

NORM LIMITED LIABILITY COMPANY

**Financial Statements and
Independent Auditors' Report**
For the year ended December 31, 2014

Deloitte.

NORM LIMITED LIABILITY COMPANY
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2014
(in thousands of Azerbaijani Manats)

	Note	Year ended December 31, 2014	Year ended December 31, 2013
Sales	6	51,880	2,618
Cost of sales	7	(33,693)	(3,878)
Gross profit/(loss)		18,187	(1,260)
General and administrative expenses	8	(6,802)	(7,340)
Distribution expenses		(3,871)	-
Selling and marketing expenses	9	(2,036)	(478)
Operating profit/(loss)		5,478	(9,078)
Finance costs	10	(8,049)	(1,312)
Discounting of long-term payables		1,823	-
Other income		565	-
Foreign exchange gain/(loss), net		472	(123)
Finance income		49	572
Profit/(loss) before tax		338	(9,941)
Income tax benefit	11	375	1,779
TOTAL COMPREHENSIVE INCOME/(LOSS)		713	(8,162)

The accompanying notes on pages 7-32 are integral part of these financial statements.

On behalf of the Management:


 Hasan Yalchinbaya
 Chief Executive Officer
 Baku, the Republic of Azerbaijan
 September 18, 2015




 Fuad Behbud
 Chief Financial Officer
 Baku, the Republic of Azerbaijan
 September 18, 2015

NORM LIMITED LIABILITY COMPANY
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2014
(in thousands of Azerbaijani Manats)

	Notes	December 31, 2014	December 31, 2013
ASSETS			
Non-current assets			
Property, plant and equipment	16	216,352	203,482
Intangible assets		398	403
Prepayments	17	3,134	6,597
Deferred tax assets		4,598	4,223
Restricted cash		97	4,567
Total non-current assets		224,579	219,272
Current assets			
Inventory	12	10,117	3,183
Trade receivables	13	10,895	1,341
Taxes other than income tax receivables	14	10,488	11,547
Prepayments	17	212	667
Cash	15	221	197
Total current assets		31,933	16,935
TOTAL ASSETS		256,512	236,207
EQUITY			
Charter capital	18	124,394	124,394
Accumulated deficit		(19,643)	(20,356)
Total equity		104,751	104,038
LIABILITIES			
Non-current liabilities			
Borrowings, long-term portion	19	78,027	84,807
Trade and other payables, long-term portion	20	20,198	21,393
Deferred revenue	21	4,878	-
Total non-current liabilities		103,103	106,200
Current liabilities			
Borrowings, short-term portion	19	33,867	14,389
Trade and other payables, short-term portion	20	13,632	11,369
Deferred revenue	21	629	-
Provisions for liabilities and charges		530	211
Total current liabilities		48,658	25,969
TOTAL LIABILITIES		151,761	132,169
TOTAL LIABILITIES AND EQUITY		256,512	236,207

The accompanying notes on pages 7-32 are integral part of these financial statements.

On behalf of the Management:

Hasan Yalchinkaya
 Chief Executive Officer
 Baku, the Republic of Azerbaijan
 September 18, 2015



Huad Behbud
 Chief Financial Officer
 Baku, the Republic of Azerbaijan
 September 18, 2015

**NORM LIMITED LIABILITY COMPANY
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2014**
(in thousands of Azerbaijani Manats)

	<u>Charter Capital</u>	<u>Accumulated Deficit</u>	<u>Total Equity</u>
Balance at January 1, 2013	124,394	(12,194)	112,200
Total comprehensive loss for the year	-	(8,162)	(8,162)
Balance at December 31, 2013	124,394	(20,356)	104,038
Total comprehensive income for the year	-	713	713
Balance at December 31, 2014	<u>124,394</u>	<u>(19,643)</u>	<u>104,751</u>

The accompanying notes on pages 7-32 are integral part of these financial statements.

On behalf of the Management:

Hasan Yalchinkaya
Chief Executive Officer
Baku, the Republic of Azerbaijan
September 18, 2015



Fuad Behbud
Chief Financial Officer
Baku, the Republic of Azerbaijan
September 18, 2015

NORM LIMITED LIABILITY COMPANY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2014
(in thousands of Azerbaijani Manats)

	Notes	December 31, 2014	December 31, 2013
CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit/(loss) before tax		338	(9,941)
Adjustments for:			
Depreciation of property, plant and equipment	16	8,075	942
Change in allowance for doubtful debts	13	375	-
Discounting of long-term payables		(1,823)	-
Amortization of intangible assets		45	36
Finance income		(49)	(572)
Finance cost		8,049	1,312
Change in impairment provision on prepayments	17	176	-
Foreign exchange gain/(loss), net		(472)	123
Cash inflows/(outflows) before movement in working capital		14,714	(8,100)
Movements in working capital			
Decrease/(increase) in taxes other than income tax receivables		1,059	(7,020)
Increase in Inventory		(6,934)	(3,183)
Increase in trade receivables		(9,929)	(1,382)
Decrease in prepayments		455	611
Increase in provisions for liabilities and charges		319	69
Increase/(decrease) in trade and other payables		16,130	(1,512)
Cash generated from/(used in) operations		15,814	(20,517)
Interest income received		49	572
Interest paid		(8,325)	(3,466)
Net cash generated from/(used in) operating activities		7,538	(23,411)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Acquisition of non-current assets		(21,017)	(67,790)
Net cash used in investing activities		(21,017)	(67,790)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from borrowings		97,365	127,419
Repayment of borrowings		(83,862)	(37,448)
Net cash generated from financing activities		13,503	89,971
Net increase/(decrease) in cash		24	(1,230)
Cash and cash equivalents, at the beginning of the year		197	1,427
Cash and cash equivalents, at the end of the year		221	197

The accompanying notes on pages 7-32 are integral part of these financial statements.

On behalf of the Management:

Hasan Yalchinkaya
 Chief Executive Officer
 Baku, the Republic of Azerbaijan
 September 18, 2015



Erdad Behbud
 Chief Financial Officer
 Baku, the Republic of Azerbaijan
 September 18, 2015