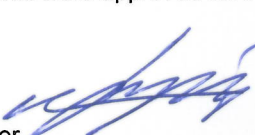


Statement of financial position

In thousand drams	Note	As of 31 December 2017	As of 31 December 2016
Assets			
<i>Non-current assets</i>			
Property and equipment	4	32,305	33,108
Intangible assets		499	-
Deferred income tax assets	5	11,728	10,975
Borrowings provided	6	366,218	205,578
		<u>410,750</u>	<u>249,661</u>
<i>Current assets</i>			
Inventories	7	255,136	246,243
Trade and other receivables	8	349,027	577,307
Current income tax prepayments		2,679	-
Cash and bank balances	9	8,266	13,647
		<u>615,108</u>	<u>837,197</u>
Total assets		<u><u>1,025,858</u></u>	<u><u>1,086,858</u></u>
Equity and liabilities			
<i>Capital and reserves</i>			
Share capital	10	100	100
Accumulated profit/(loss)		(691)	183
		<u>(591)</u>	<u>283</u>
<i>Non-current liabilities</i>			
Bank loans	11	55,963	417,206
		<u>55,963</u>	<u>417,206</u>
<i>Current liabilities</i>			
Bank loans	11	513,403	18,388
Trade and other payables	12	457,083	649,459
Current income tax liabilities		-	1,522
		<u>970,486</u>	<u>669,369</u>
Total equity and liabilities		<u><u>1,025,858</u></u>	<u><u>1,086,858</u></u>

The financial statements were approved on 9 July 2018 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 28.

Statement of profit or loss and other comprehensive income

In thousand drams	Note	Year ended 31 December 2017	Year ended 31 December 2016
Revenue	13	1,752,596	1,638,773
Cost of sales	14	(1,402,396)	(1,139,453)
Gross profit		<u>350,200</u>	<u>499,320</u>
Other income	15	64,567	947
Distribution and marketing expenses	16	(55,325)	(71,039)
Administrative expenses	17	(111,814)	(207,314)
Other operating expenses	18	(49,324)	(58,407)
Results from operating activities		<u>198,304</u>	<u>163,507</u>
Finance costs, net	19	(50,971)	(29,508)
Foreign currency exchange loss, net	20	(1,077)	(4,676)
Profit before income tax		<u>146,256</u>	<u>129,323</u>
Income tax expense	21	(27,130)	(26,179)
Profit for the year		<u>119,126</u>	<u>103,144</u>
Other comprehensive income		-	-
Total comprehensive income for the year		<u>119,126</u>	<u>103,144</u>

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 28.