

Sagamar CJSC

Financial Statements
for the year ended 31 December 2021

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| '000 AMD | 31 December 2020 | 31 December 2021 |
|-------------------------------------|---------------------|---------------------|
| Assets | | |
| Property, plant and equipment | 7,072,154 | 6,568,642 |
| Intangible assets | 35,730 | 35,730 |
| Mining property | 2,143,038 | 2,644,091 |
| Prepayments for non-current assets | - | - |
| Exploration and evaluation assets | - | - |
| Current tax asset | - | - |
| Trade and other receivables | - | - |
| Non-current assets | 9,250,922 | 9,248,463 |
| Inventories | 1,939,250 | 1,935,468 |
| Current tax asset | 14,661 | 89,152 |
| Prepayments for current assets | 771 | 2,063 |
| Trade and other receivables | 34,409 | 48,708 |
| Cash and cash equivalents | 48,757 | 15,766 |
| Current assets | 2,037,848 | 2,091,157 |
| Total assets | 11,288,770 | 11,339,620 |
| Equity | | |
| Share capital | 976,915 | 976,915 |
| Additional paid-in capital | 10,895,216 | 10,895,216 |
| Accumulated losses | (37,259,268) | (37,858,035) |
| Total equity | (25,387,137) | (25,985,904) |
| Liabilities | | |
| Loans and borrowings | 30,744,307 | 31,106,157 |
| Deferred tax liabilities | - | - |
| Non-current liabilities | 30,744,307 | 31,106,157 |
| Loans and borrowings | 5,720,830 | 5,874,574 |
| Trade and other payables | 210,770 | 344,793 |
| Current liabilities | 5,931,600 | 6,219,367 |
| Total liabilities | 36,675,907 | 367,325,524 |
| Total equity and liabilities | 11,288,770 | 11,339,620 |

Sagamar CJSC
Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2020


| '000 AMD | 2020 | 2021 |
|-------------------------------------------------------|------------------|------------------|
| Revenue | 753 | 13 |
| Cost of sales | (48) | (13) |
| Gross profit | 705 | - |
| Distribution expenses | (990) | - |
| Administrative expenses | (160,467) | (174,435) |
| Other expenses | - | - |
| Results from operating activities | (160,752) | (174,435) |
| Other operating income, including | 3,488,392 | 24,109 |
| Other operating expenses, including | (912,098) | (631,625) |
| Finance costs | - | - |
| Other operating income / loss | (293,832) | 182,887 |
| Loss before income tax | 2,121,710 | (599,064) |
| Income tax benefit/(expense) | - | - |
| Loss and total comprehensive loss for the year | 2,121,710 | (599,064) |

These financial statements were approved by management on June 3, 2022 and were signed on its behalf by:



 Stanislav Morozov
 CEO





 Naira Davtyan
 Accounting qualification
 certificate N 1174

Sagamar CJSC
Statement of Changes in Equity for the year ended 31 December 2020

| '000 AMD | Share capital | Additional paid-in capital | Accumulated losses | Total |
|--------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-------------------------------|-----------------------|--------------|
| Balance at 1 January 2020 | 976,915 | 10,895,216 | (40,452,468) | (28,580,337) |
| Clarify | | | 1,071,490 | 1,071,490 |
| Total comprehensive loss for the year | 976,915 | 10,895,216 | (39,380,978) | (27,508,847) |
| Loss and total comprehensive loss for the year | - | - | 2,121,710 | 2,121,710 |
| Transactions with owners of the Company | | | | |
| Contributions and distributions | | | | |
| Initial discount on zero and low interest loans received from related parties | | | | |
| Total transactions with owners of the Company | | | | |
| Balance at 1 December 2020 | 976,915 | 10,895,216 | (37,259,268) | (25,387,137) |
| Balance at 1 January 2020 | 976,915 | 10,895,216 | (37,259,268) | (25,387,137) |
| Clarify | | | | |
| Total comprehensive loss for the year | | | | |
| Loss and total comprehensive loss for the year | | | (599,064) | (599,064) |
| Transactions with owners of the Company | | | | |
| Contributions and distributions | | | | |
| Difference on substantial modification of loan terms and revers of initial discount on zero and low interest loans received from related parties | - | - | - | - |
| Clarify | | | 297 | 297 |
| Total transactions with owners of the Company | - | - | - | - |
| Balance at 31 december 2021 | 976,915 | 10,895,216 | (37,858,035) | (25,985,904) |

Sagamar CJSC
Statement of Cash Flows For the year ended 31 December 2020

| '000 AMD | 2020 | 2021 |
|-------------------------------------------------------------------------------|------------------|------------------|
| Cash flows from operating activities | | |
| Cash received from customers, inclusive VAT | 5,195 | 51 |
| Cash paid to suppliers, inclusive VAT | (123,784) | (439,540) |
| Cash paid to employees | (97,295) | (118,538) |
| Income tax paid | (1,970) | - |
| VAT received back from tax authorities | - | - |
| ROYALTY received back from tax authorities | - | - |
| Payment of taxes other than income tax | (47,540) | (79,747) |
| Other | (41,025) | (21,491) |
| Net cash used in operating activities | (306,419) | (659,265) |
| Cash flows from investing activities | | |
| Proceeds from sale of property, plant and equipment | 13,649 | - |
| Acquisition of assets for the exploration and evaluation of mineral resources | - | - |
| Acquisition of mining property | - | - |
| Acquisition of property, plant and equipment | (4,069) | (250) |
| Net cash used in investing activities | 9,580 | (250) |
| Cash flows from financing activities | | |
| Proceeds from borrowings | 15,770 | 625,649 |
| Repayment of borrowings | - | (3,000) |
| Interest paid | - | - |
| Advances received from related parties | - | - |
| Net cash from financing activities | 15,770 | 622,649 |
| Net decrease in cash and cash equivalents | (281,069) | (36,866) |
| Cash and cash equivalents at 1 January | 333,160 | 47,756 |
| Effect of exchange rate fluctuations on cash and cash equivalents | (3,335) | (3,876) |
| Cash and cash equivalents at 31 December | 48,756 | 15,766 |