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INDEPENDENT AUDITOR'S REPORT

To the Shareholder of "Marsh Insurance and Reinsurance Brokers" Limited Liability Company

Opinion

We have audited the financial statements of "Marsh Insurance and Reinsurance Brokers" Limited Liability Company (the "Company"), which comprise the statement of financial position as at 31 December 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISA"). 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 are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (the "IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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, 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.

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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 ISA 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 ISA, we exercise professional judgment and maintain professional skepticism 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.

Deloitte + Touche LLC

30 March 2022



**"MARSH INSURANCE AND REINSURANCE BROKERS"
LIMITED LIABILITY COMPANY**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021
(in thousands of Azerbaijani Manat)**

	Notes	2021	2020
Brokerage fee	5	1,994	1,835
Operating expenses	6	(1,032)	(961)
Impairment reversal / (loss) on trade receivables	8	69	(169)
Operating profit		1,031	705
Interest expense on lease liabilities		(11)	(6)
Foreign exchange gain		158	351
Foreign exchange loss		(212)	(297)
Profit before tax		966	753
Income tax expense	7	(134)	(151)
PROFIT FOR THE YEAR AND TOTAL COMPREHENSIVE INCOME		832	602

The accompanying notes are an integral part of these financial statements.

**“MARSH INSURANCE AND REINSURANCE BROKERS”
LIMITED LIABILITY COMPANY**

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021
(in thousands of Azerbaijani Manat)**

	Notes	31 December 2021	31 December 2020
ASSETS			
Non-current assets			
Property and equipment	10	126	189
Intangible assets		27	17
Deferred tax asset	7	60	-
Total non-current assets		213	206
Current assets			
Advances paid		17	25
Tax receivables		16	-
Trade receivables	8	4,179	6,907
Cash	9	2,295	2,098
Total current assets		6,507	9,030
Total assets		6,720	9,236
EQUITY AND LIABILITIES			
Capital and reserves			
Charter capital		10	10
Retained earnings		1,300	1,163
Total equity		1,310	1,173
Non-current liabilities			
Lease liabilities	12	36	94
Deferred tax liability	7	-	3
Total non-current liabilities		36	97
Current liabilities			
Trade and other payables	11	5,239	7,773
Tax payables		34	47
Current income tax liability		32	71
Lease liabilities	12	69	75
Total current liabilities		5,374	7,966
Total liabilities		5,410	8,063
Total equity and liabilities		6,720	9,236

The accompanying notes are an integral part of these financial statements.

**"MARSH INSURANCE AND REINSURANCE BROKERS"
LIMITED LIABILITY COMPANY**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021
(in thousands of Azerbaijani Manat)**

	<u>Charter capital</u>	<u>Retained earnings</u>	<u>Total equity</u>
Balance at 1 January 2020	10	1,211	1,221
Dividends declared and paid	-	(650)	(650)
Profit and total comprehensive income for the year	-	602	602
Balance at 31 December 2020	10	1,163	1,173
Dividends declared and paid	-	(695)	(695)
Profit and total comprehensive income for the year	-	832	832
Balance at 31 December 2021	10	1,300	1,310

The accompanying notes are an integral part of these financial statements.

**"MARSH INSURANCE AND REINSURANCE BROKERS"
LIMITED LIABILITY COMPANY**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021
(in thousands of Azerbaijani Manat)**

	Notes	2021	2020
OPERATING ACTIVITIES:			
Profit for the year		832	602
Adjustments for:			
Income tax expense	7	134	151
Depreciation and amortisation	6	74	79
Interest on lease liabilities		11	6
Foreign exchange loss / (gain), net		54	(54)
Other gain		(11)	-
Impairment loss / (reversal) on trade receivables	8	(69)	169
Operating cash flows before movements in working capital		1,025	953
Decrease / (increase) in advances paid		8	(10)
Increase in tax receivables		(16)	-
Decrease / (increase) in trade receivables		2,781	(5,123)
(Decrease) / increase in tax payables		(13)	15
(Decrease) / increase in trade and other payables		(2,521)	3,593
Cash generated by / (used in) operations		1,264	(572)
Income tax paid		(235)	(80)
Net cash from / (used in) operating activities		1,029	(652)
INVESTING ACTIVITIES:			
Purchase of property, equipment and intangible assets		(10)	(5)
Net cash used in investing activities		(10)	(5)
FINANCING ACTIVITIES:			
Repayment of lease liabilities		(75)	(102)
Dividends paid		(695)	(650)
Net cash used in financing activities		(770)	(752)
Net increase / (decrease) in cash		249	(1,409)
Cash at beginning of year		2,098	3,461
Effect of exchange rate changes on cash held in foreign currencies		(52)	46
Cash at end of year	9	2,295	2,098

The accompanying notes are an integral part of these financial statements.