

# **INVESTMENT PROJECT**

## **Business expansion of Haghartsin Hotel complex**



**Investments required - 4.0 mln. USD**

**Payback period - 6 years**

**2017**

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## 1. Introduction

### 1. Introduction

Business Offer includes Haghartsin Hotel complex's activity which is situated in town Dilijan, the main financial Indicators, 2015-2017 Development Strategy.

"Haghartsin Hotel complex" is situated on the highway from Yerevan city to town Dilijan. It has an area of 1.57 hectares and is surrounded by forests. The Complex has 42 comfortable and superior hotel's and cottages' rooms, 2 restaurants with wide halls. There is an indoor pool, sauna, billiard halls, gym, children's room, cafe-bar, semi-open and closed pavilions and other objects for entertainment.

The company's profit for 2015-2016 was 645.2 and 670.5 thousand dollars. Gross Profit and Gross Profitability during the same years was 301.1 and 301.1 thousand dollars accordingly 46.7% and 38.2%. The recent years, to the company's revenue growth, contributed the expansion of complex activity. The mentioned years were put into operation 10 cottages, second restaurant hall, a swimming pool with gym and sauna and other facilities. Since 2014 there are 11 closed and semi-closed pavilions.

Recent years the Company's Small amount profit is due to a large amount of the loan. In 2013 the loan amount made USD3.3 million, in 2014 - USD2.8 million, in 2015 - USD2.4 million and in the end of 2016 - USD2.5 million. Servicing of Loan and the interest is connected with the profit of the business of owner in Moscow, but in recent years due to the decline, the company faced with difficulties.

According to the developed strategy, it is planned from the amount of company's 50% shares' sale and from investments of current profit construct new Hotel Complex on company's land on the coast of Sevan Lake.

### The Company's revenue gross and net profit according to years

Thousand dollars

	2 016	2 017	2 018	2019	2020	2021	2022	2023	2024	2025
<b>Net Sales</b>	<b>671</b>	<b>700</b>	<b>810</b>	<b>1 398</b>	<b>1 726</b>	<b>2 207</b>	<b>2 764</b>	<b>3 458</b>	<b>4 312</b>	<b>4 614</b>
Haghartsin	671	700	810	938	1 093	1 238	1 400	1 578	1 759	1 882
Shorja	-	-	-	460	632	969	1 364	1 880	2 553	2 732
<b>EBITDA</b>	<b>256</b>	<b>305</b>	<b>322</b>	<b>654</b>	<b>867</b>	<b>945</b>	<b>1 274</b>	<b>1 645</b>	<b>2 126</b>	<b>2 302</b>
EBITDA %	38,2%	43,6%	39,8%	46,8%	50,3%	42,8%	46,1%	47,6%	49,3%	49,9%
<b>Net Profit</b>	<b>146</b>	<b>164</b>	<b>166</b>	<b>428</b>	<b>601</b>	<b>651</b>	<b>911</b>	<b>1 205</b>	<b>1 585</b>	<b>1 743</b>
<b>Net Profit</b>	21,8%	23,5%	20,6%	30,6%	34,8%	29,5%	33,0%	34,8%	36,8%	37,8%

The amount of the company's equity and assets at the end of 2016 made USD6.90 million and USD9.52 million. 2016-2025 dynamics is provided in the table.

### The company's own Capital and Assets according years

USD th dollars

	2 016	2 017	2 018	2019	2020	2021	2022	2023	2024	2025
Total own capital	6 900	7 765	10 597	11 658	12 259	12 910	13 821	15 026	16 611	18 354
Total Assets	9 525	10 015	11 719	11 938	12 683	13 392	14 375	15 665	17 353	19 158

The amount of Company's Assets made USD7.42 mln at the end of 2016. The assets include Haghartsin Hotel complex" land area of 1.57 ha, the building facilities and property and "Shorzha hotel complex" land area of 11.5 ha.

The amount of own Capital will make (assets minus liabilities) USD 6.90 mln. The amount of Loan liabilities made USD2.5 mln. and the amount of the shareholders' loan – USD 0.12 mln at the end of 2016.

The price of the company is USD 6.90 mln, while the mentioned amount is used only for the company's expansion and service obligations specified in the balance.

The Company's own capital makes USD6.90 mln, which is 50% of the Company's price. The Company offers to pay USD 4.0 mln for the 50% share. The total amount will be used to redeem the loan liabilities and for the construction of Shorja Hotel Complex.

The company's shareholders for the first years offer to manage all the dividends' entire amount by the investors until the paid of invested amount. In subsequent years, the dividends will be distributed in equal proportions.

In the table, it is provided the Company's funds balance, after investment of the planned amount - USD2.5 million USD thousand

	2 016	2 017	2 018	2019	2020	2021	2022	2023	2024	2025
Cash at the end of period	103	246	318	575	1 183	1 879	2 900	4 219	5 922	7 725

In the Fund Flow table, the provided amounts are the dividends' amount from the investor according to years. By the end of 2023, payback amount will make USD4.21 million. The Capital at the end of 2023 will make - USD15.66 mln, which growth compared 2017 will be USD7,26 million. So during 6 years, the investor receives a dividend in an amount of USD4.21 million and own Capital's 50% increase makes USD3.53 million.

Appendix 2 provides the Company's actual and projected financial indicators for the years 2016-2025. They are calculated in the form of Income Statement, Balance Sheet, and Cash Flow Statements.

## 2. Description of the Company's Activity

“Abgar” LLC registered and began its activity in 1995. Registration number is Q1.110.00145, the Code of Company is 28546628 and actual address 121 str. Kamo, town Dilijan. TIN number is 07901187.

The company's director is Sasha Sargsyan, the shareholders are Armen Abgaryan – 50%, Sashik Abgaryan – 25% and Anahit Abgaryan – 25%.

In 1995 the Company bought “Haghartsin” restaurant and after having made huge investments constructed to the hotel complex. The actual amount made USD 8.0 mln which was invested in buying of restaurant, enlargement of the land area, reconstruction and capital construction, as well as purchasing of new property.

At the present the land area of the Complex is 1.53 ha, the restaurant complex area is 2000 sq m., the hotel complex – 680 sqm. (32 rooms), cottages entire area – 670 sqm (10 cottages), swimming pool's, sauna's, gym's, billiard-room's, cafe-bar's, conference hall's and other halls' total area is 625 square meters, dining's and entertainment's 11 pavilions area - 215 square meters and other functional areas -250 square meters.

The company provides hotel and restaurant services, providing high-quality food, free and paid services of rest and entertainment. In 2014 was provided hotel service to 7500 man/day customers. Customers have the following structure: regular customers -42%, tourists groups - 26%, seminars' participants -22%. The company currently cooperates with more than 20 companies specialized in tourism.

The mentioned year the hotel complex worked with low workload. The average annual interest workload made 20.5%, 22.8% and 25.5% in 2014-2016.

## 3. The Company's Fixed Assets

The market value of company's fixed assets - the land and property is estimated USD9.00 million. The last includes the Shorzha's fenced land and construction land of 11.5 hectares. The table below shows the functional significance of the buildings.

The structure of the Company's fixed assets

	Unit Measurment	Qnt	Unit Price	Amount assessment 2015	Shorja Motel	Amount
			USD	Th USD	Th USD	Th USD
Land of Hotel Complex Haghartsin	sq.m.	15 300	80	1 224		<b>1 224</b>
Land of Motel Complex Haghartsin	sq.m.	3 500	80		280	<b>280</b>
Land of Hotel Complex Shorja	sq.m.	115 000	20		2 300	<b>2 300</b>

Hotel buildings	sq.m.		885	139	<b>1 024</b>
Cotteges	sq.m.		734	20	<b>754</b>
Opened and closed pavilions	sq.m.		72	96	<b>168</b>
Swimming pool, gym, sauna	sq.m.		393		<b>393</b>
Restaurants' halls	sq.m.		1 169		<b>1 169</b>
Retaining walls and fences	sq.m.		60	30	<b>90</b>
Other buildings and constructions	sq.m.		8	40	<b>48</b>
Infrastructure	sq.m.		266	50	<b>316</b>
Inventory of hotel rooms and cottages			676	28	<b>704</b>
Restaurant Inventory			394	12	<b>406</b>
Other Objects Inventory			86	18	<b>104</b>
Warehouse Inventory			16	5	<b>21</b>
Transport			12	3	<b>15</b>
Other property			5	18	<b>23</b>
<b>Total</b>			<b>6 000</b>	<b>3 039</b>	<b>9 040</b>

The market value of the Company's fixed assets and property is USD9.0 mln.. The market value of the fenced land area of Shorja, which belongs to Company, makes USD 6,0 mln..

#### 4. SWOT Analysis

##### **The company's activity strong aspects**

The strong aspects of the Company's activities are directed of tourists' visits, hotel service, and tourism tours, as well the following aspects:

- The high number and diversity of functional services, offered by Hotel complex
- Modern furnishing and comfort of cottages and hotel rooms.
- The variety and quality of offered food.
- The high level of sanitary-hygienic conditions
- Active cooperation with tourist organizations operating in Armenia,
- Attraction of new customers with different preferences and opportunities
- Active cooperation with the State companies, which are including in social programs
- Flexible pricing policy including discounts used in the system.
- Service staff skills

##### **The weak aspects of company's activity**

The hotel complex is situated in outskirts of town Dilijan

- Low level of Management skills

- Low ongoing advertisements for customer attraction
- There is no full cooperation with travel agencies, which act in Armenia

### **The Company's possibilities**

- the rate of tourism growth at present and expected higher rates of coming years
- Further growth trends of vacationers, which have Social Packages
- Dilijan, as a resort town in the past and in its recovery process, which has already started.
- Climate conditions of t. Dilijan
- The future prospects, that Dilijan will be an international-financial and educational center.
- The existence of cultural-historical routes and ecotourism
- Geographical area of hotel complex

### **The risks of Company**

- The competition with current and future hotel complexes and cottages complexes.
- Low rates of population social growth in RA.
- AMD currency exchange rate increase due to the dangers of increasing amounts of foreign currency liabilities.

## **5. The Strategy of Company's Bussines Expansion**

The strategy of expansion of the business involves the sale of 50% of the shares and construction of Shorja Hotel Complex.

The main directions of the strategy

- Significant increase of tourist groups, which is aimed at ensuring the future direction of the Strategy.
- On the own land, the company builds new cottages and hotel complexes, mainly taking into account the service requirements of tourist groups.
- The attraction of middle class to provide rooms in the four-storey building of the hotel complex.
- Development of tourist routes with specialized tourist firms (for the Haghartsin Hotel Complex and Haghartsin Cottage complex) as well as extreme entertainment (for Shorzha Hotel Complex).
- Use of natural food and maximum involvement of national Elements by the Company.

- The high level of customers' service in current and new complexes, providing the most effective and unique possibilities of free time
- Parallel cooperation with tourist companies; carry out advertising in the relevant markets.
- Offering new routes of tourism and ecotourism, service of own transport

## **6. Capital investments for the construction of Shorja Hotel Complex**

The estimated amount of the construction of Shorja Hotel Complex is USD2.44 mln. It will be constructed two and attic floors' hotel building, on the first floor will be situated a waiting for hall, administration, restaurant, semi open bar-cafe and swimming pool. It is planned for construction 30 cottages, 80-meter longitude swimming pool, and volleyball court covered with sand, football stadium, basketball court and other buildings. The operation is scheduled in 2019 May.

The project estimates are in Appendix 1.

## **7. The Company's activity in planned period**

According to the developed strategy, the activity of "Haghartsin Hotel complex" in 2016-2025 continues, the only difference that it is planned to grow the rates of tourist groups. Parallel with it to develop and apply with tourist companies new tourist routes. This number reaches to 5.

It is planned that the specific gravity of tour groups among customers to amount to 60-65% in 2022. It will be a unique organization of unique ecotourism and extreme routes for holidaymakers according to the developed routes. The routes pass through virgin forests, alpine zones and ends in front of the vertical height of 80-100 meters mountain, is expected to build a recreation area. The geographical position is most comfortable for the route from complex of Haghartsin church, Parz Lake, Goshavank.

## **8. The Price Policy of the Company**

At the present, the Company is implementing a policy of low and seasonal prices. In May and October hotel offers 40-50 dollars/day for large and small rooms and 180-250 dollars/day for large and small cottages. December - April the prices are decreasing by 20 – 30%. Per customer per day fee for a hotel room is about \$ 20-25 and cottage \$ 50-70. Non-seasonal months are less than 20-30%.

A similar policy is being implemented for offered other services.



The Company implements other discount strategies. More flexible price policy is implemented for the participant of seminars, customers with social packages

The prices of rooms and restaurant of Haghartsin Hotel Complex No. 2 will be lower. It is planned accordingly USD 30 and USD 13.

In the Plan, the growth of prices for the services are observed yearly 1-2 %

## 9. Financial Strategy of the Company

In the Business Offer of "Haghartsin Hotel Complex Network"'s creation and expansion - actual indicators are provided for the period 2016 and planned financial indicators are calculated for the period 2017-2025. They are provided in the tables of an income statement, balance sheet and cash flow. They are presented yearly in Appendix 2.

## 10. Appendix 1

The estimates of Shorja Hotel Complex

Preliminary assessment for all facilities

N	Descriptio	Total Thous USD
	<b>a. foundation</b>	<b>119.6</b>
	<b>б. Building frame and walls</b>	<b>90.6</b>
	<b>в. covering</b>	<b>63.4</b>
	<b>г. roofing</b>	<b>124.0</b>
	<b>д. Floors</b>	<b>180.6</b>
	<b>е. Openings and partitions</b>	<b>109.6</b>
	<b>ж. Finishing work</b>	<b>168.1</b>
	<b>Total</b>	<b>931,2</b>
	overhead costs	13%
	<b>Total</b>	<b>1 055,0</b>
	unforeseen expenses	5%
	<b>Total</b>	<b>1 107,8</b>
	Profit	9%
	<b>Total</b>	<b>1 207,5</b>
	VAT	20%
	<b>Total</b>	<b>1 448,9</b>

	Infrastructure	Amount
	Parking	13
	Roads	30
	Alleys	20
	Fences	16
	Other sports grounds	40

	Surcharges (unforeseen, income VAT)	167
	<b>Total</b>	<b>286</b>

	<b>Inventory</b>	<b>Amount</b>
	Cottages	210
	Hotel rooms	112
	Restaurante	60
	Bar-cafe	40
	Other	20
	<b>Total</b>	<b>442</b>

	<b>transport</b>	<b>Amount</b>
	Passenger car	15,0
	Mini Truck	16,0
	Mini autobus	20,0
	Special mini cars	18,0
	Other	12,0
	<b>Total</b>	<b>81</b>
	<b>TOTAL</b>	<b>2368</b>

**Preliminary assessment for all facilities  
Indoor swimming pool 8 \* 18 m**

N	<b>Description</b>	<b>Total Thous USD</b>
	<b>1. Building</b>	
	<b>Foundation</b>	<b>2.3</b>
	<b>Building frame and walls</b>	<b>10.4</b>
	<b>Covering</b>	<b>6.2</b>
	<b>Floors and Swimming Pool</b>	<b>13.7</b>
	<b>Openings and partitions</b>	<b>5.4</b>
	<b>Finishing work</b>	<b>30.6</b>
	<b>Total</b>	<b>68,6</b>
	overhead costs	13%
	<b>Total</b>	<b>77,7</b>
	unforeseen expenses	6%
	<b>Total</b>	<b>82,4</b>
	Income	12%
	<b>Total</b>	<b>92,3</b>
	VAT	20%
	<b>Total</b>	<b>110,7</b>

## 10. Appendix 2

### INCOME STATEMENT, 2016-2025

Th dolar

INCOME STATEMENT	1	2	3	4	5	6	7	8	9	10	total
currency:USD '000	2 016	2 017	2 018	2 019	2 020	2021	2022	2023	2024	2025	
<b>Net sales</b>											
<b>Haghartsin Hotel Complex</b>	<b>671</b>	<b>700</b>	<b>810</b>	<b>938</b>	<b>1 093</b>	<b>1 238</b>	<b>1 400</b>	<b>1 578</b>	<b>1 759</b>	<b>1 882</b>	<b>12 069</b>
Hotel Service	336	364	433	520	624	729,0	850,2	988,3	1 131,8	1 211,0	7 187
Restaurant service	320	321	360	401	444	482,0	521,6	559,9	596,3	638,0	4 643
Other	15	16	16	17	26	27,1	28,4	29,7	31,0	33,2	239
<b>Sorja Hotel Complex</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>460</b>	<b>632</b>	<b>969</b>	<b>1 364</b>	<b>1 880</b>	<b>2 553</b>	<b>2 732</b>	<b>10 591</b>
Hotel Service	-	-	-	355	397	654,3	912,5	1 278,4	1 767,0	1 890,7	7 255
Restaurant service	-	-	-	105	114	178,3	229,5	287,6	346,4	370,6	1 631
Other	-	-	-	-	121	136,2	222,2	314,2	439,9	470,7	1 704
<b>Total net sales</b>	<b>671</b>	<b>700</b>	<b>810</b>	<b>1 398</b>	<b>1 726</b>	<b>2 207</b>	<b>2 764</b>	<b>3 458</b>	<b>4 312</b>	<b>4 614</b>	<b>22 660</b>
<b>Direct Expences</b>											
Food	193	168	230	316	360	555,0	664,4	795,0	938,9	1 000,8	5 222
Diirect solary	38	36	43	69	78	119,9	136,6	174,7	223,2	223,2	1 142
Electricity	25	26	31	51	60	100,5	126,3	161,2	205,5	219,1	1 006
Gas, water	50	49	58	100	120	205,5	261,6	339,4	440,5	469,6	2 094
Fuel	10	11	11	12	13	12,9	13,3	13,7	14,1	15,0	126
Materials	15	16	19	32	38	51,5	63,7	79,9	100,0	106,6	521
Other direct costs	22	34	39	63	74	101,5	108,2	132,7	147,8	157,5	880
<b>Total direct costs</b>	<b>354</b>	<b>340</b>	<b>432</b>	<b>642</b>	<b>743</b>	<b>1 147</b>	<b>1 374</b>	<b>1 697</b>	<b>2 070</b>	<b>2 192</b>	<b>10 990</b>
<b>Indirect costs</b>											
Indirect salary	50,6	45,6	45,6	84,5	84,5	84,5	84,5	84,5	84,5	87,0	735,6
Electricity	2,4	2,4	2,4	3,8	6,0	6,1	6,2	6,4	6,4	6,6	48,7
Gas	1,2	1,2	1,2	1,9	3,4	3,4	3,5	3,6	3,6	3,7	26,6
Fuel	1,8	1,8	1,8	3,2	7,2	7,3	7,5	7,6	7,6	7,9	53,8
Administrative costs (office costs)	1,0	1,0	1,0	1,9	2,9	2,9	3,0	3,1	3,1	3,1	22,9

Marketing and advertisement	2,4	2,4	2,4	4,3	7,2	7,3	7,5	7,6	7,6	7,9	56,7
Other indirect costs	1,2	1,2	1,2	2,4	3,6	3,7	3,7	3,8	3,8	3,9	28,6
<b>Total Indirect expense</b>	<b>61</b>	<b>56</b>	<b>56</b>	<b>102</b>	<b>115</b>	115	116	117	117	120	<b>973</b>
<b>EBITDA</b>	<b>256</b>	<b>305</b>	<b>322</b>	<b>654</b>	<b>867</b>	<b>945</b>	<b>1 274</b>	<b>1 645</b>	<b>2 126</b>	<b>2 302</b>	<b>10 697</b>
<b>EBITDA %</b>	<b>38,2%</b>	<b>43,6%</b>	<b>39,8%</b>	<b>46,8%</b>	<b>50,3%</b>	<b>42,8%</b>	<b>46,1%</b>	<b>47,6%</b>	<b>49,3%</b>	<b>49,9%</b>	<b>454,3%</b>
Depreciation	68,2	71,2	86,2	100,7	100,7	100,7	100,7	100,7	100,7	100,7	930,4
<b>Operating Profit/Loss</b>	<b>188</b>	<b>234</b>	<b>236</b>	<b>553</b>	<b>767</b>	<b>844</b>	<b>1 174</b>	<b>1 544</b>	<b>2 025</b>	<b>2 202</b>	<b>9 767</b>
Bank loans interest	-	-	-	-	-	-	-	-	-	-	-
<b>Profit/Loss before Taxe</b>	<b>188</b>	<b>234</b>	<b>239</b>	<b>558</b>	<b>772</b>	<b>844</b>	<b>1 174</b>	<b>1 544</b>	<b>2 025</b>	<b>2 202</b>	<b>9 779</b>
Income taxes	42	47	48	100	139	152	211	278	365	396	1 778
Income taxes	-	23	25	30	32	41	51	62	75	63	401
<b>Net profit</b>	<b>146</b>	<b>164</b>	<b>166</b>	<b>428</b>	<b>601</b>	<b>651</b>	<b>911</b>	<b>1 205</b>	<b>1 585</b>	<b>1 743</b>	<b>7 600</b>
	21,8%	23,5%	20,6%	30,6%	34,8%	29,5%	33,0%	34,8%	36,8%	37,8%	33,5%

**BALANCE SHEET 2016-2025**

**Th dolar**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Current Assets:</b>										
Cash & equivalents	103	246	318	575	1 183	1 879	2 900	4 219	5 922	7 725
<b>Total Cash &amp; Equivalents</b>	<b>103</b>	<b>246</b>	<b>318</b>	<b>575</b>	<b>1 183</b>	<b>1 879</b>	<b>2 900</b>	<b>4 219</b>	<b>5 922</b>	<b>7 725</b>
<b>Materials:</b>				-	-					
Materials	31	39	48	42	50	53	55	58	61	64
Raw materials and materials	13	17	17	30	36	38	40	42	44	46
Other	2	4	7	5	9	9	10	10	11	11
<b>Total</b>	<b>46</b>	<b>60</b>	<b>72</b>	<b>77</b>	<b>95</b>	<b>100</b>	<b>105</b>	<b>110</b>	<b>116</b>	<b>121</b>
<b>Current Receivables:</b>			-							
Accounts receivable	274,5	79,8	42,5	115,0	328,1	426,5	469,2	516,1	567,7	624,5
Prepayments	59,6	101,4	34,5	20,3	26,0	36,3	50,9	71,2	99,7	139,6
<b>Total Receivables</b>	<b>334</b>	<b>181</b>	<b>77</b>	<b>135</b>	<b>354</b>	<b>463</b>	<b>520</b>	<b>587</b>	<b>667</b>	<b>764</b>
<b>Total Intangible Assets</b>	<b>483</b>	<b>487</b>	<b>466</b>	<b>787</b>	<b>1 632</b>	<b>2 442</b>	<b>3 525</b>	<b>4 916</b>	<b>6 705</b>	<b>8 610</b>
Land	3 804	3 804	3 804	3 804	3 804	3 804	3 804	3 804	3 804	3 804
Buildings	3 660	4 178	5 133	5 080	5 027	4 975	4 922	4 870	4 817	4 765
Machinery & equipment	1 211	1 186	1 600	1 567	1 533	1 500	1 466	1 433	1 399	1 366
Infrastructure	329	322	598	586	574	561	549	536	524	511
Machinery	15	14	94	93	91	89	87	85	83	81
Other tangible assets fin varcakak	23	23	22	22	22	22	21	21	21	21
<b>Total Tangible Assets</b>	<b>9 041</b>	<b>9 527</b>	<b>11 252</b>	<b>11 151</b>	<b>11 051</b>	<b>10 950</b>	<b>10 849</b>	<b>10 749</b>	<b>10 648</b>	<b>10 547</b>
<b>Total Fixed Assets</b>	<b>9 041</b>	<b>9 527</b>	<b>11 252</b>	<b>11 151</b>	<b>11 051</b>	<b>10 950</b>	<b>10 849</b>	<b>10 749</b>	<b>10 648</b>	<b>10 547</b>
<b>Total Assets</b>	<b>9 525</b>	<b>10 015</b>	<b>11 719</b>	<b>11 938</b>	<b>12 683</b>	<b>13 392</b>	<b>14 375</b>	<b>15 665</b>	<b>17 353</b>	<b>19 158</b>
<b>Liabilities</b>			-							
Current Liabilities:	0,5	24,7	95,0	151,4	292,9	351,4	421,7	506,1	607,3	668,0
Other	4,0	5,5	6,7	8,5	10,6	10,6	11,7	12,8	14,1	15,5
<b>Total Interest-free Current Liabilities</b>	<b>4</b>	<b>30</b>	<b>102</b>	<b>160</b>	<b>303</b>	<b>362</b>	<b>433</b>	<b>519</b>	<b>621</b>	<b>684</b>
Owners Loan	2 500	2 100	900	-	-	-	-	-	-	-

<b>Total Current Liabilities</b>	<b>2 500</b>	<b>2 100</b>	<b>900</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Current portion of short-term loans</b>	<b>2 504</b>	<b>2 130</b>	<b>1 002</b>	<b>160</b>	<b>303</b>	<b>362</b>	<b>433</b>	<b>519</b>	<b>621</b>	<b>684</b>
<b>Credits by Founders</b>			-	-	-					
Loans by founders	120	120	120	120	120	120	120	120	120	120
<b>Shareholders' Equity</b>										
Restricted equity:										
Share capital	0,24	<b>700</b>	<b>3 366</b>	<b>4 000</b>	4 000	4 000	4 000	4 000	4 000	4 000
Revaluation reserve & Reserve Fund	7 063	7 063	7 063	7 063	7 063	7 063	7 063	7 063	7 063	7 063
<b>Total Restricted Equity</b>	<b>7 063</b>	<b>7 763</b>	<b>10 429</b>	<b>11 063</b>	<b>11 063</b>	<b>11 063</b>	<b>11 063</b>	<b>11 063</b>	<b>11 063</b>	<b>11 063</b>
Retained earnings	<b>-309</b>	<b>-163</b>	1	168	595	1 196	1 847	2 758	3 963	5 548
Net profit/loss for the period	146	164	166	428	601	651	911	1 205	1 585	1 743
<b>Total Non-Restricted Equity</b>	<b>-163</b>	<b>1</b>	<b>168</b>	<b>595</b>	<b>1 196</b>	<b>1 847</b>	<b>2 758</b>	<b>3 963</b>	<b>5 548</b>	<b>7 291</b>
<b>Shareholders' Equity</b>	<b>6 900</b>	<b>7 765</b>	<b>10 597</b>	<b>11 658</b>	<b>12 259</b>	<b>12 910</b>	<b>13 821</b>	<b>15 026</b>	<b>16 611</b>	<b>18 354</b>
<b>Total Shareholders' Equity &amp; Liab.</b>	<b>9 525</b>	<b>10 015</b>	<b>11 719</b>	<b>11 938</b>	<b>12 683</b>	<b>13 392</b>	<b>14 375</b>	<b>15 665</b>	<b>17 353</b>	<b>19 158</b>

**CASH FLOW 2016-2025.****Th dolar**

<b>CASH FLOW</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>12</b>	<b>total</b>
<b>currency: USD '000</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	
Operating Profit	188	234	239	558	772	844	1 174	1 544	2 025	2 202	9 779
Depreciation & amortization	68	71,2	86,2	100,7	100,7	100,7	100,7	100,7	100,7	100,7	930,4
Taxes paid	<b>-42</b>	-69,5	-72,6	-130,1	-171,1	-193,3	-262,3	-339,7	-439,8	-458,8	-2 179
<b>Operating Cash Flow</b>	<b>214</b>	<b>236</b>	<b>253</b>	<b>528</b>	<b>701</b>	<b>751</b>	<b>1 012</b>	<b>1 305</b>	<b>1 686</b>	<b>1 843</b>	<b>8 530</b>
Receivables	217	-153	-104	58	219	109	57	67	80	97	647
Change in interest-free current liabilities	30	14	12	5	18	5	5	5	6	6	106
Change in interest-free current liabilities	<b>-2</b>	26	72	58	144	59	71	86	102	62	677
<b>Total change in working capital</b>	<b>250</b>	<b>-165</b>	<b>-164</b>	<b>6</b>	<b>93</b>	<b>55</b>	<b>-9</b>	<b>-13</b>	<b>-17</b>	<b>40</b>	<b>76</b>
<b>Operating Cash Flow after Change in Working Capital</b>	<b>-36</b>	<b>400</b>	<b>417</b>	<b>523</b>	<b>608</b>	<b>696</b>	<b>1 021</b>	<b>1 318</b>	<b>1 703</b>	<b>1 803</b>	<b>8 454</b>
<b>Capital Investments</b>	<b>70</b>	<b>557</b>	<b>1 811</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2 438</b>
<b>Free Cash Flow</b>	<b>-106</b>	<b>-157</b>	<b>-1 394</b>	<b>523</b>	<b>608</b>	<b>696</b>	<b>1 021</b>	<b>1 318</b>	<b>1 703</b>	<b>1 803</b>	<b>6 016</b>
<b>Financing</b>											
Increase in short-term loans	150	-400	-1 200	-900	0	0	0	0	0	0	-2 350
<b>Increase in equity</b>	<b>0</b>	<b>700</b>	<b>2 666</b>	<b>634</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4 000</b>
<b>Total Financing</b>	<b>150</b>	<b>300</b>	<b>1 466</b>	<b>-266</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1 650</b>
<b>Total Financing</b>	<b>150</b>	<b>300</b>	<b>1 466</b>	<b>-266</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1 650</b>
<b>Cash Flow after Financial Items</b>	<b>44</b>	<b>143</b>	<b>72</b>	<b>257</b>	<b>608</b>	<b>696</b>	<b>1 021</b>	<b>1 318</b>	<b>1 703</b>	<b>1 803</b>	<b>7 666</b>
<b>Debt Service</b>											
Interest on long-term loans											
<b>Total interest expense</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Cash Flow after Financial Items</b>	<b>44</b>	<b>143</b>	<b>72</b>	<b>257</b>	<b>608</b>	<b>696</b>	<b>1 021</b>	<b>1 318</b>	<b>1 703</b>	<b>1 803</b>	<b>7 666</b>
Cash & s-t invest. at beginning of period	59	103	246	318	575	1 183	1 879	2 900	4 219	5 922	17 404
<b>Cash &amp; s-t invest. at end of period</b>	<b>103</b>	<b>246</b>	<b>318</b>	<b>575</b>	<b>1 183</b>	<b>1 879</b>	<b>2 900</b>	<b>4 219</b>	<b>5 922</b>	<b>7 725</b>	<b>7 725</b>

