



**Non-state Retirement Benefit Plan of
Sakaeronavigatsia Ltd**

**Special purpose Financial Statements And
Independent Auditor's Report thereon
As at and for the year ended 31 December 2020**

INDEPENDENT AUDITOR’S REPORT	3
Statement of Net Assets Available for Benefits	5
Special-purpose Statement of Financial Position	6
Special-purpose Statement of Changes in Equity	7
Special-purpose Statement of Cash Flows.....	8
Notes to special-purpose financial statements	9
1. RETIREMENT BENEFIT PLAN.....	9
2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	9
3. PAID IN CAPITAL	9
4. RETIREMENT BENEFIT SCHEME GROSS LIABILITY.....	9
5. BANK BALANCES PAYABLE ON DEMAND	9
6. INVESTMENT ASSETS	10
7. CONTRIBUTIONS.....	10
8. FINANCIAL INCOME – INTEREST	10
9. BENEFITS PAID	10
10. EVENTS AFTER THE REPORTING PERIOD	10

INDEPENDENT AUDITOR'S REPORT

To: The Owner and management of Sakaeronavigatsia LLC:

Opinion

We have audited the accompanying special-purpose financial statements of non-state retirement benefit plan (RBP) of Sakaeronavigatsia LLC (the Company) as at 31 December 2020.

In our opinion, the accompanying special-purpose financial statements are prepared, in all material respects, in accordance with the accounting policies disclosed in note 2 to the financial statements.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter – Basis of Accounting

We draw attention to note 2 to the special-purpose financial statements, which describes the basis of accounting. These financial statements have been prepared to present financial position, financial performance and cash flows of a non-state retirement benefit plan founded within and by the Company for the benefit of its voluntarily participating employees in accordance with the applicable Georgian legislation (i.e. Georgian Law on Non-State Pension Insurance and Provision, etc). Therefore, use of these special-purpose financial statements by persons other than those with knowledge of the relevant regulations and the rules of the Company's non-state retirement benefit scheme may not be appropriate. Our opinion is not modified in respect of this matter.

Responsibilities of Management for the financial statements

Management is responsible for the preparation and fair presentation of the special-purpose financial statements in accordance with the accounting policies disclosed in note 2, and for such internal control as management determines is necessary to enable preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the Audit of financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these special-purpose financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The partner in charge of the audit resulting in this independent audit report is Mr. Ivane Jelia.

Ivane Jelia (Auditor's registration number: SARAS-A-954810)
Managing Partner
Baker Tilly Georgia LLC
27 May 2021
Tbilisi, Georgia

Non-state Retirement Benefit Plan (RBP) of Sakaeronavigatsia LLC
As at and for the year ended 31 December 2020
(All amounts are in Georgian lari - GEL)

Statement of Net Assets Available for Benefits

	Note	2020	2019
Net assets at January 1		9,604,594	5,571,333
Contributions			
Employer contributions collected	7	2,696,929	2,311,334
Participant (employee) contributions collected	7	1,048,806	898,853
Total contributions collected		3,745,735	3,210,187
Employer contributions receivable	7	268,618	223,188
Participant (employee) contributions receivable		104,462	86,795
Total contributions receivable		373,080	309,983
Total contributions		4,118,815	3,520,170
Financial income - interest	8	1,267,106	737,408
Total increase in net assets		5,385,921	4,257,578
Administrative expenses		(76,670)	(66,378)
Benefits paid	9	(129,508)	(157,939)
Total decrease in net assets		(206,178)	(224,317)
Net assets at December 31		14,784,337	9,604,594

The Financial Statements were approved on 27 May 2021 and signed by:

Gocha Mezvrishvili,
Director General of
Sakaeronavigatsia Ltd

Irakli Zakareishvili,
Financial Manager of
Sakaeronavigatsia Ltd

Tamar Odiashvili
Head of Non-State Pension, Insurance
and Provision Department of
Sakaeronavigatsia Ltd

Non-state Retirement Benefit Plan (RBP) of Sakaeronavigatsia LLC
As at and for the year ended 31 December 2020
(All amounts are in Georgian lari - GEL)

Special-purpose Statement of Financial Position

	Note	31.12.2020	31.12.2019
Equity			
Paid-in capital	3	2,001,030	3,001,392
Retained earnings		-	265,225
Total Equity		2,001,030	3,266,617
Liabilities			
Retirement benefit scheme gross liability	4	14,784,337	9,604,594
Accounts payable		136,581	-
Total liabilities		14,920,918	9,604,594
Total equity and liabilities		16,921,948	12,871,211
Assets			
Bank balances payable on demand	5	2,018,433	3,266,617
Accounts Receivable		119,178	-
Investment Asset	6	14,784,337	9,604,594
Total assets		16,921,948	12,871,211

The Financial Statements were approved on 27 May 2021 and signed by:

Gocha Mezvrishvili,
 Director General of
 Sakaeronavigatsia Ltd

Irakli Zakareishvili,
 Financial Manager of
 Sakaeronavigatsia Ltd

Tamar Odiashvili
 Head of Non-State Pension, Insurance
 and Provision Department of
 Sakaeronavigatsia Ltd

Non-state Retirement Benefit Plan (RBP) of Sakaeronavigatsia LLC
As at and for the year ended 31 December 2020
(All amounts are in Georgian lari - GEL)

Special-purpose Statement of Changes in Equity

	Paid-in Capital	Retained earnings	Total
Balance at 1 January 2019	3,014,014	387,379	3,401,393
Interest income	-	265,225	265,225
Not-restricted gains distribution	(12,622)	(387,379)	(400,001)
Balance at 31 December 2019	3,001,392	265,225	3,266,617
Interest income	-	270,994	270,994
Not-restricted gains distribution	(1,000,362)	(536,219)	(1,536,581)
Balance at 31 December 2020	2,001,030	-	2,001,030

The Financial Statements were approved on 27 May 2021 and signed by:

Gocha Mezvrishvili,
Director General of
Sakaeronavigatsia Ltd

Irakli Zakareishvili,
Financial Manager of
Sakaeronavigatsia Ltd

Tamar Odiashvili
Head of Non-State Pension, Insurance
and Provision Department of
Sakaeronavigatsia Ltd

Non-state Retirement Benefit Plan (RBP) of Sakaeronavigatsia LLC
As at and for the year ended 31 December 2020
(All amounts are in Georgian lari - GEL)

Special-purpose Statement of Cash Flows

	Year ended 31-Dec-2020	Year ended 31-Dec-2019
Receipts		
Contributions	4,055,719	3,467,535
Interest income (Not-restricted)	151,997	265,225
Other income (transfers from asset management company, for pension payments)	135,146	155,987
Total cash inflow	4,342,862	3,888,747
Payments		
Acquisition of Securities	-	(432,053)
Additions to long-term deposits	(4,053,552)	(3,032,934)
Benefits paid	(129,508)	(157,939)
Collection of interest from the fund's account	(1,400,000)	(400,597)
Total cash outflow	(5,583,060)	(4,023,523)
Net increase in cash and cash equivalents	(1,240,198)	(134,776)
Cash and cash equivalents – beginning of the year	3,266,617	3,401,393
Cash and cash equivalents – end of the year	2,026,419	3,266,617

The Financial Statements were approved on 27 May 2021 and signed by:

Gocha Mezvrishvili,
 Director General of
 Sakaeronavigatsia Ltd

Irakli Zakareishvili,
 Financial Manager of
 Sakaeronavigatsia Ltd

Tamar Odiashvili
 Head of Non-State Pension, Insurance
 and Provision Department of
 Sakaeronavigatsia Ltd

Non-state Retirement Benefit Plan (RBP) of Sakaeronavigatsia LLC
 As at and for the year ended 31 December 2020
 (All amounts are in Georgian lari - GEL)

Statement of Net Assets Available for Benefits

	Note	2020	2019
Net assets at January 1		9,604,594	5,571,333
Contributions			
Employer contributions collected	7	2,696,929	2,311,334
Participant (employee) contributions collected	7	1,048,806	898,853
Total contributions collected		3,745,735	3,210,187
Employer contributions receivable	7	268,618	223,188
Participant (employee) contributions receivable		104,462	86,795
Total contributions receivable		373,080	309,983
Total contributions		4,118,815	3,520,170
Financial income - interest	8	1,267,106	737,408
Total increase in net assets		5,385,921	4,257,578
Administrative expenses		(76,670)	(66,378)
Benefits paid	9	(129,508)	(157,939)
Total decrease in net assets		(206,178)	(224,317)
Net assets at December 31		14,784,337	9,604,594

The Financial Statements were approved on 27 May 2021 and signed by:



Gocha Mezvrishvili,
 Director General of
 Sakaeronavigatsia Ltd



Irakli Zakareishvili,
 Financial Manager of
 Sakaeronavigatsia Ltd



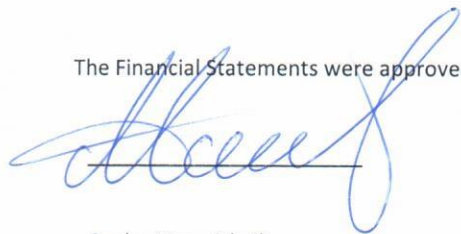
Tamar Odiashvili
 Head of Non-State Pension, Insurance
 and Provision Department of
 Sakaeronavigatsia Ltd

Non-state Retirement Benefit Plan (RBP) of Sakaeronavigatsia LLC
As at and for the year ended 31 December 2020
(All amounts are in Georgian lari - GEL)

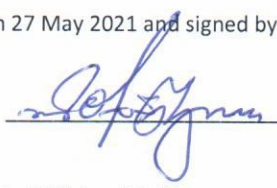
Special-purpose Statement of Financial Position

	Note	31.12.2020	31.12.2019
Equity			
Paid-in capital	3	2,001,030	3,001,392
Retained earnings		-	265,225
Total Equity		2,001,030	3,266,617
Liabilities			
Retirement benefit scheme gross liability	4	14,784,337	9,604,594
Accounts payable		136,581	-
Total liabilities		14,920,918	9,604,594
Total equity and liabilities		16,921,948	12,871,211
Assets			
Bank balances payable on demand	5	2,018,433	3,266,617
Accounts Receivable		119,178	-
Investment Asset	6	14,784,337	9,604,594
Total assets		16,921,948	12,871,211

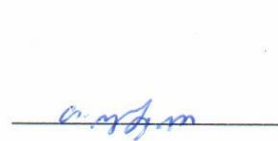
The Financial Statements were approved on 27 May 2021 and signed by:



Gocha Mezvrishvili,
Director General of
Sakaeronavigatsia Ltd



Irakli Zakareishvili,
Financial Manager of
Sakaeronavigatsia Ltd



Tamar Odiashvili
Head of Non-State Pension, Insurance
and Provision Department of
Sakaeronavigatsia Ltd

Non-state Retirement Benefit Plan (RBP) of Sakaeronavigatsia LLC
As at and for the year ended 31 December 2020
(All amounts are in Georgian lari - GEL)

Special-purpose Statement of Changes in Equity

	Paid-in Capital	Retained earnings	Total
Balance at 1 January 2019	3,014,014	387,379	3,401,393
Interest income	-	265,225	265,225
Not-restricted gains distribution	(12,622)	(387,379)	(400,001)
Balance at 31 December 2019	3,001,392	265,225	3,266,617
Interest income	-	270,994	270,994
Not-restricted gains distribution	(1,000,362)	(536,219)	(1,536,581)
Balance at 31 December 2020	2,001,030	-	2,001,030

The Financial Statements were approved on 27 May 2021 and signed by:



Gocha Mezvrishvili,
Director General of
Sakaeronavigatsia Ltd



Irakli Zakareishvili,
Financial Manager of
Sakaeronavigatsia Ltd




Tamar Odiashvili
Head of Non-State Pension, Insurance
and Provision Department of
Sakaeronavigatsia Ltd

Non-state Retirement Benefit Plan (RBP) of Sakaeronavigatsia LLC
 As at and for the year ended 31 December 2020
 (All amounts are in Georgian lari - GEL)

Special-purpose Statement of Cash Flows

	Year ended 31-Dec-2020	Year ended 31-Dec-2019
Receipts		
Contributions	4,055,719	3,467,535
Interest income (Not-restricted)	151,997	265,225
Other income (transfers from asset management company, for pension payments)	135,146	155,987
Total cash inflow	4,342,862	3,888,747
Payments		
Acquisition of Securities	-	(432,053)
Additions to long-term deposits	(4,053,552)	(3,032,934)
Benefits paid	(129,508)	(157,939)
Collection of interest from the fund's account	(1,400,000)	(400,597)
Total cash outflow	(5,583,060)	(4,023,523)
Net increase in cash and cash equivalents	(1,240,198)	(134,776)
Cash and cash equivalents – beginning of the year	3,266,617	3,401,393
Cash and cash equivalents – end of the year	2,026,419	3,266,617

The Financial Statements were approved on 27 May 2021 and signed by:



Gocha Mezvrishvili,
 Director General of
 Sakaeronavigatsia Ltd



Irakli Zakareishvili,
 Financial Manager of
 Sakaeronavigatsia Ltd



Tamar Odiashvili
 Head of Non-State Pension, Insurance
 and Provision Department of
 Sakaeronavigatsia Ltd

Notes to special-purpose financial statements

1. Retirement Benefit Plan

Saqaeronavigatsia LLC has established a non-state retirement benefit plan (RBP) on 31 December 2018 for the benefit of its voluntarily participating employees. The RBP is a defined contribution plan.

The RBP is governed by the Rules of the Company's Non-state Retirement Benefit Plan. RBP is not a separate entity for legal or tax purposes. RBP assets are restricted and maybe only used for the benefit of participants and thus cannot be utilized to settle any of the Company's other obligations.

The defined contributions involve the Company as an employer and and participants (the employees) and are determined at 18 and 7 percent of the base salary cost, repseptively.

As of the date of these financial statements 588 (2019: 578) of the Company's employees participate in the RBP.

2. Summary of significant accounting policies

Basis of preparation. These special-purpose financial statements have been prepared on accrual basis under the historical cost convention and is based on International Accounting Standard 26 – Accounting and Reporting by Retirement Benefit Plans issued by the International Accounting Standards Board (IASB). These policies have been consistently applied to all the periods presented.

Presentation currency. All amounts in these financial statements are in Georgian lari (GEL).

Assets and liabilities. Assets and liabilities presented in the special-purpose financial statements are carried at historical cost.

Financing. RBP is financed by transferring defined periodic contributions to the plans management company (independent of Saqaeronavigatsia LLC) for subsequent investment into securities, equity and other financial instruments for the purpose of generating financial gains.

Financial income. Financial income represents return on investments.

3. Paid in capital

According to the legislation in force, the founder of a non-state retirement benefit plan is obliged to create and maintaine (during the existence of a Plan) pension fund's paid-in capital in the minimum amount of 2,000,000 GEL. The amount of pension fund's capital defined by Sakaeronavigatsia LLC is 3,000,000 GEL, which was placed on a separate bank account (hereinafter "Special Account") on September 17, 2015. Interest (GEL 14,014) accrued on a balance (GEL 3,000,000) of Special Account before January 1, 2016 were added to paid-in capital of the pension fund. During the year 2020 Sakaeronavigatsia LLC withdrew GEL 1,000,362 from the paid-in capital.

4. Retirement benefit scheme gross liability

	31.12.2020	31.12.2019
Retirement benefit scheme gross liability as at January 1	9,604,594	5,571,333
Social contributions	4,118,815	3,520,170
Interest	1,267,106	737,408
Retirement benefits paid	(129,508)	(157,939)
Administrative expenses	(76,670)	(66,378)
Retirement benefit scheme gross liability as at December 31	14,784,337	9,604,594

5. Bank balances payable on demand

	31.12.2020	31.12.2019
Bank balances payable on demand	2,018,433	3,266,617
Total bank balances payable on demand	2,018,433	3,266,617

Non-state Retirement Benefit Plan (RBP) of Sakaeronavigatsia LLC
As at and for the year ended 31 December 2020
(All amounts are in Georgian lari - GEL)

6. Investment assets

	31.12.2020	31.12.2019
Securities	649,703	712,188
Georgian government bonds (9.375%_18.01.2028)	395,244	395,244
Evex Hospitals JSC bonds (RR+3.1%_06.11.2024)	203,345	203,496
Georgian government bonds (14.375%_16.07.2020)	-	62,356
Georgian government bonds (9.375%_16.08.2027)	51,114	51,092
Short-term deposits	5,128,921	2,960,230
Cash available for pension payments	7,986	-
Balance on current account at bank (Asset management company)	1,410,047	1,083,415
Bank deposits expired less than 12 months after the balance sheet date	3,710,888	1,876,815
Long-term deposits	8,632,633	5,622,193
Bank deposits expired more than 12 months after the balance sheet date	8,632,633	5,622,193
Receivables	373,080	309,983
Employer contributions receivable	268,618	223,188
Participant (employee) contributions receivable	104,462	86,795
Net investment assets	14,784,337	9,604,594

7. Contributions

RBP is a defined contribution plan and contributions are determined as 18% and 7% of the employees' base salary from the Sakaeronavigatsia LLC and employees, respectively.

8. Financial income – interest

Financial income - interest includes interest accrued on RBP's investment assets.

9. Benefits paid

Pension savings are distributed to the employees involved in the scheme in the following cases: (1) the employee has reached retirement age and a pension is distributed based on the employee's request; (2) the participant leaves Sakaeronavigatsia LLC before reaching the retirement age, receives the pension savings accumulated in their pension account without deduction; (3) in the event of the death of a participant, the pension shall be paid to their heirs on the same terms and conditions as the participant. During 2020, pension savings distributed to participants amounted GEL 129,508 (2019: GEL 157,939).

10. Events after the reporting period

There have been no after reporting date events that require additional adjustments or disclosure in the financial statements.

Approval of financial statement. The management on 27 May 2021 has approved the financial statements, the management have power to amend the financial statements after issue.

About Baker Tilly

Baker Tilly is a full-service accounting and advisory firm that offers industry specialised services in assurance, tax and advisory.

Baker Tilly Georgia LLC trading as Baker Tilly is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities.



Contact us

Baker Tilly Georgia LLC
BC Menteshvili Rows
Tbilisi 0105, Georgia
7 Bambis Rigi Street
office@bakertilly.ge
T: +995 032 2 483 999
www.bakertilly.ge