TELECOM Armenia OJSC

International Financial Reporting Standards
Financial Statements
(not audited)

30 September 2026

Contents

Financial Statements

Statement of Financial Position	1
Statement of Profit or Loss and Other Comprehensive Income	2
Statement of Changes in Equity	3
Statement of Cash Flows	4

Statement of Financial Position as at 30 September 2026

'000 AMD	30 September 2026	31 December 2025 (audited)
Assets		
Property, plant and equipment	33,398,224	31,347,293
Investment property	6,097,112	6,097,112
Intangible assets	13,165,550	13,579,489
Prepayments for indefeasible right-of-use (IRU)	1,879,343	1,879,343
Right-of-use assets	10,852,133	9,875,639
Prepayments for non-current assets	4,117,457	1,750,984
Loans issued	13,500,238	16,568,547
Deferred income tax assets	822,824	822,823
Contract assets	44,807	44,807
Investments in equity instruments	120,289	120,289
Non-current assets	**83,997,977**	**82,086,326**
Inventories	1,066,151	922,315
Trade receivables	10,488,100	9,290,610
Advances and contract assets	4,108,998	2,347,794
Taxes receivable	80,785	75,096
Cash and cash equivalents	2,277,004	9,134,776
Current assets	**18,021,038**	**21,770,591**
Total assets	**102,019,015**	**103,856,917**
Equity		
Share capital	22,837,709	22,837,709
Share premium	4,240,000	4,240,000
Retained earnings	14,731,728	13,264,229
Reserve capital	3,425,656	3,425,656
Total equity	**45,235,093**	**43,767,594**
Liabilities		
Bonds issued	27,002,087	28,206,537
Other financial payables	273,157	273,157
Lease liabilities	5,443,034	5,443,034
Provisions for asset retirement obligations	1,788,406	1,788,406
Advances received and contract liabilities	2,431,051	2,431,051
Non-current liabilities	**36,937,735**	**38,142,185**
Bonds issued	85,488	100,914
Lease liabilities	2,652,225	2,650,802
Trade and other financial payables	9,877,995	13,215,279
Provisions for liabilities and charges	15,891	25,617
Payables to staff	1,163,154	1,194,618
Advances received and contract liabilities	5,383,559	4,292,692
Taxes payable	667,875	467,216
Current liabilities	**19,846,187**	**21,947,138**
Total liabilities	**56,783,922**	**60,089,323**
Total equity and liabilities	**102,019,015**	**103,856,917**

Statement of Profit or Loss and Other Comprehensive Income

'000 AMD	Jan-Sep 2026	Jan-Sep 2025
Revenue from mobile communication services	12,932,343	12,614,353
Revenue from fixed communication services	10,183,843	9,302,648
Revenue from sale of equipment	2,681,775	1,979,682
Other revenue	1,775,311	1,416,032
Lease revenue	842,572	863,878
Total revenues	**28,415,844**	**26,176,593**
Cost of services provided	(17,209,467)	(17,091,462)
Cost of equipment sold	(2,751,397)	(1,806,403)
Total cost of sales	**(19,960,864)**	**(18,897,865)**
Gross profit	**8,454,980**	**7,278,728**
Net impairment (losses)/reversals on financial assets	(120,388)	(500,290)
Other operating income	812,496	3,730,426
General and administrative expenses	(4,164,774)	(4,049,722)
Distribution expenses	(2,588,474)	(2,472,381)
Other operating expenses	(458,998)	(503,488)
Operating profit	**1,934,842**	**3,483,273**
Finance income	1,065,053	1,261,132
Finance costs	(2,200,233)	(2,547,000)
Foreign exchange gains/(losses)	667,837	(84,340)
Profit before income tax	**1,467,499**	**2,113,065**
Profit for the year	**1,467,499**	**2,113,065**
Total comprehensive income for the year	**1,467,499**	**2,113,065**
Basic and diluted earnings per ordinary share (expressed in AMD per share)	**7.04**	**10.14**

Aram Barseghyan
General Director

Karen Mnatsakanyan
Financial Director

Tatevik Gevorgyan
Chief Accountant

Statement of Changes in Equity

'000 AMD	Share capital	Share premium	Retained earnings	Reserve capital	Total
Balance at 1 January 2025	**22,837,709**	**4,240,000**	**12,194,787**	**3,425,656**	**42,698,152**
Total comprehensive income					
Profit for 2025	-	-	1,069,442	-	1,069,442
Total comprehensive income for the year	**-**	**-**	**1,069,442**	**-**	**1,069,442**
Balance at 31 December 2025	**22,837,709**	**4,240,000**	**13,264,229**	**3,425,656**	**43,767,594**
Profit for Jan-Sep 2026	-	-	1,467,499	-	1,467,499
Total comprehensive income for the year	**-**	**-**	**1,467,499**	**-**	**1,467,499**
Balance at 30 September 2026	**22,837,709**	**4,240,000**	**14,731,728**	**3,425,656**	**45,235,093**

Statement of Cash Flows

'000 AMD	Jan-Sep 2026	Jan-Sep 2025
Cash flows from operating activities		
Cash received from customers	28,724,760	28,798,588
Cash proceeds from rent	931,127	990,679
Cash proceeds from sale of other inventory	4,863,576	910,778
Interest received	35,284	19,800
Cash paid to suppliers	(15,721,566)	(12,816,753)
Cash paid to staff	(5,961,397)	(5,673,619)
Taxes other than on income tax paid	(3,221,111)	(3,686,904)
Interest paid	(1,765,630)	(1,828,983)
Cash paid for other operating activities	(275,441)	(73,032)
Net cash from operating activities	**7,609,602**	**6,640,554**
Cash flows from investing activities		
Purchases of property, plant and equipment and intangible assets	(15,034,969)	(15,532,583)
Proceeds from the sale of property, plant and equipment	67,511	3,199,012
Loans issued	(4,736,000)	-
Repayment received on loans issued	7,976,444	-
Repayment received on bank deposits	-	1,791,429
Placement of bank deposits	-	(1,104,117)
Net cash used in investing activities	**(11,727,014)**	**(11,646,259)**
Cash flows from financing activities		
Lease principal repayments	(2,697,775)	(2,178,171)
Net cash used in financing activities	**(2,697,775)**	**(2,178,171)**
Net change in cash and cash equivalents	**(6,815,187)**	**(7,183,876)**
Cash and cash equivalents at 1 January	9,134,776	7,905,458
Effect of movements in exchange rates on cash and cash equivalents	(42,585)	(35,608)
Cash and cash equivalents at 30 September	**2,277,004**	**685,974**