

Coca-Cola HBC Armenia CJSC

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

31 December 2024

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Independent Auditor's Report

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Independent Auditor's Report

To the Shareholder of Coca-Cola HBC Armenia CJSC:

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Coca-Cola HBC Armenia CJSC (the "Company") as at 31 December 2024, and the Company's financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Company's financial statements comprise:

- the statement of financial position as at 31 December 2024;
- the statement of profit or loss and other comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and the ethical requirements that are relevant to our audit of the financial statements in the Republic of Armenia. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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 IFRS Accounting Standards, 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 scepticism 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.



Nino Kadagishvili
Director

27 May 2025
Yerevan, Republic of Armenia

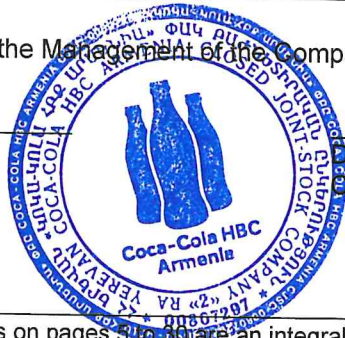
PricewaterhouseCoopers Armenia LLC

Coca-Cola HBC Armenia CJSC
Statement of Financial Position

<i>In thousands of Armenian Drams</i>	Note	31 December 2024	31 December 2023
ASSETS			
Non-current assets			
Property, plant and equipment	8	6,286,355	5,928,399
Intangible assets	9	910,177	753,188
Prepayments for property, plant and equipment		207,551	133,912
Other non-current assets		6,492	26,592
Loans issued	10	-	6,242,861
Deferred tax asset	25	66,550	125,364
Total non-current assets		7,477,125	13,210,316
Current assets			
Inventories	11	3,284,357	2,690,610
Trade and other receivables	12	1,760,585	487,821
Loans issued	10	1,220,786	501,282
Cash and cash equivalents	13	5,717,217	8,614,829
Total current assets		11,982,945	12,294,542
TOTAL ASSETS		19,460,070	25,504,858
EQUITY			
Share capital	14	1,346,850	1,346,850
Retained earnings		8,841,218	15,944,395
TOTAL EQUITY		10,188,068	17,291,245
LIABILITIES			
Non-current liabilities			
Lease liabilities	15	389,382	505,304
Total non-current liabilities		389,382	505,304
Current liabilities			
Lease liabilities	15	115,922	104,359
Trade and other payables	17	7,164,849	5,926,457
Current income tax payable		1,507,332	1,519,907
Deposit liabilities	18	94,517	157,586
Total current liabilities		8,882,620	7,708,309
TOTAL LIABILITIES		9,272,002	8,213,613
TOTAL LIABILITIES AND EQUITY		19,460,070	25,504,858

Approved for issue and signed by the Management of the Company on 27 May 2025.

Artur Sahakyan
Country Manager



Davit Sharyan
Chief Accountant

The accompanying notes on pages 9 to 30 are an integral part of these financial statements.

Coca-Cola HBC Armenia CJSC
Statement of Profit or Loss and Other Comprehensive Income

<i>In thousands of Armenian Drams</i>	Note	2024	2023
Revenue from contracts with customers	19	37,171,609	34,993,544
Cost of sales	20	(18,401,192)	(18,314,552)
Gross profit		18,770,417	16,678,992
Other operating income	24	426,298	1,170,299
Distribution expenses	21	(3,741,235)	(3,623,545)
General and administrative expenses	22	(2,233,325)	(1,996,909)
Advertising and marketing services	23	(2,175,183)	(2,261,267)
Other gain/(losses), net		(491,619)	(268,959)
Operating profit		10,555,353	9,698,611
Finance income		588,317	500,573
Finance cost	15	(57,965)	(13,703)
Profit before income tax		11,085,705	10,185,481
Income tax expense	25	(2,288,882)	(2,023,030)
PROFIT FOR THE YEAR		8,796,823	8,162,451
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		8,796,823	8,162,451

The accompanying notes on pages 5 to 30 are an integral part of these financial statements.

Coca-Cola HBC Armenia CJSC
Statement of Changes in Equity

<i>In thousands of Armenian Drams</i>	Note	Share capital	Retained earnings	Total equity
Balance at 1 January 2023	14	1,009,875	13,118,919	14,128,794
Correction of Share Capital	14	336,975	(336,975)	-
Profit for the year		-	8,162,451	8,162,451
Total comprehensive income for 2023		-	8,162,451	8,162,451
Dividends declared		-	(5,000,000)	(5,000,000)
Balance at 31 December 2023	14	1,346,850	15,944,395	17,291,245
Profit for the year		-	8,796,823	8,796,823
Total comprehensive income for 2024		-	8,796,823	8,796,823
Dividends declared		-	(15,900,000)	(15,900,000)
Balance at 31 December 2024	14	1,346,850	8,841,218	10,188,068

Coca-Cola HBC Armenia CJSC
Statement of Cash Flows

<i>In thousands of Armenian Drams</i>	Note	2024	2023
Cash flows from operating activities			
Profit before income tax		11,085,705	10,185,481
Adjustments for:			
Depreciation and impairment of property, plant and equipment	20,21,22,23	1,100,398	956,471
Amortisation and impairment of other intangible assets	20,21,22,23	122,981	88,880
Write-off of property, plant and equipment		(32,954)	153,521
Impairment of trade and other receivables		16,274	28,117
Movement in deposit liabilities		(63,069)	(121,389)
Finance income		(588,317)	(500,573)
Finance costs		57,965	13,703
Foreign exchange translation differences		279,606	(248,835)
Operating cash flows before working capital changes		11,978,589	10,555,376
(Increase) / decrease in inventories		(593,747)	30,983
Increase in trade and other receivables		(1,268,938)	(67,743)
Increase in trade and other payables		1,238,392	1,804,953
Changes in working capital		(624,293)	1,768,193
Income tax paid		(2,242,643)	(1,835,332)
Interest income received		654,034	504,340
Interest paid		(57,965)	(13,703)
Net cash from operating activities		9,707,722	10,978,874
Cash flows from investing activities			
Purchases of property, plant and equipment		(1,499,039)	(978,242)
Acquisition of intangible assets		(279,970)	(269,086)
Net cash used in investing activities		(1,779,009)	(1,247,328)
Cash flows from financing activities			
Principal repayments of lease liabilities	16	(104,359)	(101,487)
Loans granted to related party	10	(838,720)	-
Repayment of loans granted to related parties	10	6,018,262	-
Dividends payment	14	(15,900,000)	(5,000,000)
Net cash used in financing activities		(10,824,817)	(5,101,487)
Effect of exchange rate changes on cash and cash equivalents		(1,508)	235
Cash and cash equivalents at the beginning of the year	13	8,614,829	3,984,535
Cash and cash equivalents at the end of the year	13	5,717,217	8,614,829

The accompanying notes on pages 5 to 30 are an integral part of these financial statements.

1 Coca-Cola HBC Armenia CJSC and its Operations

These financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the IASB ("IFRS Accounting Standards") for the year ended 31 December 2024 for Coca-Cola HBC Armenia CJSC (the "Company").

The Company was incorporated and is domiciled in the Republic of Armenia (the "RA"). The Company is a closed joint stock company limited by shares and was set up in accordance with Armenian regulations.

As of 31 December 2024 and 2023, Company's immediate parent company was CC Beverages Holdings II BV incorporated in Kingdom of the Netherlands. The Company is ultimately controlled by Coca-Cola Hellenic Bottling Company S.A. incorporated in Switzerland (since 2013).

As of 31 December 2024 and 2023, 100% shareholder of the Company was CC Beverages Holdings II BV.

The Company has changed the name from Coca-Cola Hellenic Bottling Company Armenia to Coca-Cola HBC Armenia on 20 May, 2025.

Principal activity. The Company's principal business activity is the production, import and distribution of non-alcoholic and alcoholic beverages within the RA. The Company's manufacturing facilities are primarily based in Yerevan, the RA.

Registered address and place of business. The Company's registered address is Tbilisi Highway Lane, 8/3 Building, 0052 Yerevan, the RA.

Presentation currency. These financial statements are presented in Armenian Drams ("AMD"), unless otherwise stated.

2 Operating Environment of the Company

Republic of Armenia. The Republic of Armenia displays certain characteristics of an emerging market. The legal, tax and regulatory frameworks continue to develop and are subject to frequent changes and varying interpretations, refer to Note 26.

Russia's war in Ukraine has had a multi-vectoral impact on the RA economy. On one hand, Armenia has become a destination for temporary residence for tens of thousands of visitors, a unique hub of economic interests, enabling, inter alia, financial operations. Moreover, free market niches are emerging in the Russian economy which are a fertile ground for boosting exports and implementing re-export operations from the RA. Furthermore, the economic system of Armenia is definitely impacted by the sanctions, imposed on the Russian Federation. Besides, the impact of Russia's war in Ukraine can be viewed in direct as well as indirect dimensions. Armenian currency continued appreciation during 2024, which was mainly driven by high foreign currency transferred to Armenian market.

In the beginning of 2022, the Armenian economy continued to demonstrate positive dynamics in recovery from the pandemic and war in Nagorny Karabakh. This trend was highly supported also by the Russian citizens moved to Armenia due to the War between Russia and Ukraine. This flow brought a big push to the economy of Armenia and contributed to the performance of the Company, considering that they have higher purchasing power and were familiar with the Company's products. However, the lockdown of Nagorny Karabakh, started in 2022 December, led to enormous negative impact both on the economic and political situation in Armenia. After the war initiated by Azerbaijan in September 2023, more than one hundred thousand people, almost all of Nagorno-Karabakh's population, fled to Armenia in one week. So as a region, Nagorno-Karabakh was lost for Armenia, consequently the economic ties, that was held with them.

The financial markets continue to be volatile and are characterised by frequent significant price movements and increased trading spreads.

These events may have a further significant impact on the Company's future operations and financial position, the effect of which is difficult to predict. The future economic and regulatory situation and its impact on the Company's operations may differ from management's current expectations.

3 Basis of preparation

Basis of preparation. These financial statements have been prepared in accordance with IFRS Accounting Standards (“IFRS”) as issued by the IASB under the historical cost convention, except for certain financial instruments which are initially recognized at fair value. The material accounting policies applied in the preparation of these financial statements are set out below. Apart from the accounting policy changes effective from 1 January 2024 these policies have been consistently applied to all periods presented, unless otherwise stated.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

Foreign currency translation. The functional currency of the Company is the currency of the primary economic environment in which the entity operates. The functional currency of the Company is the national currency of the RA, AMD.

Monetary assets and liabilities are translated into entity’s functional currency at the official exchange rate of the Central Bank of the Republic of Armenia (the “CBA”) at the respective end of the reporting period. Foreign exchange gains and losses resulting from the settlement of the transactions and from the translation of monetary assets and liabilities into each entity’s functional currency at year-end official exchange rates of the CBA are recognised in ‘other gains/(losses), net’ line item. Translation at year-end rates does not apply to non-monetary items that are measured at historical cost. Non-monetary items measured at fair value in a foreign currency, including equity investments, are translated using the exchange rates at the date when the fair value was determined. Effects of exchange rate changes on non-monetary items measured at fair value in a foreign currency are recorded as part of the fair value gain or loss.

At 31 December 2024 the principal rate of exchange used for translating foreign currency balances was US Dollars (“USD”) 1 = AMD 396.56 (31 December 2023: USD 1 = AMD 404.79), European Union currency (“Euro”) 1 = AMD 413.89 (31 December 2023: Euro 1 = AMD 447.9), Russian Roubles (“RUB”) 1 = AMD 3.71 (31 December 2023: RUB 1 = AMD 4.5).

Property, plant and equipment. Property, plant and equipment are stated at cost, less accumulated depreciation and provision for impairment, where required. Costs of minor repairs and maintenance are expensed when incurred. Costs of replacing major parts or components of property, plant and equipment items are capitalised and the replaced part is retired.

At each end of the reporting period management assesses whether there is any indication of impairment of property, plant and equipment. If any such indication exists, management estimates the recoverable amount, which is determined as the higher of an asset’s fair value less costs to sell and its value in use. The carrying amount is reduced to the recoverable amount and the impairment loss is recognised in the statement of comprehensive income for the year. An impairment loss recognised for an asset in prior years is reversed where appropriate if there has been a change in the estimates used to determine the asset’s value in use or fair value less costs to sell.

Gains and losses on disposals determined by comparing proceeds with carrying amount are recognised in profit or loss for the year.

Depreciation. Land and construction in progress are not depreciated. Depreciation on other items of property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives:

	<u>Useful lives in years</u>
Buildings	<u>12-40</u>
Plant and machinery	<u>3-20</u>
Motor vehicles	<u>5-8</u>
Marketing equipment	<u>2-15</u>
Other	<u>2-12</u>

3 Basis of preparation (Continued)

The residual value of an asset is the estimated amount that the Company would currently obtain from disposal of the asset less the estimated costs of disposal, if the asset was already of the age and in the condition expected at the end of its useful life. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Intangible assets. The Company's intangible assets have definite useful lives and primarily include capitalised software. Capitalised costs include staff costs of the software development team and an appropriate portion of relevant overheads. All other costs associated with computer software, e.g. its maintenance, are expensed when incurred.

Intangible assets are amortised using the straight-line method over their useful lives:

	Useful lives in years
Internally developed software	10-15
Acquired software licenses	4

If impaired, the carrying amount of intangible assets is written down to the higher of value in use and fair value less costs to sell.

Financial instruments - key measurement terms. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The best evidence of fair value is the price in an active market. An active market is one in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Fair value of financial instruments traded in an active market is measured as the product of the quoted price for the individual asset or liability and the number of instruments held by the entity. This is the case even if a market's normal daily trading volume is not sufficient to absorb the quantity held and placing orders to sell the position in a single transaction might affect the quoted price.

Valuation techniques such as discounted cash flow models or models based on recent arm's length transactions or consideration of financial data of the investees are used to measure fair value of certain financial instruments for which external market pricing information is not available. Fair value measurements are analysed by level in the fair value hierarchy as follows: (i) level one are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities, (ii) level two measurements are valuations techniques with all material inputs observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices), and (iii) level three measurements are valuations not based on solely observable market data (that is, the measurement requires significant unobservable inputs). Transfers between levels of the fair value hierarchy are deemed to have occurred at the end of the reporting period.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial instrument. An incremental cost is one that would not have been incurred if the transaction had not taken place. Transaction costs include fees and commissions paid to agents (including employees acting as selling agents), advisors, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Transaction costs do not include debt premiums or discounts, financing costs or internal administrative or holding costs.

Amortised cost ("AC") is the amount at which the financial instrument was recognised at initial recognition less any principal repayments, plus accrued interest, and for financial assets less any allowance for expected credit losses ("ECL"). Accrued interest includes amortisation of transaction costs deferred at initial recognition and of any premium or discount to the maturity amount using the effective interest method. Accrued interest income and accrued interest expense, including both accrued coupon and amortised discount or premium (including fees deferred at origination, if any), are not presented separately and are included in the carrying values of the related items in the statement of financial position.

3 Basis of preparation (Continued)

The effective interest method is a method of allocating interest income or interest expense over the relevant period, so as to achieve a constant periodic rate of interest (effective interest rate) on the carrying amount. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (excluding future credit losses) through the expected life of the financial instrument or a shorter period, if appropriate, to the gross carrying amount of the financial instrument. The effective interest rate discounts cash flows of variable interest instruments to the next interest repricing date, except for the premium or discount which reflects the credit spread over the floating rate specified in the instrument, or other variables that are not reset to market rates. Such premiums or discounts are amortised over the whole expected life of the instrument. The present value calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate.

Financial instruments – initial recognition. Financial instruments at FVTPL are initially recorded at fair value. All other financial instruments are initially recorded at fair value adjusted for transaction costs. Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is only recorded if there is a difference between fair value and transaction price which can be evidenced by other observable current market transactions in the same instrument or by a valuation technique whose inputs include only data from observable markets. After the initial recognition, an ECL allowance is recognised for financial assets measured at AC and investments in debt instruments measured at FVOCI, resulting in an immediate accounting loss.

Financial assets – classification and subsequent measurement – measurement categories. The Company classifies financial assets at AC.

Financial assets – classification and subsequent measurement – business model. The business model reflects how the Company manages the assets in order to generate cash flows – whether the Company's objective is: (i) solely to collect the contractual cash flows from the assets ("hold to collect contractual cash flows"), or (ii) to collect both the contractual cash flows and the cash flows arising from the sale of assets ("hold to collect contractual cash flows and sell") or, if neither of (i) and (ii) is applicable, the financial assets are classified as part of "other" business model and measured at FVTPL.

Business model is determined for a group of assets (on a portfolio level) based on all relevant evidence about the activities that the Company undertakes to achieve the objective set out for the portfolio available at the date of the assessment.

Financial assets – classification and subsequent measurement – cash flow characteristics. Where the business model is to hold assets to collect contractual cash flows or to hold contractual cash flows and sell, the Company assesses whether the cash flows represent solely payments of principal and interest ("SPPI"). In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement, i.e. interest includes only consideration for credit risk, time value of money, other basic lending risks and profit margin.

The SPPI assessment is performed on initial recognition of an asset, and it is not subsequently reassessed.

Financial assets impairment – credit loss allowance for ECL. The Company assesses, on a forward-looking basis, the ECL for debt instruments measured at AC and FVOCI and for the exposures arising from loan commitments and financial guarantee contracts, for contract assets. The Company measures ECL and recognises net impairment losses on financial and contract assets at each reporting date. The measurement of ECL reflects: (i) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, (ii) time value of money and (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and forecasts of future conditions.

Debt instruments measured at AC, trade and other receivables are presented in the statement of financial position net of the allowance for ECL.

The Company recognizes loss allowances for ECLs on the following financial instruments that are not measured at FVTPL:

- Cash and cash equivalents.
- Trade and other receivables.
- Loans issued.

3 Basis of preparation (Continued)

ECLs are required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e. lifetime ECL that result from those default events on the financial instrument that are possible within 12 months after the reporting date, (referred to as Stage 1); or
- Full lifetime ECL, i.e. lifetime ECL that result from all possible default events over the life of the financial instrument (referred to as Stage 2 and Stage 3).

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables (Note 12).

Financial assets – write-off. Financial assets are written-off, in whole or in part, when the Company exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The write-off represents a derecognition event. The Company may write-off financial assets that are still subject to enforcement activity when the Company seeks to recover amounts that are contractually due, however, there is no reasonable expectation of recovery.

Financial assets – derecognition. The Company derecognises financial assets when (a) the assets are redeemed or the rights to cash flows from the assets otherwise expire or (b) the Company has transferred the rights to the cash flows from the financial assets or entered into a qualifying pass-through arrangement whilst (i) also transferring substantially all the risks and rewards of ownership of the assets or (ii) neither transferring nor retaining substantially all the risks and rewards of ownership but not retaining control. Control is retained if the counterparty does not have the practical ability to sell the asset in its entirety to an unrelated third party without needing to impose additional restrictions on the sale.

Financial assets – modification. A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date.

Financial liabilities – measurement categories. Financial liabilities are classified as subsequently measured at AC.

Financial liabilities – derecognition. Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

Offsetting financial instruments. Financial assets and liabilities are offset, and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognised amounts, and there is an intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously. Such a right of set off (a) must not be contingent on a future event and (b) must be legally enforceable in all of the following circumstances: (i) in the normal course of business, (ii) in the event of default and (iii) in the event of insolvency or bankruptcy.

Cash and cash equivalents. Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less. Cash and cash equivalents are carried at AC because: (i) they are held for collection of contractual cash flows and those cash flows represent SPPI, and (ii) they are not designated at FVTPL. Features mandated solely by legislation, such as the bail-in legislation in certain countries, do not have an impact on the SPPI test, unless they are included in contractual terms such that the feature would apply even if the legislation were subsequently changed.

Trade and other receivables. Trade and other receivables are recognised initially at fair value and are subsequently carried at amortised cost using the effective interest method.

Trade and other payables. Trade payables are accrued when the counterparty performs its obligations under the contract and are carried at amortised cost using the effective interest method.

3 Basis of preparation (Continued)

Lease liabilities. Liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable,
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date, and payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Extension and termination options are included in a number of leases across the Company. These terms are used to maximise operational flexibility in terms of managing the assets used in the Company's operations.

Extension options (or period after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases of the Company, the Company's incremental borrowing rate is used, being the rate that the Company would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, collateral and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the Company as a starting point, adjusted to reflect changes in financing conditions since third party financing was received,
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk, and
- makes adjustments specific to the lease, e.g. term, currency and collateral.

Lease payments are allocated between principal and finance costs. The finance costs are charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Income taxes. Income taxes have been provided for in the financial statements in accordance with legislation enacted or substantively enacted by the end of the reporting period. The income tax charge comprises current tax and deferred tax and is recognised in profit or loss for the year except if it is recognised in other comprehensive income or directly in equity because it relates to transactions that are also recognised, in the same or a different period, in other comprehensive income or directly in equity.

Current tax is the amount expected to be paid to or recovered from the taxation authorities in respect of taxable profits or losses for the current and prior periods. Taxes other than on income are recorded within other gain/(losses), net.

Deferred income tax is provided using the balance sheet liability method for tax loss carry forwards and temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. In accordance with the initial recognition exemption, deferred taxes are not recorded for temporary differences on initial recognition of an asset or a liability in a transaction other than a business combination if the transaction, when initially recorded, affects neither accounting nor taxable profit. Deferred tax balances are measured at tax rates enacted or substantively enacted at the end of the reporting period which are expected to apply to the period when the temporary differences will reverse, or the tax loss carry forwards will be utilised. Deferred tax assets for deductible temporary differences and tax loss carry forwards are recorded only to the extent that it is probable that future taxable profit will be available against which the deductions can be utilised.

The Company's uncertain tax positions are reassessed by management at the end of each reporting period. Liabilities are recorded for income tax positions that are determined by management as more likely than not to result in additional taxes being levied if the positions were to be challenged by the tax authorities. The assessment is based on the interpretation of tax laws that have been enacted or substantively enacted by the end of the reporting period and any known court or other rulings on such issues. Liabilities for penalties, interest and taxes other than on income are recognised based on management's best estimate of the expenditure required to settle the obligations at the end of the reporting period.

3 Basis of preparation (Continued)

Value added tax. Output value added tax related to sales is payable to tax authorities on the delivery of goods or services to customers. Input VAT is generally recoverable against output VAT upon payment for purchases. The tax authorities permit the settlement of VAT on a net basis. VAT related to sales and purchases is recognised in the balance sheet on a net basis and disclosed separately as an asset or liability.

Where provision has been made for impairment of receivables, impairment loss is recorded for the gross amount of the debtor, including VAT.

Inventories. Inventories are recorded at the lower of cost and net realisable value. Cost of inventory is determined on the weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less the selling expenses.

Prepayments. Prepayments are carried at cost less provision for impairment. A prepayment is classified as non-current when the goods or services relating to the prepayment are expected to be obtained after one year, or when the prepayment relates to an asset which will itself be classified as non-current upon initial recognition. Prepayments to acquire assets are transferred to the carrying amount of the asset once the Company has obtained control of the asset and it is probable that future economic benefits associated with the asset will flow to the Company. Other prepayments are written off to profit or loss when the goods or services relating to the prepayments are received. If there is an indication that the assets, goods or services relating to a prepayment will not be received, the carrying value of the prepayment is written down accordingly and a corresponding impairment loss is recognised in statement of comprehensive income for the year.

Share capital. Ordinary shares and non-redeemable preference shares with discretionary dividends are both classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. Any excess of the fair value of consideration received over the par value of shares issued is recorded as share premium in equity.

Dividends. Dividends are recorded as a liability and deducted from equity in the period in which they are declared and approved. Any dividends declared after the reporting period and before the financial statements are authorised for issue are disclosed in the subsequent events note. The statutory accounting reports of the Company are the basis for profit distribution and other appropriations.

Provisions for liabilities and charges. Provisions for liabilities and charges are non-financial liabilities of uncertain timing or amount.

Revenue recognition. Revenues from sales of goods are recognised at the point of transfer of risks and rewards of ownership of the goods, normally when the goods are shipped. If the Company agrees to transport goods to a specified location, revenue is recognised when the goods are passed to the customer at the destination point. Revenue is recognised in the amount of transaction price. Transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring control over promised goods or services to a customer, excluding the amounts collected on behalf of third parties. Sales are shown net of VAT and discounts.

Sales are recognised when control of the goods has transferred, being when the goods are delivered to the customer, the customer has full discretion over the goods, and there is no unfulfilled obligation that could affect the customer's acceptance of the goods. Delivery occurs when the goods have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the goods in accordance with the contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

Revenue from the sales with discounts is recognised based on the price specified in the contract, net of the estimated volume discounts. The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money. Discounts are provided at the time of the sale in a point in time basis.

No element of financing is deemed present as the sales are made with a credit term of up to 45 days or immediate payment, which is consistent with market practice. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

3 Basis of preparation (Continued)

Employee benefits. Wages, salaries, contributions to the RA state pension funds, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the year in which the associated services are rendered by the employees of the Company.

Deposit liabilities. A deposit liability is recognised when the returnable containers are delivered to the customer. The asset “returnable containers in plant/warehouse” is then reclassified to “returnable containers in trade”. The transfer occurs at the carrying value multiplied by the quantity. The carrying value of the returnable containers is equal to the deposit value. This reclassification occurs on a monthly basis. An estimate is made regarding the number and value of returnable containers broken or lost and not expected to be returned. This estimate is recorded both as a reduction in the returnable container account and the deposit liability account and is based on historical return rates and management’s past experience.

Presenting foreign exchange differences in the Statement of Cash Flows. The Company made a decision to exclude foreign exchange differences from the amounts of changes in accounts receivable and payables and present their amounts within adjustments to profit before tax on non-cash items.

Amendment of the financial statements after issue. Any changes to these financial statements after issue require approval of the Company’s management who authorised these financial statements for issue.

4 Critical Accounting Estimates, and Judgements in Applying Accounting Policies

The Company makes estimates and assumptions that affect the amounts recognised in the financial statements and the carrying amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management also makes certain judgements, apart from those involving estimations, in the process of applying the accounting policies. Judgements that have the most significant effect on the amounts recognised in the financial statements and estimate that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year include:

Initial recognition of related party transactions. In the normal course of business, the Company enters into transactions with its related parties. IFRS 9 requires initial recognition of financial instruments based on their fair values. Judgement is applied in determining if transactions are priced at market or non-market interest rates, where there is no active market for such transactions. The basis for judgement is pricing for similar types of transactions with unrelated parties and effective interest rate analyses. Terms and conditions of related party balances are disclosed in Note 7.

Expected credit losses. For the purpose of measurement of expected credit losses (“ECL”) the company uses supportable forward-looking information, including forecasts of macroeconomic variables. As with any economic forecast, however, the projections and likelihoods of their occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different from those projected. Note 27 provides more information of how the company incorporated forward-looking information in the ECL models.

Tax legislation. Armenian tax and customs legislation is subject to varying interpretations. Management believes its interpretations and estimates based on taxation legislation are appropriate and sustainable, but no guarantee can be provided against a challenge from the tax authorities, refer to Note 26.

Useful lives of property, plant and equipment. The estimation of the useful lives of items of property, plant and equipment is a matter of judgement based on the experience with similar assets. The future economic benefits embodied in the assets are consumed principally through use. However, other factors, such as technical or commercial obsolescence and wear and tear, often result in the diminution of the economic benefits embodied in the assets. Management assesses the remaining useful lives in accordance with the current technical conditions of the assets and estimated period during which the assets are expected to earn benefits for the Company. The following primary factors are considered: (a) expected usage of the assets; (b) expected physical wear and tear, which depends on operational factors and maintenance programme; and (c) technical or commercial obsolescence arising from changes in market conditions.

Were the estimated useful lives to differ by 10% from management’s estimates, the impact on depreciation for the year ended 31 December 2024 would be to increase it by AMD 97,309 thousand or decrease it by AMD 97,309 thousand (2023: increase by AMD 86,033 thousand or decrease by AMD 86,033 thousand).

5 Adoption of New or Revised Standards and Interpretations

The following amended standards became effective from 1 January 2024, but did not have any material impact on the Company:

Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (issued on 22 September 2022 and effective for annual periods beginning on or after 1 January 2024). The amendments relate to the sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendments require the seller-lessee to subsequently measure liabilities arising from the transaction and in a way that it does not recognise any gain or loss related to the right of use that it retained. This means deferral of such a gain even if the obligation is to make variable payments that do not depend on an index or a rate.

Classification of liabilities as current or non-current – Amendments to IAS 1 (originally issued on 23 January 2020 and subsequently amended on 15 July 2020 and 31 October 2022, ultimately effective for annual periods beginning on or after 1 January 2024). These amendments clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Liabilities are non-current if the entity has a substantive right, at the end of the reporting period, to defer settlement for at least twelve months. The guidance no longer requires such a right to be unconditional. The October 2022 amendment established that loan covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Management's expectations whether they will subsequently exercise the right to defer settlement do not affect classification of liabilities. A liability is classified as current if a condition is breached at or before the reporting date even if a waiver of that condition is obtained from the lender after the end of the reporting period. Conversely, a loan is classified as non-current if a loan covenant is breached only after the reporting date. In addition, the amendments include clarifying the classification requirements for debt a company might settle by converting it into equity. 'Settlement' is defined as the extinguishment of a liability with cash, other resources embodying economic benefits or an entity's own equity instruments. There is an exception for convertible instruments that might be converted into equity, but only for those instruments where the conversion option is classified as an equity instrument as a separate component of a compound financial instrument.

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (issued on 25 May 2023 and effective for annual periods beginning on or after 1 January 2024). In response to concerns of the users of financial statements about inadequate or misleading disclosure of financing arrangements, in May 2023, the IASB issued amendments to IAS 7 and IFRS 7 to require disclosure about entity's supplier finance arrangements (SFAs). These amendments require the disclosures of the entity's supplier finance arrangements that would enable the users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows and on the entity's exposure to liquidity risk. The purpose of the additional disclosure requirements is to enhance the transparency of the supplier finance arrangements. The amendments do not affect recognition or measurement principles but only disclosure requirements.

The application of the amendments had no significant impact on the Company's financial statements.

6 New Accounting Pronouncements

Certain new standards and interpretations have been issued that are mandatory for the annual periods beginning on or after 1 January 2025 or later, and which the Company has not early adopted.

Amendments to IAS 21 Lack of Exchangeability (Issued on 15 August 2023 and effective for annual periods beginning on or after 1 January 2025). In August 2023, the IASB issued amendments to IAS 21 to help entities assess exchangeability between two currencies and determine the spot exchange rate, when exchangeability is lacking. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. The amendments to IAS 21 do not provide detailed requirements on how to estimate the spot exchange rate. Instead, they set out a framework under which an entity can determine the spot exchange rate at the measurement date. When applying the new requirements, it is not permitted to restate comparative information. It is required to translate the affected amounts at estimated spot exchange rates at the date of initial application, with an adjustment to retained earnings or to the reserve for cumulative translation differences. The Company is currently assessing the impact of the amendments on its financial statements.

6 New Accounting Pronouncements (Continued)

Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 (issued on 30 May 2024 and effective for annual periods beginning on or after 1 January 2026).

On 30 May 2024, the IASB issued amendments to IFRS 9 and IFRS 7 to:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The Company is currently assessing the impact of the amendments on its financial statements.

Annual Improvements to IFRS Accounting Standards (Issued in July 2024 and effective from 1 January 2026). IFRS 1 was clarified that a hedge should be discontinued upon transition to IFRS Accounting Standards if it does not meet the 'qualifying criteria', rather than 'conditions' for hedge accounting, in order to resolve a potential confusion arising from an inconsistency between the wording in IFRS 1 and the requirements for hedge accounting in IFRS 9. IFRS 7 requires disclosures about a gain or loss on derecognition relating to financial assets in which the entity has a continuing involvement, including whether fair value measurements included 'significant unobservable inputs'. This new phrase replaced reference to 'significant inputs that were not based on observable market data'. The amendment makes the wording consistent with IFRS 13. In addition, certain IFRS 7 implementation guidance examples were clarified and text added that the examples do not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7. IFRS 16 was amended to clarify that when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply IFRS 9 guidance to recognise any resulting gain or loss in profit or loss. This clarification applies to lease liabilities that are extinguished on or after the beginning of the annual reporting period in which the entity first applies that amendment. In order to resolve an inconsistency between IFRS 9 and IFRS 15, trade receivables are now required to be initially recognised at 'the amount determined by applying IFRS 15' instead of at 'their transaction price (as defined in IFRS 15)'. IFRS 10 was amended to use less conclusive language when an entity is a 'de-facto agent' and to clarify that the relationship described in paragraph B74 of IFRS 10 is just one example of a circumstance in which judgement is required to determine whether a party is acting as a de-facto agent. IAS 7 was corrected to delete references to 'cost method' that was removed from IFRS Accounting Standards in May 2008 when the IASB issued amendment 'Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate'. The Company is currently assessing the impact of the amendments on its financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements (Issued on 9 April 2024 and effective for annual periods beginning on or after 1 January 2027). In April 2024, the IASB has issued IFRS 18, the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'. IFRS 18 will apply for reporting periods beginning on or after 1 January 2027 and also applies to comparative information. The Company is currently assessing the impact of the amendments on its financial statements.

7 Balances and Transactions with Related Parties

Parties are generally considered to be related if the parties are under common control or if one party has the ability to control the other party or can exercise significant influence or joint control over the other party in making financial and operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

At 31 December 2024, the outstanding balances with related parties were as follows:

<i>In thousands of Armenian Drams</i>	Entities under common control	Other related parties
Gross amount of other receivables	25,196	1,096,566
Loans issued	1,220,786	-
Trade and other payables	752,854	2,775,903

At 31 December 2023, the outstanding balances with related parties were as follows:

<i>In thousands of Armenian Drams</i>	Entities under common control	Other related parties
Gross amount of other receivables	31,111	674,501
Loans issued	6,744,143	-
Trade and other payables	519,454	2,708,964

The income and expense items with related parties for the year ended 31 December 2024 were as follows:

<i>In thousands of Armenian Drams</i>	Parent	Entities under common control	Other related parties
Purchases of raw materials and consumables	-	-	(6,694,133)
Dividend paid	(15,900,000)	-	-
Purchases of goods for resale	-	(2,500,108)	(22,529)
Intercompany consulting fee	-	(593,024)	-
IT costs	-	(405,836)	-
Interest income	-	271,294	-
Recharges	-	116,630	-
Other expenses	-	(45,808)	-
Capitalised cost on intangible assets	-	(279,122)	-

The income and expense items with related parties for the year ended 31 December 2023 were as follows:

<i>In thousands of Armenian Drams</i>	Parent	Entities under common control	Other related parties
Debt forgiveness	-	-	746,523
Purchases of raw materials and consumables	-	-	(4,750,856)
Dividend paid	(5,000,000)	-	-
Purchases of goods for resale	-	(2,749,298)	-
Intercompany consulting fee	-	(560,748)	-
IT costs	-	(327,138)	-
Interest income	-	297,578	-
Recharges	-	99,779	-
Other expenses	-	(34,895)	-
Capitalised cost on intangible assets	-	(267,731)	-

All related party transactions were made on an arm's length basis.

7 Balances and Transactions with Related Parties (Continued)

Key management compensation. Key management of the Company consists of Executive Managers and Department Leads. Key management compensation for the years ended 31 December 2024 and 31 December 2023 is presented below:

In thousands of Armenian Drams	2024		2023	
	Expense	Accrued liability	Expense	Accrued liability
Short-term benefits:				
- Salaries and short-term bonuses	358,656	80,848	314,621	68,238
Total	358,656	80,848	314,621	68,238

8 Property, Plant and Equipment

Movements in the carrying amount of property, plant and equipment were as follows:

<i>In thousands of Armenian Drams</i>	Land	Buildings, Plant and machinery	Motor vehicles	Marketing equipment	Other	Construction in progress	ROU assets	Total
Cost at 1 January 2023	61,993	9,915,635	1,713,605	7,700,824	716,742	1,382	384,911	20,495,092
Accumulated depreciation	-	(7,221,139)	(1,400,602)	(5,604,183)	(634,545)	-	(309,638)	(15,170,107)
Carrying amount at 1 January 2023	61,993	2,694,496	313,003	2,096,641	82,197	1,382	75,273	5,324,985
Additions	-	515,633	23,345	475,717	73,138	-	625,574	1,713,407
Disposals/write-off	-	(98,541)	(167,761)	(527,398)	(1,995)	(1,382)	-	(797,077)
Disposals/write-off accumulated depreciation	-	82,561	167,761	391,239	1,995	-	-	643,556
Depreciation charge	-	(341,325)	(82,686)	(395,715)	(40,602)	-	(96,144)	(956,472)
Carrying amount at 31 December 2023	61,993	2,852,824	253,662	2,040,484	114,733	-	604,703	5,928,399
Cost at 31 December 2023	61,993	10,332,727	1,569,189	7,649,143	787,885	-	1,010,485	21,411,422
Accumulated depreciation	-	(7,479,903)	(1,315,527)	(5,608,659)	(673,152)	-	(405,782)	(15,483,023)
Carrying amount at 31 December 2023	61,993	2,852,824	253,662	2,040,484	114,733	-	604,703	5,928,399
Additions	-	640,385	140,390	554,450	89,576	599	-	1,425,400
Disposals/write-off	-	(132,127)	(54,025)	(463,149)	(121,466)	-	(384,911)	(1,155,678)
Disposals/write-off accumulated depreciation	-	90,677	54,025	538,362	120,657	-	384,911	1,188,632
Depreciation charge	-	(385,091)	(96,575)	(437,645)	(53,781)	-	(127,306)	(1,100,398)
Carrying amount at 31 December 2024	61,993	3,066,668	297,477	2,232,502	149,719	599	477,397	6,286,355
Cost at 31 December 2024	61,993	10,840,985	1,655,554	7,740,444	755,995	599	625,574	21,681,144
Accumulated depreciation	-	(7,774,317)	(1,358,077)	(5,507,942)	(606,276)	-	(148,177)	(15,394,789)
Carrying amount at 31 December 2024	61,993	3,066,668	297,477	2,232,502	149,719	599	477,397	6,286,355

As of 31 December 2024, and 31 December 2023 the cost of fully depreciated assets in use amounts to AMD 9,937,619 thousand and AMD 10,391,015 thousand respectively included in property, plant and equipment.

9 Intangible Assets

<i>In thousands of Armenian Drams</i>	Internally developed software	Acquired software licenses	Total
Cost at 1 January 2023	1,335,680	8,050	1,343,730
Accumulated amortisation	(762,698)	(8,050)	(770,748)
Carrying amount at 1 January 2023	572,982	-	572,982
Additions	269,086	-	269,086
Amortisation charge	(88,880)	-	(88,880)
Carrying amount at 31 December 2023	753,188	-	753,188
Cost at 31 December 2023	1,604,766	8,050	1,612,816
Accumulated amortisation	(851,578)	(8,050)	(859,628)
Carrying amount at 31 December 2023	753,188	-	753,188
Additions	279,970	-	279,970
Amortisation charge	(122,981)	-	(122,981)
Carrying amount at 31 December 2024	910,177	-	910,177
Cost at 31 December 2024	1,884,736	8,050	1,892,786
Accumulated amortisation	(974,559)	(8,050)	(982,609)
Carrying amount at 31 December 2024	910,177	-	910,177

10 Loans Issued

<i>In thousands of Armenian Drams</i>	31 December 2024	31 December 2023
Non – current loans issued		
Unsecured loans to entity under common control	-	6,242,861
Total non-current loans issued	-	6,242,861
Current loans issued		
Unsecured loans to entity under common control	1,220,786	501,282
Total current loans issued	1,220,786	501,282

Loans issued are Company's excess cash provided to Coca-Cola HBC Finance B.V., which acts as a financing entity for the companies belonging to Coca-Cola HBC AG. At 31 December 2024, loans issued of AMD 417,755 thousand (2023: AMD 902,783 thousand) are denominated in EUR, AMD 803,031 thousand (2023: 5,841,360 thousand) are denominated in USD. During 2024 loans issued of 838,720 thousand AMD, 1,000 thousand EUR and 12,267 thousand USD were received back. During 2024 loans issued of 1,000 thousand EUR and 2,000 thousand USD were reclassified from long term to short term.

The company applies IFRS 9 to measuring expected credit losses which uses a 12-month expected credit loss for the loans issued. Based on the analysis performed by the management of the company the expected credit loss as at 31 December 2024 is not significant.

11 Inventories

<i>In thousands of Armenian Drams</i>	31 December 2024	31 December 2023
Raw materials	1,611,486	1,044,097
Purchased goods	585,996	611,612
Manufactured goods	565,914	430,004
Spare parts	219,553	198,690
Returnable containers in trade	94,517	157,586
Returnable containers in warehouse	69,509	125,073
Other consumables	137,382	123,548
Total inventories	3,284,357	2,690,610

12 Trade and Other Receivables

<i>In thousands of Armenian Drams</i>	31 December 2024	31 December 2023
Trade receivables	464,327	356,304
Less impairment loss provision	(109,981)	(92,335)
Other financial receivables	1,093,427	-
Total financial assets within trade and other receivables	1,447,773	263,969
Prepayments for current assets	286,570	194,485
Other receivables	26,242	29,367
Total trade and other receivables	1,760,585	487,821

12 Trade and Other Receivables (Continued)

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and other receivables.

The expected loss rates are based on the payment profiles of customers over a period of 24 month before each balance sheet date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors and accordingly adjusts the historical loss rates based on expected changes in these factors.

The credit loss allowance for trade and other receivables is determined according to provision matrix presented in the table below. The provision matrix is based the number of days that an asset is past due, adjusted for LGD rate.

	31 December 2024				31 December 2023			
<i>In % of gross value</i>	Loss Rate	Gross carrying amount	Lifetime ELC	Net carrying amount	Loss Rate	Gross carrying amount	Lifetime ELC	Net carrying amount
Trade receivables								
- current	2.77%	230,208	6,372	223,836	1.43%	234,742	3,365	231,377
- less than 14 days overdue	8.97%	51,590	4,629	46,961	10.26%	6,203	637	5,566
- 15 to 30 days overdue	25.91%	50,647	13,123	37,524	38.73%	3,368	1,304	2,064
- 31 to 60 days overdue	34.90%	12,745	4,448	8,297	48.58%	2,953	1,435	1,518
- 61 to 90 days overdue	53.47%	18,175	9,719	8,456	56.45%	1,825	1,030	795
- 91 to 120 days overdue	63.32%	5,930	3,755	2,175	62.55%	3,200	2,002	1,198
- more than 120 days overdue	63.32%	73,875	46,778	27,097	62.55%	57,279	35,828	21,451
Individually assessed – legal actions	100.00%	21,157	21,157	-	100.00%	46,734	46,734	-
Total		464,327	109,981	354,346		356,304	92,335	263,969

The following table explains the changes in the credit loss allowance for trade and other receivables under simplified ECL model between the beginning and the end of the annual period:

The movement in the impairment provision for trade receivables during 2024 is as follows:

<i>In thousands of Armenian Drams</i>	31 December 2024	31 December 2023
Provision for impairment at 1 January	92,335	64,218
Provision for impairment during the year	16,274	30,911
Written off receivables during the year	1,372	(2,794)
Provision for impairment at 31 December	109,981	92,335

The Company has assessed the risk for Other receivables and believes that the amount of risk and provision is immaterial.

Movements in prepayments for current assets are as follows:

12 Trade and Other Receivables (Continued)

<i>In thousands of Armenian Drams</i>	Prepayments for current assets
Carrying value at 1 January 2023	230,935
Additions	11,171,892
Prepayments derecognised on receipt of related goods or services	(11,208,342)
Total prepayments for current assets at 31 December 2023	194,485
Additions	10,565,233
Prepayments derecognised on receipt of related goods or services	(10,473,148)
Total prepayments for current assets at 31 December 2024	286,570

13 Cash and Cash Equivalents

<i>In thousands of Armenian Drams</i>	31 December 2024	31 December 2023
Bank balances payable on demand	5,717,125	8,614,564
Cash on hand	92	265
Total cash and cash equivalents	5,717,217	8,614,829

Bank balances payable on demand are held at top 10 Armenian banks and are classified as current and not impaired (31 December 2023: top 10 Armenian banks, current and not impaired).

The table below discloses the credit quality of bank balances payable on demand based on credit risk grades at 31 December 2024 and 2023:

<i>In thousands of Armenian Drams</i>	2024	2023
A1 (Moody's)	-	17,321
B1 (Moody's)	5,715,258	8,585,216
Not rated	1,867	12,027
Total bank balances payable on demand	5,717,125	8,614,564

14 Share Capital

The total authorized number of ordinary shares is 25 shares (31 December 2023: 25 shares) with a par value of AMD 53,874 thousand per share (2023: AMD 53,874 thousand per share). All issued ordinary shares are fully paid. Each ordinary share carries one vote. Dividends declared and paid during the year were AMD 15,900,000 thousand (2023: 5,000,000 thousand). The dividend per share for 2024 is AMD 636,000 thousand (2023: AMD 200,000 thousand per share). The total amount of share capital in the Company's financial statements for 2022 differed from the Company's Charter by AMD 336,975 thousand, since the Company was still waiting for the approval from the Parent to change in the share capital balance in accounting records. The difference was adjusted in 2023.

15 Lease liabilities

The Company leases vehicles. Rental contracts are made for fixed period of 5 years. Liabilities arising from a lease are initially measured on a present value basis. The Company recognised lease liabilities as follows:

<i>In thousands of Armenian Drams</i>	31 December 2024	31 December 2023
Short-term lease liabilities	115,922	104,359
Long-term lease liabilities	389,382	505,304
Total lease liabilities	505,304	609,663

Interest expense included in finance costs of 2024 was AMD 57,965 thousand (2023: AMD 13,703 thousand)

16 Reconciliation of Liabilities arising from Financing Activities

The table below sets out an analysis of liabilities from financing activities and the movements in the Company's liabilities from financing activities for each of the periods presented. The items of these liabilities are those that are reported as financing in the statement of cash flows:

<i>In thousands of Armenian Drams</i>	Year end 31 December 2024		Year end 31 December 2023	
	Lease liabilities	Total	Lease liabilities	Total
Liabilities from financing activities at 1 January	609,663	609,663	85,576	85,576
Cash flows				
Repayments of principal	(104,359)	(104,359)	(101,487)	(101,487)
Interest payments	(57,965)	(57,965)	(13,703)	(13,703)
Non-cash changes				
Interest accrual	57,965	57,965	13,703	13,703
New leases	-	-	625,574	625,574
Total	505,304	505,304	609,663	609,663

17 Trade and Other Payables

<i>In thousands of Armenian Drams</i>	31 December 2024	31 December 2023
Trade payables	3,889,435	3,487,037
Accrued liabilities	3,003,802	2,198,688
Total financial payables within trade and other payables	6,893,237	5,685,725
Employee related reserves	158,353	146,626
Vacation reserve	113,259	94,106
Total trade and other payables	7,164,849	5,926,457

18 Deposit Liabilities

<i>In thousands of Armenian Drams</i>	31 December 2024	31 December 2023
Liabilities for returnable bottles in trade	44,333	86,354
Liabilities for returnable cases in trade	50,184	71,232
Total deposit liabilities	94,517	157,586

19 Revenue from Contracts with Customers

Revenues from external customers for each group of similar products or services are as follows (all revenues in 2024 and 2023 were recognized at a point in time): No revenue was recognised in the current reporting period related to the contract liabilities as at 31 December 2024 (2023: nil thousand).

<i>In thousands of Armenian Drams</i>	2024	2023
Sales of manufactured goods	28,186,371	26,632,404
Sales of purchased goods	8,985,238	8,361,140
Total revenue	37,171,609	34,993,544

20 Cost of Sales

<i>In thousands of Armenian Drams</i>	2024	2023
Materials and components used	10,635,500	9,881,350
Cost of purchased goods sold	5,389,141	6,273,258
Staff costs	583,500	539,547
Spare parts consumed	371,544	207,553
Depreciation of property, plant and equipment	361,043	307,386
Utilities and communication expenses	248,459	294,712
Changes in inventories of finished goods and work in progress	135,910	77,045
Information, consulting and other professional services	67,055	52,596
Repairs and maintenance services	50,686	31,458
Loss of finished goods and materials	18,007	59,505
Other expenses	540,347	590,142
Total Cost of Sales	18,401,192	18,314,552

21 Distribution expenses

<i>In thousands of Armenian Drams</i>	2024	2023
Staff costs	2,106,124	1,960,090
Depreciation of property, plant and equipment	687,045	602,697
Information, consulting and other professional services	241,850	217,092
Fuel consumed	203,138	177,722
Loss of finished goods and materials	97,074	68,885
Spare parts consumed	64,598	74,134
Expenses related to short-term leases	61,457	55,179
Repairs and maintenance services	53,109	70,821
Business trips and representation	37,881	36,045
Utilities and communication expenses	27,383	27,058
Amortisation of intangible assets	27,144	17,791
Insurance expenses/reimbursements (including 3rd party)	17,618	22,227
Impairment of trade and other receivables	14,619	30,911
Other expenses	102,195	262,893
Total Distribution expenses	3,741,235	3,623,545

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22 General and Administrative expenses

<i>In thousands of Armenian Drams</i>	2024	2023
Staff costs	700,357	614,698
Intercompany management fees	690,365	681,142
Information, consulting and other professional services	494,047	390,229
Amortisation of intangible assets	88,265	65,226
Depreciation of property, plant and equipment	48,694	44,325
Training costs	24,638	17,615
Business Trips	23,576	15,191
Insurance expenses/reimbursements (including 3rd party)	22,168	13,489
Repairs and maintenance services	20,549	13,101
Utilities and communication expenses	17,195	18,611
Bank charges	14,409	13,304
Other expenses	89,062	109,978
Total General and administrative expenses	2,233,325	1,996,909

23 Advertising and marketing services

<i>In thousands of Armenian Drams</i>	2024	2023
Advertising expenses	1,984,455	2,148,568
Staff costs	156,977	91,051
Business trips and representation	10,056	2,724
Information, consulting and other professional services	7,225	8,676
Other expenses	16,470	10,248
Total Advertising and marketing services	2,175,183	2,261,267

24 Other Operating Income

<i>In thousands of Armenian Drams</i>	2024	2023
Credit Note Received	418,926	1,020,975
Other income	7,372	149,324
Total other operating income	426,298	1,170,299

25 Income Taxes

(a) Components of income tax expense

Income tax expense comprises the following:

<i>In thousands of Armenian Drams</i>	2024	2023
Current tax	2,230,068	2,201,245
Deferred tax	58,814	(178,215)
Income tax expense for the year	2,288,882	2,023,030

(b) Reconciliation between the tax expense and profit or loss multiplied by applicable tax rate

The income tax rate applicable to the majority of the Company's income is 18%.

<i>In thousands of Armenian Drams</i>	2024	2023
Profit before income tax	11,085,705	10,185,481
Theoretical tax charge at statutory rate of 18%	1,995,427	1,833,387
Tax effect of items which are not deductible or assessable for taxation purposes:		
- Income which is exempt from taxation	(31,624)	(89,851)
- Non-deductible expenses	325,079	272,895
Under provision of current tax in prior years	-	6,599
Income tax expense for the year	2,288,882	2,023,030

(c) Deferred taxes analysed by type of temporary difference

The tax effect of the movements in the temporary differences for the year ended 31 December 2024 are:

<i>In thousands of Armenian Drams</i>	1 January 2024	Charged/(credited) to profit or loss	31 December 2024
Tax effect of temporary differences			
Property, plant and equipment	(308,243)	9,082	(299,161)
Intangible assets	(20,545)	11,233	(9,312)
Loans issued	(13,201)	10,721	(2,480)
Inventory	19,704	27,326	47,030
Trade and other receivables	2,743	(207,919)	(205,176)
Deposit liabilities	28,365	(11,352)	17,013
Lease liabilities	90,956	(20,867)	70,089
Trade and other payables	325,585	122,962	448,547
Net deferred tax asset	125,364	(58,814)	66,550

The tax effect of the movements in the temporary differences for the year ended 31 December 2023 are:

25 Income Taxes (Continued)

<i>In thousands of Armenian Drams</i>	1 January 2023	Charged/(credited) to profit or loss	31 December 2023
Tax effect of temporary differences			
Property, plant and equipment	(235,609)	(72,634)	(308,243)
Intangible assets	(24,076)	3,531	(20,545)
Loans issued	(7,694)	(5,507)	(13,201)
Inventory	80,631	(60,927)	19,704
Trade and other receivables	40,720	(37,977)	2,743
Deposit liabilities	50,216	(21,851)	28,365
Lease liabilities	-	90,956	90,956
Trade and other payables	42,961	282,624	325,585
Net deferred tax (liability)/asset	(52,851)	178,215	125,364

26 Contingencies and Commitments

Legal proceedings. From time to time and in the normal course of business, claims against the Company may be received. On the basis of its own estimates and both internal and external professional advice, management is of the opinion that no material losses will be incurred in respect of claims in excess of provisions that have been made in these financial statements.

Tax legislation. The taxation system in the RA is relatively new and is characterised by frequent changes in legislation, official pronouncements and court decisions, which are sometimes unclear, contradictory and subject to varying interpretation. Taxes are subject to review and investigation by tax authorities, which have the authority to impose fines and penalties. A tax year remains open for review by the tax authorities during the three subsequent calendar years.

These circumstances may create tax risks in the RA that are more significant than in other countries. Management believes that it has provided adequately for tax liabilities based on its interpretations of applicable Armenian tax legislation, official pronouncements and court decisions. However, the interpretations of the relevant authorities could differ and the effect on these financial statements, if the authorities were successful in enforcing their interpretations, could be significant.

Climate change. The Company's management has taken note of global awareness and concerns about the potential impact of climate change. Currently, this matter has had no significant impact on the financial statements, but management continues to monitor developments in this area.

27 Financial Risk Management

The risk management function within the Company is carried out in respect of financial risks, operational risks and legal risks. Financial risk comprises market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The primary objectives of the financial risk management function are to establish risk limits and then ensure that exposure to risks stays within these limits. The operational and legal risk management functions are intended to ensure proper functioning of internal policies and procedures to minimise operational and legal risks.

Credit risk. The Company takes on exposure to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Exposure to credit risk arises as a result of the Company's sales of products on credit terms and other transactions with counterparties giving rise to financial assets.

Company's maximum exposure to credit risk by class of assets is reflected in the carrying amounts of financial assets on the balance sheet and is as follows:

27 Financial Risk Management (Continued)

<i>In thousands of Armenian Drams</i>	2024	2023
Loans issued (Note 10)		
- Loans issued	1,220,786	6,744,143
Trade and other receivables (Note 12)		
- Trade receivables, net	354,346	263,969
- Other financial receivables	1,093,427	-
Cash and cash equivalents (Note 13)		
- Bank balances payable on demand	5,717,125	8,614,564
Total maximum exposure to credit risk	8,385,684	15,622,676

The credit risk is mitigated by collateral and other credit enhancements as disclosed in Note 12.

The Company structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to counterparties or groups of counterparties. Limits on the level of credit risk are approved regularly by management. Such risks are monitored on a revolving basis and subject to an annual or more frequent review. The Company reviews ageing analysis of outstanding trade receivables and follows up on past due balances. Management therefore considers it appropriate to provide ageing and other information about credit risk as disclosed in Note 12.

Credit risks concentration. The Company is not exposed to significant concentrations of credit risk.

The Company's cash and cash equivalents are held with two banks (31 December 2023: two banks) thus exposing the Company to a concentration of credit risk.

Expected credit loss (ECL) measurement. ECL is a probability-weighted estimate of the present value of future cash shortfalls (i.e., the weighted average of credit losses, with the respective risks of default occurring in a given time period used as weights). An ECL measurement is unbiased and is determined by evaluating a range of possible outcomes. ECL measurement is based on four components used by the Company: Probability of Default ("PD"), Exposure at Default ("EAD"), Loss Given Default ("LGD") and Discount Rate. Company's approach to incorporate ECL measurement is described in Note 12.

Market risk. The Company takes on exposure to market risks. Market risks arise from open positions in (a) foreign currencies, (b) interest bearing assets and liabilities and (c) equity products, all of which are exposed to general and specific market movements. Open positions are formulated mainly in relation to payables for property, plant and equipment, raw materials and borrowings.

Management sets limits on the value of risk that may be accepted, which is monitored on a daily basis. However, the use of this approach does not prevent losses outside of these limits in the event of more significant market movements. Sensitivities to market risks included below are based on a change in a factor while holding all other factors constant. In practice this is unlikely to occur and changes in some of the factors may be correlated – for example, changes in interest rate and changes in foreign currency rates.

Currency risk. In respect of currency risk, management sets limits on the level of exposure by currency and in total. The positions are monitored monthly. The table below summarises the Company's exposure to foreign currency exchange rate risk at the end of the reporting period:

<i>In thousands of Armenian Drams</i>	At 31 December 2024			At 31 December 2023		
	Monetary financial assets	Monetary financial liabilities	Net balance sheet position	Monetary financial assets	Monetary financial liabilities	Net balance sheet position
USD	805,043	(807,565)	(2,522)	6,467,161	(885,183)	5,581,978
EUR	440,966	(1,032,860)	(591,894)	827,683	(728,656)	99,027
RUB	10	(312)	(302)	9	-	9
Total	1,246,019	(1,840,737)	(594,718)	7,294,853	(1,613,839)	5,681,014

27 Financial Risk Management (Continued)

The above analysis includes only monetary assets and liabilities. Non-monetary assets are not considered to give rise to any material currency risk. The following table presents sensitivities of profit and loss to reasonably possible changes in exchange rates applied at the end of the reporting period relative to the functional currency of the Company, with all other variables held constant:

<i>In thousands of Armenian Drams</i>	31 December 2024	31 December 2023
	Impact on profit or loss	Impact on profit or loss
USD strengthening by 5%	(126)	279,099
USD weakening by 5%	126	(279,099)
EUR strengthening by 5%	(29,595)	4,951
EUR weakening by 5%	29,595	(4,951)
RUB strengthening by 5%	(15)	-
RUB weakening by 5%	15	-

Interest rate risk. The Company takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The table below summarises the Company's exposure to interest rate risks. The table presents the aggregated amounts of the Company's financial assets at carrying amounts, categorised by the earlier of contractual interest repricing or maturity dates.

<i>In thousands of Armenian Drams</i>	Demand and less than 1 month	From 1 to 6 months	From 6 to 12 months	More than 1 year	Total
31 December 2024					
Total financial assets	13,776	-	1,207,010	-	1,220,786
Net interest sensitivity gap at 31 December 2024	13,776	-	1,207,010	-	1,220,786
31 December 2023					
Total financial assets	89,745	411,537	-	6,242,861	6,744,143
Net interest sensitivity gap at 31 December 2023	89,745	411,537	-	6,242,861	6,744,143

The Company does not have formal policies and procedures in place for management of interest rate risks as management considers this risk as insignificant to the Company's business. The Company monitors interest rates for its financial instruments. The table below summarises effective interest rates at the respective end of the reporting period based on the reports reviewed by key management personnel:

	2024	2023
Loans issued	3.16 - 5.00	0.49 – 6.13

Liquidity risk. Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Liquidity risk is managed by management by daily follow-up. The Treasury department of parent company monitors monthly rolling forecasts of the Company's cash flows.

At 31 December 2024 and 2023 the Company does not have amounts due to banks or other financial institutions. The Company's liquidity portfolio comprises cash and cash equivalents, refer to Note 13. Management estimates that the liquidity portfolio of cash at banks can be realised in cash within a day in order to meet unforeseen liquidity requirements. When the amount payable is not fixed, the amount disclosed is determined by reference to the conditions existing at the end of the reporting period. Foreign currency payments are translated using the spot exchange rate at the end of the reporting period.

27 Financial Risk Management (Continued)

The table below shows liabilities at 31 December 2024 by their remaining contractual maturity. The amounts disclosed in the maturity table are the contractual undiscounted cash flows, including gross loan commitments and future interest payments. Such undiscounted cash flows differ from the amount included in the statement of financial position because the statement of financial position amount is based on discounted cash flows.

The maturity analysis of financial liabilities at 31 December 2024 is as follows:

<i>In thousands of Armenian Drams</i>	Demand and less than 1 month	From 1 to 6 months	6 months to 12 months	More than 1 year	Total
Liabilities					
Trade payables & Accrued liabilities (Note 17)	6,328,595	564,642	-	-	6,893,237
Lease Liabilities (Note 15)	-	46,825	69,097	389,382	505,304
Total future payments, including future principal and interest payments	6,328,595	611,467	69,097	389,382	7,398,541

The maturity analysis of financial liabilities at 31 December 2023 is as follows:

<i>In thousands of Armenian Drams</i>	Demand and less than 1 month	From 1 to 6 months	6 months to 12 months	More than 1 year	Total
Liabilities					
Trade payables & Accrued liabilities (Note 17)	4,459,320	901,175	325,230	-	5,685,725
Lease Liabilities (Note 15)	-	42,154	62,205	505,304	609,663
Total future payments, including future principal and interest payments	4,459,320	943,329	387,435	505,304	6,295,388

28 Management of Capital

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

29 Fair Value of Financial Instruments

Fair value measurements are analysed by level in the fair value hierarchy as follows: (i) level one are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities, (ii) level two measurements are valuations techniques with all material inputs observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices), and (iii) level three measurements are valuations not based on observable market data (that is, unobservable inputs). Management applies judgement in categorising financial instruments using the fair value hierarchy. If a fair value measurement uses observable inputs that require significant adjustment, that measurement is a Level 3 measurement. The significance of a valuation input is assessed against the fair value measurement in its entirety.

Fair values of financial instruments carried at amortised cost are as follows:

- (a) Assets and liabilities not measured at fair value but for which fair value is disclosed.

29 Fair Value of Financial Instruments (Continued)

Fair values analyzed by level in the fair value hierarchy and carrying value of assets not measured at fair value are as follows:

<i>In thousands of AMD</i>	31 December 2024				31 December 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
ASSETS								
Loans issued at AC	-	1,220,786	-	1,220,786	-	6,744,143	-	6,744,143
Loans issued	-	1,220,786	-	1,220,786	-	6,744,143	-	6,744,143
Other Financial assets	92	7,164,898	-	7,164,898	265	8,878,533	-	8,878,798
Trade Receivables	-	354,346	-	354,346	-	263,969	-	263,969
Other Financial Receivables	-	1,093,427	-	1,093,427	-	-	-	-
Cash and cash equivalents	92	5,717,125	-	5,717,217	265	8,614,564	-	8,614,829
Total	92	8,385,684	-	8,385,776	265	15,622,676	-	15,622,941

<i>In thousands of AMD</i>	31 December 2024				31 December 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
FINANCIAL LIABILITIES								
Other Financial liabilities	-	6,893,237	-	6,893,237	-	5,685,725	-	5,685,725
-Trade Payables	-	6,893,237	-	6,893,237	-	5,685,725	-	5,685,725
Total	-	6,893,237	-	6,893,237	-	5,685,725	-	5,685,725

Receivables carried at amortised cost. The estimated fair value of fixed interest rate instruments is based on estimated future cash flows expected to be received discounted at current interest rates for new instruments with similar credit risk and remaining maturity.

Liabilities carried at amortised cost. The estimated fair value of fixed interest rate instruments with stated maturity was estimated based on expected cash flows discounted at current interest rates for new instruments with similar credit risk and remaining maturity.

30 Presentation of Financial Instruments by Measurement Category

For the purposes of measurement, IFRS 9 “Financial Instruments” classifies financial assets into the following categories: (a) financial assets at FVTPL; (b) debt instruments at FVOCI, (c) equity instruments at FVOCI and (c) financial assets at AC. Financial assets at FVTPL have two sub-categories: (i) assets mandatorily measured at FVTPL, and (ii) assets designated as such upon initial recognition or subsequently. In addition, finance lease receivables form a separate category.

31 Events after the Reporting Period

There were no events after the reporting period that may require adjustment of or disclosure in the Company’s financial statements for the year ended 31 December 2024.