnius University, Lithuania with an exchange term in the University of Copenhagen. Since 2006 Mr Aurimas Sanikovas is a fellow of the Association of Chartered Certified Accountants (ACCA).

Mr Linas Dovydenas. Mr Linas Dovydenas started his career in 1995 in Sanitex UAB, Lithuania. He worked for this company for 7 years and his last two positions held at the company were Key Account Manager and Regional Manager Horeca. From 2002 to 2007 he acted for Philip Morris Baltic States. He held the following positions at the company: Supervisor Key Accounts Baltic States, Manager National Sales Estonia, Manager Customer Development Lithuania and Manager National Sales Lithuania. Mr Linas Dovydenas joined the Group in 2008. He held a position of the Chairman of the Supervisory Board of Small Planet Airlines AS and was a member of the Management Board in FL Technics. Mr Linas Dovydenas from 2012 to 2014 was a member of the Management Board of AviaAM Leasing AB. During 2010 to 2017 he held position of General Manager and from 2017 he acts as a Chief Commercial Officer at the Company. He is in charge of developing and implementing global sales strategy for all Group companies with a special focus on corporate expansion in South East Asia, Asia, Africa and South America. In 1997 Mr Linas Dovydenas obtained a bachelor's degree in Business and Business Administration at the Faculty of Economics, Vilnius University, and in 2006 he obtained an executive MBA at the Baltic Management Institute.

Mr Žilvinas Lapinskas. Mr Žilvinas Lapinskas has a deep international business expertise. He started his career as sales manager in Rubikon Prodimpeksas, since 1999 worked in City Service – OMX listed company, where he held CCO and Head of Facilities Management Department positions prior to becoming CEO in 2004. Mr Žilvinas Lapinskas took LEAN 6 Sigma Implementation courses as well as Facilities Management course at Dalkia Facility Management, Stocholm, Sweden. Mr Žilvinas Lapinskas holds a bachelor degree in Business management. Since November 2013 Mr Žilvinas Lapinskas is CEO at FL Technics UAB.

Mr Ričardas Laukaitis. Mr Ričardas Laukaitis began his career in 1995 as Director of Trade Finance Department at Hermis Bank (SEB) where he worked for 5 years. Over the period 2000 – 2008, Mr Ricardas Laukaitis worked for NORD/LB Lietuva as Head of Large Corporate Clients Department. From 2002 to 2003, he acted for Vilnius Gediminas Technical University as Lecturer of Corporate Finance. In 2008 Mr Ricardas Laukaitis began to work as Member of Supervisory Council at UAB DnB Nord Asset Management and worked there for 4 years. During the period 2009 – 2017, he started to work at DNB where he held a position of Director of Large Corporate Department. In 2017, Mr Ricardas Laukaitis joined Avia Solutions Group where he acts as Deputy CEO. In 1996, Mr Ricardas Laukaitis obtained a bachelor's degree in Mechanical Engineering at Vilnius Gediminas Technical University. In 1997 he continued his studies and graduated from Vilnius Gediminas Technical University where he obtained a master's degree in Corporate Finance. In 2001, Mr Ricardas Laukaitis, obtained PhD in Economics at Vilnius Gediminas Technical University.

Members of the Company's Administration

Company's Administration consists of three key executives: the Chief Financial Officer, the Director of Development and the General Director. All the employees of the Company are directly subordinated and report to the General Director.

Name	Position within the Company	In the position	
		Since	Until
Key Executives			
Mr Jonas Janukėnas	General Manager	07 November 2017	Indefinite
Mr Aurimas Sanikovas	Chief Financial Officer	30 September 2010	Indefinite
Mr Gediminas Žiemelis	Director of Development	30 September 2010	Indefinite

Mr Jonas Janukėnas. Mr Jonas Janukėnas started his career in 1998 at Arthur Anderson. He worked for this company for 3 years and his held position at the company was Senior Risk Management Consultant. From 2001 to 2007, he acted for Litesco, UAB as a Finance Director. In 2007 -2013 period, he joined City Service, AB as a Director of Finance and Administration. From 2012 to 2017 Mr Jonas Janukėnas was Mano bustas, UAB (City Service operations in Lithuania) Chairman of the Board. From 2014 to 2017 he was Member of the Management Board and CEO of City Service, SE. Mr Jonas Janukėnas joined the Company in 2017. He held a position of Advisor to the Chairman of the Board. From November 2017 he acts as a General Manager of the Company. From February 2018 he is a member of the Supervisory Board of AviaAM Leasing AB.

Information about Mr Gediminas Žiemelis and Mr Aurimas Sanikovas is presented in paragraphs above.

Members of Supervisory and Management Boards do not receive salary except if they are employed by the Group.

Information about total amounts calculated (excluding salary if the person is employed in the Company) for Management groups of the Company and the Group during the first half-year of 2018 and 2017:

Position ('000 EUR)	January - June	
	2018	2017
<i>Remuneration of key management of the Company</i>		
Members of Supervisory Board	37	-
Members of Management Board	2	2
Company's Administration (General Manager, Chief Financial Officer)	122	76
<i>Remuneration of key management of the Group</i>		
Members of Supervisory Board	37	-
Members of Management Board	2	2
Administration of Group's Companies (General Managers, Chief Financiers)	1 034	1 020

Average monthly salary of the Group's General Managers and Chief Financiers:

Position (EUR)	January - June	
	2018	2017
Company's Administration (General Manager, Chief Financial Officer)	10 166	5 982
Administration of Group's Companies (General Managers, Chief Financiers)	4 926	4 394

There were no annual compensation (tantiemes) paid to the Company's Management, to the Company's Board members or Company's Supervisory board member during six-month period ended 30 June 2018.

During the six-month period ended 30 June 2018 there were no guarantees or sponsorship granted to the members of the Supervisory or Management Boards or Management by the Company as well as none of subsidiaries paid salaries or other pay-outs to the members of the Boards or the employees of the Company for being members of their managing bodies, except one loan which constituted EUR 272 as at 30 June 2018. According to this loan agreement the employee has the right to put back the shares to the Company in a period from 31 March 2014 to 31 December 2018, if the Group achieves appointed EBT targets or if the Company's share price declines 10 or more percent compared to their acquisition price. As at 28 November 2014 the Company signed two put option agreements with the employees, related to the Key Management of the Group, which give them a right to put back the newly issued shares of the Company in a period from 1 January 2015 to 31 December 2018 under similar conditions as those presented above.

On 30 May 2017 the Company signed an agreement with an employee, related to the Key Management of the Group, which give a right to put back 10 per cent of shares to the Company if certain Profit before taxes target is achieved. Additionally the Company has a call option to buy back those shares. The Management of the Group has evaluated that the above mentioned option agreements made with the members of the Key Management of the Group do not have a material impact on these financial statements.

On 20 May 2016 and 1 June 2016 the Company signed two put option agreements with the Group employees, related to the Key Management of the Group, which give the right to put back acquired shares of the Company during the period from 30 April 2019 to 1 June 2019, if subsidiaries, where these employees are acting general managers, achieve appointed profit targets. The above mentioned employees have not yet acquired all agreed Company's shares thus put options are not valid at the moment.

During the six-month period ended 30 June 2018 there were no transactions with subsidiaries or other related parties under harmful conditions for the Group.

All the Company's employment agreements with the employees, including management, of the Company are concluded following requirements of the Labour Code of the Republic of Lithuania. Employees are employed and laid off following requirements of the Labour Code.

There are no material agreements to which the Company is a party and which would come into effect, be amended or terminated in case of change in the Company's control.

Auditors

Auditors from PricewaterhouseCoopers UAB audited the balance sheet of the Company and together with its consolidated subsidiaries for the years ended 31 December 2010, 2011, 2012, 2013, 2014, 2015, 2016 and 2017 and the related statement of comprehensive income, statement of changes in equity and statement of cash flows and a summary of significant accounting policies and other explanatory notes for the years then ended.

On 30 April 2018, the shareholders of the Company during the Annual General Meeting of Shareholders elected UAB PricewaterhouseCoopers as the Company's audit enterprise for the period of the next two years to perform the audit of the annual separate and consolidated financial statements of the Avia Solutions Group AB for the years 2018 and 2019, and to make the assessment of the consolidated annual report of the Company for the years 2018 and 2019. Shareholders authorized the Company's General Manager to conclude the agreement for audit services, establishing the payment for services as agreed between the parties but in any case not more than EUR 180 000 (VAT excluded) for the audit services.

VI. OTHER INFORMATION

Information about compliance with Corporate Governance Code

The Company complies with the Lithuanian corporate regime established by the Lithuanian law and the Articles of Association of the Company. Since 3 March 2011 the Shares of the Company are listed on the parallel market of the Warsaw Stock Exchange (the "WSE").

The WSE has adopted a corporate governance code, which is the Code of Best Practice for WSE Listed Companies 2016 approved by the resolution of the Exchange Supervisory Board on the date as of 13 October 2015 (the "WSE Corporate Governance Code") which can be found on the website dedicated to the corporate governance at the Warsaw Stock Exchange: www.corp-gov.gpw.pl.

The Company acknowledges the importance of good corporate governance and intends to seek the compliance with the WSE Corporate Governance Code to the extent possible. Especially, the Company intends to be as transparent as it is legally and practically possible using multilingual Company's website. Moreover, all members of the Supervisory Council are independent. However, due to, inter alia, differences between Polish and Lithuanian Corporate Law the Company does not comply with all the rules of the WSE Corporate Governance Code. A statement on the Company's compliance with the corporate governance recommendations and principles stipulated in the WSE Corporate Governance Code is contained in the Company's website and may be found by clicking the link below:

http://www.aviasg.com/private/uploads/images/corporate-governance/GPW_dobre_praktyki_Avia_Solutions_Group_AB.pdf

Publicly announced information

During the six-month period ended 30 June 2018 the Company publicly announced through Warsaw Stock Exchange Information system and on own webpage the following information:

Publication Date	Title	Category of announcement
15 February 2018	Consolidated Financial Information for the year ended 31 December 2017 (Unaudited) ESPI Report No 01/2018	Interim information
29 March 2018	Avia Solutions Group AB – Notice on changes in the structure of the Management Board of Avia Solutions Group AB ESPI Report No 02/2018	Notification on material event
9 April 2018	Notice on Annual General Meeting of Shareholders ESPI Report No 3/2018	Notification on material event
10 April 2018	Independent Auditor's Report, Separate and Consolidated Financial Statements, Consolidated Annual Report for the Year Ended 31 December 2017 ESPI Report No 4/2018	Notification on material event
10 April 2018	Announcement of Independent Auditor's Report, Separate and Consolidated Financial Statements, Consolidated Annual Report and Draft distribution of the profit of Avia Solutions Group AB for the year ended 31 December 2017 ESPI Report No 5/2018	Notification on material event
30 April 2018	Notice on the decisions adopted by the Annual General Meeting of Shareholders of Avia Solutions Group AB ESPI Report No 7/2018	Notification on material event
15 May 2018	Consolidated Financial Information for the three-month period ended 31 March 2018 (Unaudited) ESPI Report No 8/2018	Interim information
24 May 2018	Avia Solutions Group AB – Notice on election of the new Chairman of the Supervisory Council of Avia Solutions Group AB ESPI Report No 9/2018	Notification on material event
24 May 2018	Avia Solutions Group AB – Notice on re-election of the Management Board of Avia Solutions Group AB ESPI Report No 10/2018	Notification on material event
1 June 2018	Avia Solutions Group AB – Notice on the report released on TVP1 channel on 31 May 2018 regarding Avia Solutions Group AB ESPI Report No 11/2018	Notification on material event

Publication Date	Title	Category of announcement
1 June 2018	Avia Solutions Group AB – Notice on transactions in issuer's securities ESPI Report No 12/2018	Notification on material event
5 June 2018	Avia Solutions Group AB – Notice on transactions in issuer's securities ESPI Report No 13/2018	Notification on material event
15 June 2018	CORRECTION / Avia Solutions Group AB – Notice on transactions in issuer's securities ESPI Report No 14/2018	Notification on material event
15 June 2018	Avia Solutions Group AB – The subsidiary company of Avia Solutions Group AB has acquired Ukrainian company ESPI Report No 15/2018	Notification on material event
22 June 2018	Avia Solutions Group AB – Notice on transactions in issuer's securities ESPI Report No 16/2018	Notification on material event

Contents of above mentioned announcements can be obtained on Company's webpage:
<http://www.aviasg.com/en/investor-relations/major-events.html>

CONFIRMATION OF RESPONSIBLE PERSONS

Following Article 22 of the Law on Securities of the Republic of Lithuania and the Rules on Preparation and Submission of Periodic and Additional Information of the Bank of Lithuania, We, Jonas Janukėnas, General Manager of *Avia Solutions Group AB*, and Aurimas Sanikovas, Chief Financial Officer of *Avia Solutions Group AB*, hereby confirm that, to the best of our knowledge, the unaudited Consolidated Interim Financial Statements of *Avia Solutions Group AB* for the six-month period ended 30 June 2018 as set out on above are prepared in accordance with International Financial Reporting Standards as adopted by the European Union and give a true and fair view of the assets, liabilities, financial position, profit or loss and cash flows of the Group of undertakings, and the Consolidated Interim Report of *Avia Solutions Group AB* for the six-month period ended 30 June 2018 includes a fair review of the development and performance of the business and the position of the Group of undertakings in relation to the description of the main risks and contingencies faced thereby.

General Manager
Jonas Janukėnas



14 August 2018

Chief Financial Officer
Aurimas Sanikovas

