

Statement of financial position

In thousand drams	Note	As of 31 December 2019	As of 31 December 2018
Assets			
<i>Non-current assets</i>			
Property and equipment	4	231,308	32,670
Intangible assets		807	499
Deferred income tax assets	5	14,891	31,219
Borrowings provided to related parties	6	300,302	392,727
		<u>547,308</u>	<u>457,115</u>
<i>Current assets</i>			
Inventories	7	258,345	275,822
Trade and other receivables	8	117,642	96,634
Cash and bank balances	9	78,932	18,947
		<u>454,919</u>	<u>391,403</u>
Total assets		<u><u>1,002,227</u></u>	<u><u>848,518</u></u>
Equity and liabilities			
<i>Capital and reserves</i>			
Share capital		100	100
Accumulated loss	10	(144,233)	(119,605)
		<u>(144,133)</u>	<u>(119,505)</u>
<i>Non-current liabilities</i>			
Long-term bank loans	11	208,771	438,263
Lease liabilities	12	191,109	-
		<u>399,880</u>	<u>438,263</u>
<i>Current liabilities</i>			
Shor-term portion of long-term bank loans	11	334,727	83,299
Trade and other payables	13	390,355	446,461
Current portion of lease liabilities	12	14,104	-
Current income tax liabilities		7,294	-
		<u>746,480</u>	<u>529,760</u>
Total equity and liabilities		<u><u>1,002,227</u></u>	<u><u>848,518</u></u>

The financial statements were approved on 30 June 2020 by:

Armen Baldryan
Chief Executive Officer



Karine Zakharyan
Chief Accountant

The statement of financial position is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 9 to 33.

Statement of profit or loss and other comprehensive income

In thousand drams	Note	Year ended 31 December 2019	Year ended 31 December 2018
Revenue from contracts	14	2,039,755	1,583,695
Cost of sales	15	(1,686,253)	(1,366,394)
Gross profit		353,502	217,301
Other income	16	68,616	27,901
Selling expenses	17	(62,803)	(58,679)
Administrative expenses	18	(144,551)	(135,309)
Other operating expenses	19	(60,031)	(78,543)
Results from operating activities		154,733	(27,329)
Finance costs, net	20	(160,542)	(35,901)
Foreign currency exchange gain/(loss), net	21	4,803	(1,165)
Loss before income tax		(1,006)	(64,395)
Income tax recovery/(expense)	22	(23,622)	19,491
Loss for the year		(24,628)	(44,904)
Other comprehensive income		-	-
Total comprehensive loss for the year		(24,628)	(44,904)

The statement of profit or loss and other comprehensive income is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 9 to 33.