Statement of financial position

Intangible assets 499 1,728 10,9 1	In thousand drams	Note	As of 31 December 2017	As of 31 December 2016
Property and equipment 4 32,305 33,10 Intangible assets 499 499 Deferred income tax assets 5 11,728 10,9 Borrowings provided 6 366,218 205,5 410,750 249,60 Current assets 255,136 246,2 Inventories 7 255,136 246,2 Trade and other receivables 8 349,027 577,3 Current income tax prepayments 2,679 267,9 Current income tax prepayments 9 8,266 13,6 615,108 837,1 1,025,858 1,086,8 Equity and liabilities 10 10 10 Capital and reserves 10 10 10 Share capital 100 16 Accumulated profit/(loss) (691) 18 Non-current liabilities 11 55,963 417,20 Bank loans 11 513,403 18,33 Bank loans 11 513,403 18,33 <td>Assets</td> <td></td> <td></td> <td></td>	Assets			
Intangible assets 499 1,090 1,090 1,090 1,000 1,	Non-current assets			
Deferred income tax assets 5	Property and equipment	4	32,305	33,108
Borrowings provided 6 366,218 205,5 Current assets 410,750 249,6 Inventories 7 255,136 246,2 Trade and other receivables 8 349,027 577,3 Current income tax prepayments 2,679 2,679 Cash and bank balances 9 8,266 13,6 615,108 837,1 1,025,858 1,086,8 Equity and liabilities 2 10 10 10 10 Share capital 10 10 10 10 10 Accumulated profit/(loss) (691) 18 (591) 28 Non-current liabilities 11 55,963 417,20 Current liabilities 55,963 417,20 Bank loans 11 513,403 18,38	Intangible assets		499	-
Current assets 410,750 249,60 Inventories 7 255,136 246,2 Trade and other receivables 8 349,027 577,3 Current income tax prepayments 2,679 2,679 Cash and bank balances 9 8,266 13,6 615,108 837,1 Total assets 1,025,858 1,086,8 Equity and liabilities Capital and reserves 10 Share capital 100 10 Accumulated profit/(loss) (691) 18 Non-current liabilities (591) 28 Bank loans 11 55,963 417,20 Current liabilities Bank loans 11 513,403 18,38	Deferred income tax assets	5	11,728	10,975
Current assets Inventories 7 255,136 246,2 Trade and other receivables 8 349,027 577,3 Current income tax prepayments 2,679 2679 Cash and bank balances 9 8,266 13,6 615,108 837,1 Total assets 1,025,858 1,086,8 Equity and liabilities 2 10 Share capital 10 10 Accumulated profit/(loss) (691) 16 Non-current liabilities 11 55,963 417,20 Current liabilities 55,963 417,20 Bank loans 11 513,403 18,38	Borrowings provided	6	366,218	205,578
Inventories 7			410,750	249,661
Trade and other receivables 8 349,027 577,3 Current income tax prepayments 2,679 2,679 13,6 Cash and bank balances 9 8,266 13,6 837,1 1,025,858 1,086,8 Equity and liabilities 2 1,025,858 1,086,8 <t< td=""><td>Current assets</td><td></td><td></td><td></td></t<>	Current assets			
Current income tax prepayments 2,679 Cash and bank balances 9 8,266 13,6 615,108 837,1 Total assets 1,025,858 1,086,8 Equity and liabilities 2 10 Capital and reserves 10 10 Share capital 100 10 Accumulated profit/(loss) (691) 18 Non-current liabilities 11 55,963 417,20 Current liabilities 55,963 417,20 Current liabilities 11 513,403 18,38	Inventories	7	255,136	246,243
Cash and bank balances 9 8,266 13,6 615,108 837,1 Total assets 1,025,858 1,086,8 Equity and liabilities 2 Capital and reserves 10 10 Share capital 100 10 Accumulated profit/(loss) (691) 18 Non-current liabilities (591) 28 Bank loans 11 55,963 417,20 Current liabilities 55,963 417,20 Bank loans 11 513,403 18,38	Trade and other receivables	8	349,027	577,307
Total assets 615,108 837,1 Total assets 1,025,858 1,086,8 Equity and liabilities Capital and reserves 10 Share capital 100 10 Accumulated profit/(loss) (691) 18 (591) 28 Non-current liabilities Bank loans 11 55,963 417,20 Current liabilities Bank loans 11 513,403 18,38	Current income tax prepayments		2,679	· ·
Total assets 1,025,858 1,086,8 Equity and liabilities 2 Capital and reserves 10 Share capital 100 10 Accumulated profit/(loss) (691) 18 Non-current liabilities (591) 28 Bank loans 11 55,963 417,20 Current liabilities 55,963 417,20 Bank loans 11 513,403 18,38	Cash and bank balances	9	8,266	13,647
Equity and liabilities Capital and reserves Share capital Accumulated profit/(loss) Non-current liabilities Bank loans 11 55,963 417,20 Current liabilities Bank loans 11 513,403 18,38			615,108	837,197
Capital and reserves 10 Share capital 100 10 Accumulated profit/(loss) (691) 18 (591) 28 Non-current liabilities 11 55,963 417,20 Early liabilities 55,963 417,20 417,20 Current liabilities 11 513,403 18,38	Total assets		1,025,858	1,086,858
Capital and reserves 10 Share capital 100 10 Accumulated profit/(loss) (691) 18 (591) 28 Non-current liabilities 11 55,963 417,20 Early liabilities 55,963 417,20 417,20 Current liabilities 11 513,403 18,38	Equity and liabilities			
Share capital 100 100 Accumulated profit/(loss) (691) 18 (591) 28 Non-current liabilities 11 55,963 417,20 Earnet liabilities 55,963 417,20 Current liabilities 11 513,403 18,38		10		
Accumulated profit/(loss) (691) 18 Non-current liabilities 55,963 417,20 Bank loans 11 55,963 417,20 Current liabilities 513,403 18,38	•		100	100
Non-current liabilities (591) 28 Bank loans 11 55,963 417,20 Current liabilities 55,963 11 513,403 18,38			(691)	183
Bank loans 11 55,963 417,20 55,963 417,20 Current liabilities Bank loans 11 513,403 18,38			(591)	283
Current liabilities 55,963 417,20 Bank loans 11 513,403 18,38	Non-current liabilities			
Current liabilities Bank loans 11 513,403 18,38	Bank loans	11	55,963	417,206
Bank loans 11 513,403 18,38			55,963	417,206
	Current liabilities			
Trade and other payables 12 457,083 649,45	Bank loans	11	513,403	18,388
	Trade and other payables	12	457,083	649,459
			-	1,522
970,486 669,36			970,486	669,369
Total equity and liabilities 1,025,858 1,086,85	Total equity and liabilities		1,025,858	1,086,858

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		350,200	499,320
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		198,304	163,507
Finance costs, net	19	(50,971)	(29,508)
Foreign currency exchange loss, net	20	(1,077)	(4,676)
Profit before income tax		146,256	129,323
Income tax expense	21	(27,130)	(26,179)
Profit for the year		119,126	103,144
Other comprehensive income		-	_
Total comprehensive income for the year		119,126	103,144

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.