

TELECOM Armenia OJSC

**International Financial Reporting Standards
Financial Statements
(not audited)**

30 June 2025

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Financial Statements

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TELECOM Armenia OJSC
Statement of Financial Position

<i>In thousands of Armenian Drams</i>	30 June 2025	31 December 2024 (audited)
ASSETS		
Non-current assets		
Property, plant and equipment	29,780,986	28,409,826
Investment property	6,097,112	6,097,112
Intangible assets	11,990,674	12,264,582
Prepayments for indefeasible right-of-use (IRU)	1,175,414	1,175,414
Leasehold improvements	794,069	859,745
Right-of-use assets	6,103,994	5,921,387
Prepayments for non-current assets	9,943,202	1,892,432
Loans issued	19,852,008	19,629,859
Deferred income tax assets	1,360,417	1,360,417
Deferred expenses	58,084	58,084
Investments in joint ventures	-	198,914
Total non-current assets	87,155,960	77,867,772
Current assets		
Inventories	733,264	651,030
Trade and other receivables	12,280,963	12,643,219
Current income tax prepayments	269,728	269,728
Other taxes receivable	112,190	160,580
Deferred expenses	45,804	45,804
Term deposit	-	673,914
Cash and cash equivalents	695,023	7,905,458
Total current assets	14,136,972	22,349,733
TOTAL ASSETS	101,292,932	100,217,505
EQUITY		
Share capital	22,837,709	22,837,709
Share premium	4,240,000	4,240,000
Retained earnings	14,298,970	12,194,787
Reserve capital	3,425,656	3,425,656
TOTAL EQUITY	44,802,335	42,698,152
LIABILITIES		
Non-current liabilities		
Bonds issued	28,181,655	28,967,505
Other financial payables	2,225,869	2,225,869
Lease liabilities	3,962,016	3,870,684
Provisions for asset retirement obligations	1,827,987	1,740,060
Deferred income	14,968	14,968
Total non-current liabilities	36,212,495	36,819,086
Current liabilities		
Bonds issued	169,325	184,547
Lease liabilities	1,859,095	2,039,264
Trade and other financial payables	8,233,546	10,675,835
Provisions for liabilities and charges	34,947	35,479
Deferred income	19,254	19,254
Payables to staff	1,388,480	1,223,856
Advances received	7,583,248	5,987,713
Other taxes payable	990,207	534,319
Total current liabilities	20,278,102	20,700,267
TOTAL LIABILITIES	56,490,597	57,519,353
TOTAL LIABILITIES AND EQUITY	101,292,932	100,217,505

Hayk Yesayan
General Director



Karen Mnatsakanyan
Financial Director

Tatevik Gevorgyan
Chief Accountant

TELECOM Armenia OJSC
Statement of Profit or Loss and Other Comprehensive Income

<i>In thousands of Armenian Drams</i>	Jan-Jun 2025	Jan-Jun 2024
Revenue from mobile communication services	8,501,632	8,118,246
Revenue from fixed communication services	6,109,268	6,915,212
Revenue from sale of equipment	1,137,285	1,435,740
Other revenue	4,378,724	984,430
Total revenues	20,126,909	17,453,628
Cost of services provided	(10,988,531)	(10,487,656)
Cost of equipment sold	(1,119,531)	(1,350,145)
Total cost of sales	(12,108,062)	(11,837,801)
Gross profit	8,018,847	5,615,827
Other operating income	137,667	(7,667)
General and administrative expenses	(2,681,492)	(2,542,580)
Distribution expenses	(1,607,536)	(1,693,961)
Other operating expenses	(429,149)	(202,978)
Net change for expected credit losses on financial assets	(347,502)	101,263
Operating profit	3,090,835	1,269,904
Finance income	841,120	888,430
Finance costs	(1,704,963)	(1,480,435)
Foreign exchange losses less gains	(122,809)	41,754
Profit before income tax	2,104,183	719,653
PROFIT	2,104,183	719,653
TOTAL COMPREHENSIVE INCOME	2,104,183	719,653

TELECOM Armenia OJSC
Statement of Changes in Equity

<i>In thousands of Armenian Drams</i>	Share capital	Share premium	Retained earnings	Reserve capital	Total
Balance at 31 December 2024	22,837,709	4,240,000	10,770,742	3,425,656	41,274,107
Profit for 2024	-	-	1,424,045	-	1,424,045
Total comprehensive income for 2024	-	-	1,424,045	-	1,424,045
Balance at 31 December 2024	22,837,709	4,240,000	12,194,787	3,425,656	42,698,152
Profit for Jan-Jun 2025	-	-	2,104,183	-	2,104,183
Total comprehensive income for 2025	-	-	2,104,183	-	2,104,183
Balance at 30 June 2025	22,837,709	4,240,000	14,298,970	3,425,656	44,802,335

TELECOM Armenia OJSC
Statement of Cash Flows

<i>In thousands of Armenian Drams</i>	Jan-Jun 2025	Jan-Jun 2024
Cash flows from operating activities		
Cash received from customers	18,797,188	18,829,656
Cash proceeds from rent	713,378	799,105
Cash proceeds from other operating activities	479,627	57,694
Interest received	9,801	65,145
Cash paid to service providers	(7,202,862)	(4,746,226)
Cash paid to staff	(3,706,422)	(3,466,794)
Cash paid to inventory suppliers	(1,958,983)	(2,588,222)
Taxes other than on income tax paid	(2,072,126)	(1,975,440)
Interest paid	(1,224,950)	(1,026,367)
Cash paid for business trips	(44,039)	(16,213)
Cash paid for other operating activities	(12,877)	(535,467)
Net cash from operating activities	3,777,735	5,396,871
Cash flows from investing activities		
Purchases/sale of property, plant and equipment	(10,451,592)	(3,424,499)
Investments in joint ventures	200,000	-
Repayment received on bank deposits	1,791,429	-
Placement of bank deposits	(1,104,117)	(26,252)
Net cash used in investing activities	(9,564,280)	(3,450,751)
Cash flows from financing activities		
Received loans	-	774,680
Repayment of loans	-	(1,037,065)
Rents paid	(1,394,856)	(1,584,342)
Net cash from financing activities	(1,394,856)	(1,846,727)
Effect of exchange rate changes on cash and cash equivalents	(29,034)	(17,546)
Net change in cash and cash equivalents	(7,210,435)	81,847
Cash and cash equivalents at the beginning of the period	7,905,458	989,762
Cash and cash equivalents at the end of the period	695,023	1,071,609