

Independent auditor's report

Գրանթ Թորնթոն ՓԲԸ
Երևան Պլազա բիզնես կենտրոն
ՀՀ, ք. Երևան 0015
Գրիգոր Լուսավորչի 9
Հ. + 374 10 50 09 64/61

Grant Thornton CJSC
Yerevan Plaza Business Center
9 Grigor Lusavorich Street,
Yerevan 0015, Republic of Armenia
T + 374 10 50 09 64/61

To the shareholder of Unicomp CJSC

Opinion

We have audited the financial statements of Unicomp CJSC (the "Company"), which comprise the statement of financial position as of 31 December 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as of 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

Basis for Opinion

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the 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 financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- 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.

Armen Hovhannisyan
CEO, Partner



Narine Achemyan, ACCA
Engagement Manager



23 December 2022

Statement of financial position

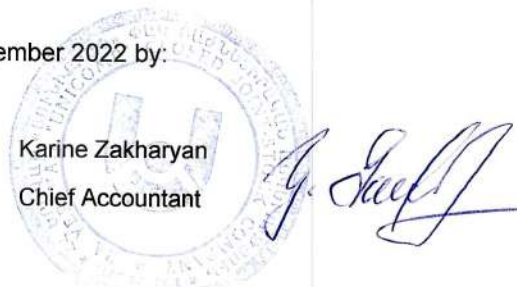
In thousand drams	Note	As of 31 December 2021	As of 31 December 2020
Assets			
<i>Non-current assets</i>			
Property and equipment	4	189,105	220,200
Intangible assets		726	807
Deferred income tax assets	5	27,912	35,276
Borrowings provided to related parties	6	207,952	222,609
		<u>425,695</u>	<u>478,892</u>
<i>Current assets</i>			
Inventories	7	255,957	266,803
Trade and other receivables	8	83,459	82,571
Cash and bank balances	9	81,307	23,619
		<u>420,723</u>	<u>372,993</u>
Total assets		<u>846,418</u>	<u>851,885</u>
Equity and liabilities			
<i>Capital and reserves</i>			
Share capital	10	50,100	50,100
Accumulated loss		(38,127)	(72,723)
		<u>11,973</u>	<u>(22,623)</u>
<i>Non-current liabilities</i>			
Long-term bank loans	11	112,220	203,305
Grants		12,933	22,374
Lease liabilities	12	157,684	175,309
		<u>282,837</u>	<u>400,988</u>
<i>Current liabilities</i>			
Shor-term portion of long-term bank loans	11	289,361	293,433
Trade and other payables	13	232,926	164,287
Current portion of leas liabilities	12	17,625	15,800
Current income tax liabilities		11,696	-
		<u>551,608</u>	<u>473,520</u>
Total equity and liabilities		<u>846,418</u>	<u>851,885</u>

The financial statements were approved on 23 December 2022 by:

Armen Baldryan
Chief Executive Officer



Karine Zakharyan
Chief Accountant



Statement of profit or loss and other comprehensive income

In thousand drams	Note	Year ended 31 December 2021	Year ended 31 December 2020
Revenue from contracts	14	1,756,083	1,334,658
Cost of sales	15	(1,405,714)	(1,071,664)
Gross profit		350,369	262,994
Other income	16	35,180	39,885
Selling expenses	17	(57,047)	(55,634)
Administrative expenses	18	(148,937)	(135,512)
Other operating expenses	19	(92,213)	(31,230)
Results from operating activities		87,352	80,503
Finance costs	20	(77,063)	(82,383)
Finance income	20	30,319	66,268
Foreign currency exchange (loss)/gain, net	21	16,369	(10,160)
Profit before income tax		56,977	54,228
Income tax recovery/(expense)	22	(22,381)	17,282
Profit for the year		34,596	71,510
Other comprehensive income		-	-
Total comprehensive income for the year		34,596	71,510

Statement of changes in equity

In thousand drams	Share capital	Accumulated loss	Total
as of 1 January 2020	100	(144,233)	(144,133)
Profit for the year	-	71,510	71,510
Total comprehensive loss for the year	-	71,510	71,510
Capital contribution	50,000	-	50,000
Transactions with owners	50,000	-	50,000
as of 31 December 2020	50,100	(72,723)	(22,623)
Profit for the year	-	34,596	34,596
Total comprehensive loss for the year	-	34,596	34,596
as of 31 December 2021	50,100	(38,127)	11,973

The statement of changes in equity is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 9 to 31.

Statement of cash flows

In thousand drams	Year ended 31 December 2021	Year ended 31 December 2020
Cash flows from operating activities		
Profit for the year	34,596	71,510
<i>Adjustments for:</i>		
Depreciation	32,514	30,324
Interest expense	77,063	82,383
Interest income	-	(189)
Income from grants	(9,441)	(3,968)
Income tax (recovery)/expense	22,381	(17,282)
Foreign exchange loss/(gain)	(16,369)	10,160
<i>Operating profit before working capital changes</i>	<u>140,744</u>	<u>172,938</u>
Changes in borrowings provided to related parties	14,657	77,693
Change in trade and other receivables	(897)	39,243
Change in inventories	10,846	(8,458)
Change in trade and other payables	72,303	(231,571)
<i>Cash generated from operations</i>	<u>237,653</u>	<u>49,845</u>
Interest paid	(47,422)	(56,519)
Income tax paid	(3,321)	(10,397)
<i>Net cash from/(used in) operating activities</i>	<u>186,910</u>	<u>(17,071)</u>
Cash flows from investing activities		
Acquisition of property and equipment and intangible assets	(1,338)	(19,216)
Interest income	-	189
<i>Net cash used in investing activities</i>	<u>(1,338)</u>	<u>(19,027)</u>
Cash flows from financing activities		
Capital contribution	-	50,000
Lease liabilities payment	(36,000)	(36,000)
Proceeds from bank loans	478,126	496,315
Repayment of bank loans	(569,784)	(524,595)
<i>Net cash used in financing activities</i>	<u>(127,658)</u>	<u>(14,280)</u>
Net (decrease)/increase in cash and bank balances	57,914	(50,378)
Foreign exchange effect on cash	(226)	(4,935)
Cash and bank balances at the beginning of the year	23,619	78,932
Cash and bank balances at the end of the year	<u>81,307</u>	<u>23,619</u>

The statement of cash flows is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 9 to 31.