



**BAKU  
BUSINESS  
GROUP**

**FEBRUARY 1, 2024**

# **FY'24 Financial Report**

Financial data for the 12 months ended  
December 27, 2024

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PRESENTED TO  
**Shareholders**

PRESENTED BY  
**Finance Department**



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# About Us

Baku Business Group was established in 2015 and initially focused on the oil and gas sector. Our experience and dedication in this field quickly positioned us as a key player in the industry. In 2018, we identified strategic opportunities and expanded into the agricultural sector, utilizing our expertise to contribute to its development. By 2019, Baku Business Group successfully entered the construction sector and further broadened its scope of operations.

The principles of quality and innovation have been fundamental to our success across multiple industries. Today, Baku Business Group operates as the official representative in Azerbaijan for Pramac, the third-largest energy producer in the world, as well as Hunan Great Steel Pipe Corporation, one of China's leading pipe manufacturers. Our partnerships with these industrial giants reflect our commitment to providing the highest level of products and services to our customers. From a specialized oil and gas company, we have grown into a multi-sector leader, continuously pushing boundaries and setting new standards in every industry we operate in.

Baku Business Group is committed to ongoing expansion and exploring new opportunities across diverse sectors. Our goal is to enter new markets and implement modern technologies to provide sustainable and innovative solutions. By strengthening strategic partnerships, we aim to solidify our position in existing industries. We place great importance on internal policies that ensure the welfare and professional growth of our employees, fostering an environment based on fairness, transparency, and ethical values.

To remain competitive, we embrace innovation and swiftly adapt to market demands. We never compromise on quality and maintain an innovation-driven approach to sustain our competitive edge. By implementing advanced management methods and technologies, we continue to strengthen our market position.

Our commitment to international standards, including ISO 9001 for Quality Management Systems and ISO 45001 for Occupational Health and Safety Management Systems, serves as the foundation of our operations. By adhering to these standards, Baku Business Group ensures that our customers receive the highest quality services and products, reinforcing our position as a trusted industry leader.



# Company Annual Turnover

₺ 744.025

(as of Q1 2024)

## Key Successes

### Significant Revenue Growth (+76.5%)

- The company achieved a 76.5% increase in revenue, growing from ₺421,628 in FY'23 to ₺744,025 in FY'24.
- This growth was primarily driven by a +84.3% increase in Material Supply revenue and a +33.2% increase in Engineering Manpower revenue.

### Transition from Loss to Profit

- Baku Business Group successfully turned around its financial performance, moving from a ₺154,302 net loss in FY'23 to a ₺48,096 net profit in FY'24.
- The company's net profit after tax reached ₺38,476, marking a +124.9% improvement.

### Cost Optimization & Efficiency Improvements

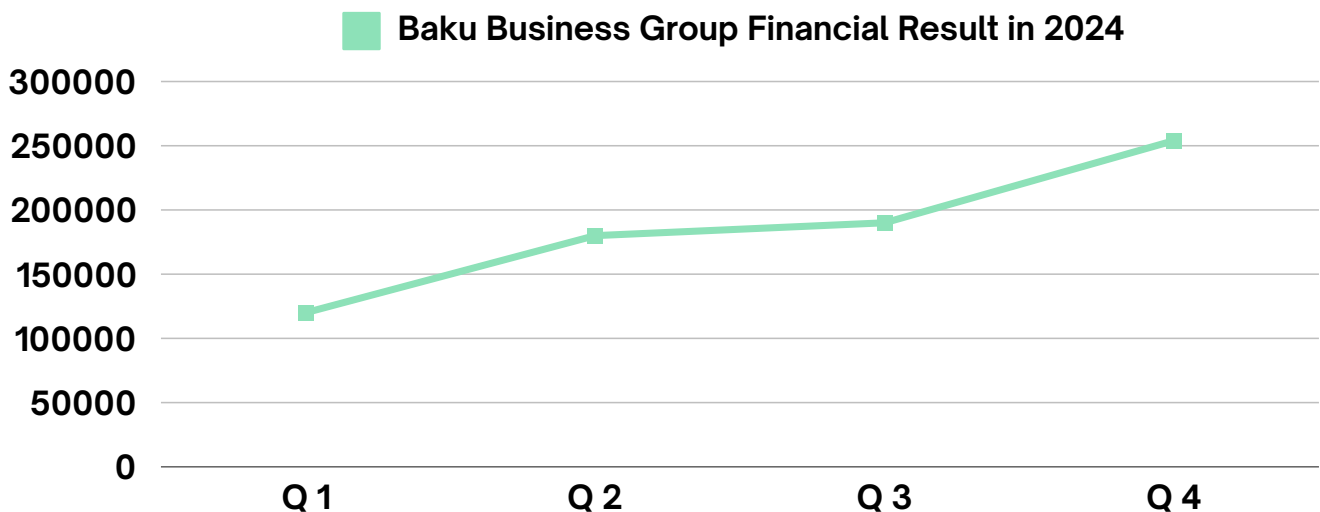
- While total expenses increased by 20.8%, the company effectively optimized key cost components:
- Operational Costs increased to support business expansion but remained under control.
- Salaries & Manpower Costs decreased by 10.9%, reflecting improved workforce efficiency.
- Amortization Costs were reduced by 55.0%, indicating better asset utilization and cost-saving measures.

### Expansion into Raw Material Supply

- In FY'24, the company introduced Raw Material Supply, contributing an additional ₺113,752 in revenue.
- This new revenue stream strengthens the company's market position and diversifies income sources.

### Strong Financial Foundation for 2024

- Despite challenges in FY'23, the company ended FY'24 with improved financial stability.
- Strategic cost reductions, revenue growth, and operational improvements position Baku Business Group for continued profitability and expansion in 2024.



# Chairman's Statement

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As we reflect on 2024 and look ahead to 2025, Baku Business Group “BBG” remains steadfast in its commitment to excellence, innovation, and sustainable growth. Over the past year, we have successfully navigated economic challenges, expanded our operations, and strengthened our market position across various industries. Our ability to adapt to evolving market conditions while maintaining high-quality standards has been a key driver of our success.

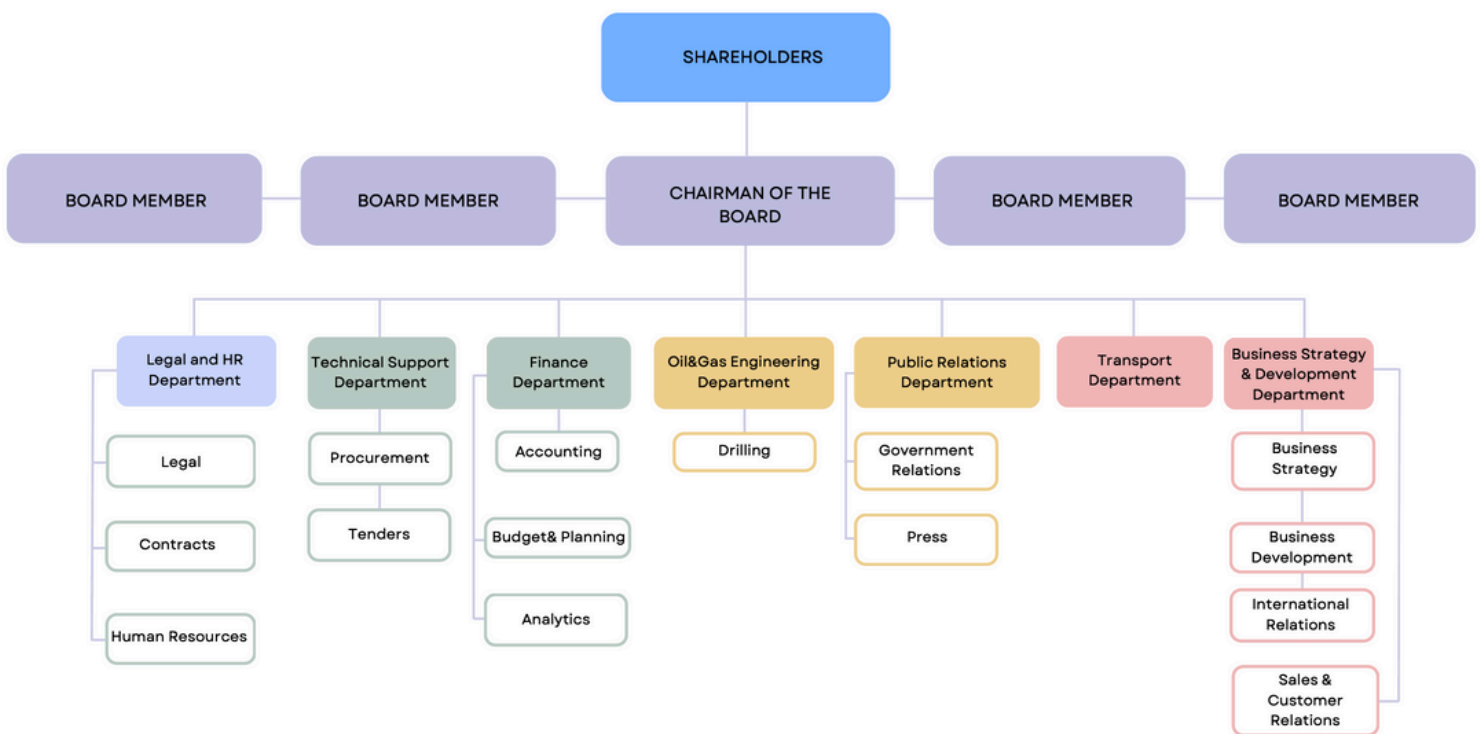
The past year has seen significant revenue growth, operational advancements, and strategic investments that have enhanced our financial stability. We have continued to build on our strong foundation, embracing technology and modern business practices to optimize efficiency and deliver greater value to our clients and partners. Our focus on operational excellence has positioned us well for future growth.

Looking forward to 2025, Baku Business Group will continue to prioritize innovation, market expansion, and strategic partnerships. We are committed to enhancing our workforce capabilities, improving financial performance, and investing in sustainable business practices. Our efforts to optimize internal processes and align with global industry standards will drive continued success.

I would like to extend my gratitude to our dedicated employees, valued clients, and trusted partners who have been instrumental in our journey. Your unwavering support and collaboration have enabled us to achieve remarkable milestones, and together, we will build an even stronger future.

Baku Business Group remains committed to delivering excellence, integrity, and growth in 2025 and beyond.

# Organization Chart



Baku Business Group’s organizational structure is built to enhance efficiency, foster innovation, and drive sustainable growth. Led by a strong leadership team, our specialized departments work collaboratively to optimize operations, strengthen industry partnerships, and explore new market opportunities. With a focus on financial stability, business development, and international expansion, we are committed to maintaining excellence across all sectors. As we move forward in 2025, our structure ensures agility, strategic decision-making, and long-term success in a competitive landscape.

# Summary of financial performance

For the 12 months to December 27, 2024

Baku Business Group presents its financial report for the year 2024, reflecting the company's operational and financial activities over the past year. The report includes key financial indicators, cash flow movements, revenue sources, and an overall review of business development.

Annual financial reports are essential tools for tracking company performance, analyzing profitability, assessing market strategies, and optimizing financial planning. This report highlights significant achievements, financial trends, and strategic insights that defined 2024 for Baku Business Group.

To ensure transparency and clarity, the report provides a detailed breakdown of revenues, expenses, and profitability. Additionally, financial data is supplemented with charts, graphs, and tables to facilitate easy analysis and decision-making.

Key Sections of the Report:

1. **Executive Summary** – An overview of key financial results for the year.
2. **Revenue and Profitability** – Breakdown of revenue sources and net profit.
3. **Cash Flow Analysis** – Insights into operational, investment, and financing activities.
4. **Market and Business Performance** – Evaluation of company growth and key achievements.
5. **Strategic Recommendations** – Forecast for 2025 and key strategic initiatives.

Moving forward, Baku Business Group remains committed to strengthening financial stability, improving operational efficiency, and pursuing strategic growth. This report serves as a foundation for planning and optimizing performance in 2025 and beyond, ensuring continued success and sustainable expansion.



# Financial statement

For the year ended December 27, 2024

AZN ₺	FY'24 (AZN)	FY'23 (AZN)	YOY change
<b>Revenue</b>	<b>₺744.025</b>	<b>₺448.800</b>	<b>+65.8%</b>
A. Material Supply	A. ₺145.931	A. N/A	A. N/A
B. Manpower	B. ₺598.094	B. ₺448.800	B. +33.3%
<b>Expenses</b>	<b>₺695.749</b>	<b>₺603.092</b>	<b>+15.4%</b>
A. Operational	A. ₺196.998	A. ₺91.596	A. +115.1%
B. Salaries	B. ₺344.322	B. ₺386.569	B. -10.9%
C. Raw Material	C. ₺113.752	C. N/A	C. N/A
D. Amortization	D. ₺38.464	D. ₺85.459	D. -55.0%
<b>Profit</b>	<b>₺48.096</b>	<b>- ₺154.292</b>	<b>+131.2%</b>
<b>Profit After Tax</b>	<b>₺38.476</b>	<b>- ₺154.292</b>	<b>+124.9%</b>



# Financial outlook

For the year ending December 27, 2024

AZN 円	FY'24	FY'23	YOY change
Revenue	円744.025	円448.800	+65.8%
Expenses	円695.749	円603.092	+15.4%
Profit	円48.096	-154.292	+131.2%

## Financial targets

In 2025, the company aims to increase revenue by 94.87% through market expansion.

### REVENUE TARGET

Projected net profit for 2025 is 円100,000, reflecting a 162% increase from 2024, when the company achieved a net profit of 円38,476.

### PROFIT TARGET

Cost optimization for 2025 aims to reduce operational expenses by 20%, improving overall efficiency and profitability compared to 2024.

### COST OPTIMIZATION

## Future plans for growth

円300.000

MATERIAL SUPPLY

円500.000

CONSTRUCTION WORKS

円650.000

MANPOWER

# Timeline for Fiscal Year 2025

## Phase 1

[STRATEGIC PLANNING & MARKET EXPANSION]

Baku Business Group has set a clear roadmap for 2025, focusing on growth, efficiency, and innovation.

In Q1 2025, the company will prioritize strategic planning and market expansion, conducting in-depth market research, strengthening partnerships, and optimizing internal processes.

## Phase 2

[OPERATIONAL EFFICIENCY & FINANCIAL OPTIMIZATION]

During Q2 2025, the focus will shift to operational efficiency and cost optimization, implementing initiatives to reduce expenses, enhance supply chain management, and improve financial monitoring.

## Phase 3

[INNOVATION & TECHNOLOGICAL ADVANCEMENT]

Q3 2025 will emphasize innovation and technology integration, investing in new technologies, expanding digital transformation efforts, and driving research & development to explore new business opportunities.

## Phase 4

[EXPANSION & DIVERSIFICATION]

In Q4 2025, Baku Business Group will concentrate on expansion and performance review, scaling business operations, conducting a comprehensive assessment of the year's achievements, and preparing a strategic roadmap for 2026.

## Phase 5

[YEAR-END REVIEW & FUTURE PLANNING]

With a structured and forward-thinking approach, Baku Business Group remains committed to sustainable growth, operational excellence, and long-term success.



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