

**NORM Limited Liability Company
GIZILDASH CEMENT PLANT**

**International Financial Reporting Standards
Financial Statements and
Independent Auditor's Report**

31 December 2012



NORM Limited Liability Company
Statement of Comprehensive Income

<i>In thousands of Azerbaijani Manats</i>	Note	31 December 2012	31 December 2011
ASSETS			
Non-current assets			
Property, plant and equipment	8	55,060	5,717
Intangible assets		59	8
Prepayment for property, plant and equipment	10	51,671	55,954
Deferred income tax asset	21	2,444	1,742
Restricted cash	12	18,280	33,109
Total non-current assets		127,514	96,530
Current assets			
Prepayments for services	10	1,278	1,113
Other receivables	9	4,486	631
Cash and cash equivalents	11	1,427	7,621
Total current assets		7,191	9,365
TOTAL ASSETS		134,705	105,895
EQUITY			
Charter capital	13	124,394	113,608
Accumulated deficit		(12,194)	(8,436)
TOTAL EQUITY		112,200	105,172
LIABILITIES			
Non-current liabilities			
Borrowings	14	4,911	-
Trade and other payables	15	11,600	-
Total non-current liabilities		16,511	-
Current liabilities			
Borrowings	14	2,560	-
Trade and other payables	15	3,292	608
Provisions for liabilities and charges	16	142	115
Total current liabilities		5,994	723
TOTAL LIABILITIES		22,505	723
TOTAL LIABILITIES AND EQUITY		134,705	105,895

Approved for issue and signed on behalf of the Board of Directors on 7 August 2013.

Hasan Yalchinkaya
 Chief Executive Officer



Evad Behoud
 Chief Financial Officer

NORM Limited Liability Company
Statement of Comprehensive Income

<i>In thousands of Azerbaijani Manats</i>	Note	2012	2011
Staff costs		(2,648)	(1,776)
Professional services	17	(1,328)	(1,046)
Administrative expenses	20	(1,081)	(800)
Rent expenses		(247)	(159)
Depreciation of property, plant and equipment	8	(123)	(105)
Foreign exchange loss		(122)	(107)
Amortisation expense		(7)	-
Operating loss		(5,556)	(3,993)
Finance income	18	1,342	701
Finance costs	19	(246)	(634)
Loss before income tax		(4,460)	(3,926)
Income tax benefit	21	702	725
LOSS FOR THE YEAR		(3,758)	(3,201)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(3,758)	(3,201)

NORM Limited Liability Company
Statement of Changes in Equity

<i>In thousands of Azerbaijani Manats</i>	Note	Charter capital	Accumulated deficit	Other capital reserves	Total equity
At 1 January 2011		2,506	(5,491)	256	(2,729)
Total comprehensive loss for the year		-	(3,201)	-	(3,201)
Transfer of other capital reserves to retained earnings		-	256	(256)	-
Contribution to charter capital	13	111,102	-	-	111,102
Balance at 31 December 2011		113,608	(8,436)	-	105,172
Total comprehensive loss for the year		-	(3,758)	-	(3,758)
Contribution to charter capital	13	10,786	-	-	10,786
Balance at 31 December 2012		124,394	(12,194)	-	112,200

NORM Limited Liability Company
Statement of Cash Flows

<i>In thousands of Azerbaijani Manats</i>	Note	2012	2011
Cash flows from operating activities			
Loss before income tax		(4,460)	(3,926)
Adjustments for:			
Depreciation of property, plant and equipment	8	123	105
Amortisation of intangible assets		7	3
Finance costs	19	246	634
Foreign exchange translation differences		122	
Operating cash flows before working capital changes			
Increase in other receivables		(3,855)	(543)
Increase in prepayments		(166)	(1,113)
Increase in trade and other payables		48	511
Increase/(decrease) in other taxes payable		-	(42)
Changes in working capital			
Interest paid		(466)	(726)
Net cash used in operating activities			
		(8,401)	(5,097)
Cash flows from investing activities			
Purchase of property, plant and equipment		(30,805)	(59,202)
Acquisition of intangible assets		(51)	-
Changes in restricted cash related to property, plant and equipment		14,829	(33,108)
Net cash used in investing activities			
		(16,027)	(92,310)
Cash flows from financing activities			
Proceeds from borrowings		23,007	5,950
Repayment of borrowings		(15,559)	(12,025)
Contribution to charter capital		10,786	111,102
Net cash from financing activities			
		18,234	105,027
Net increase/(decrease) in cash and cash equivalents			
		(6,194)	7,620
Effect of exchange rate changes on cash and cash			
		-	-
Cash and cash equivalents at the beginning of the year	11	7,621	1
Cash and cash equivalents at the end of the year	11	1,427	7,621

The accompanying notes on pages 5 to 29 are an integral part of these financial statements.