TELECOM Armenia OJSC

International Financial Reporting Standards
Financial Statements
(not audited)

30 June 2026

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Financial Statements

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Statement of Financial Position
as at 30 June 2026

'000 AMD	30 Jun 2026	31 December 2025 (audited)
Assets		
Property, plant and equipment	32,332,262	31,347,293
Investment property	6,097,112	6,097,112
Intangible assets	13,034,413	13,579,489
Prepayments for indefeasible right-of-use (IRU)	1,879,343	1,879,343
Right-of-use assets	10,526,635	9,875,639
Prepayments for non-current assets	5,403,865	1,750,984
Loans issued	12,673,716	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	**82,935,266**	**82,086,326**
Inventories	1,107,685	922,315
Trade receivables	10,021,670	9,290,610
Advances and contract assets	2,347,794	2,347,794
Taxes receivable	104,611	75,096
Cash and cash equivalents	2,771,262	9,134,776
Current assets	**16,353,022**	**21,770,591**
Total assets	**99,288,288**	**103,856,917**
Equity		
Share capital	22,837,709	22,837,709
Share premium	4,240,000	4,240,000
Retained earnings	13,664,909	13,264,229
Reserve capital	3,425,656	3,425,656
Total equity	**44,168,274**	**43,767,594**
Liabilities		
Bonds issued	27,330,987	28,206,537
Other financial payables	273,157	273,157
Lease liabilities	5,967,449	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	**37,791,050**	**38,142,185**
Bonds issued	85,530	100,914
Lease liabilities	2,093,156	2,650,802
Trade and other financial payables	9,426,806	13,215,279
Provisions for liabilities and charges	24,491	25,617
Payables to staff	1,250,390	1,194,618
Advances received and contract liabilities	3,839,888	4,292,692
Taxes payable	608,703	467,216
Current liabilities	**17,328,964**	**21,947,138**
Total liabilities	**55,120,014**	**60,089,323**
Total equity and liabilities	**99,288,288**	**103,856,917**

Statement of Profit or Loss and Other Comprehensive Income

'000 AMD	**Jan-Jun 2026**	**Jan-Jun 2025**
Revenue from mobile communication services	8,330,424	8,081,348
Revenue from fixed communication services	6,560,643	6,109,268
Revenue from sale of equipment	1,486,707	1,137,285
Other revenue	1,121,537	857,376
Lease revenue	517,144	602,632
Total revenues	**18,016,455**	**16,787,909**
Cost of services provided	(11,458,246)	(10,988,531)
Cost of equipment sold	(1,591,999)	(1,119,531)
Total cost of sales	**(13,050,245)**	**(12,108,062)**
Gross profit	**4,966,210**	**4,679,847**
Net impairment (losses)/reversals on financial assets	(118,188)	(347,502)
Other operating income	576,247	3,476,667
General and administrative expenses	(2,840,631)	(2,681,492)
Distribution expenses	(1,679,324)	(1,607,536)
Other operating expenses	(288,755)	(429,149)
Operating profit	**615,559**	**3,090,835**
Finance income	790,576	841,120
Finance costs	(1,469,660)	(1,704,963)
Foreign exchange gains/(losses)	464,205	(122,809)
Profit before income tax	**400,680**	**2,104,183**
Profit for the year	**400,680**	**2,104,183**
Total comprehensive income for the year	**400,680**	**2,104,183**
Basic and diluted earnings per ordinary share (expressed in AMD per share)	**1.92**	**10.10**

Hayk Yesayan
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 31 December 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-Jun 2026	-	-	400,680	-	400,680
Total comprehensive income for the year	**-**	**-**	**400,680**	**-**	**400,680**
Balance at 30 June 2026	**22,837,709**	**4,240,000**	**13,664,909**	**3,425,656**	**44,168,274**

Statement of Cash Flows

'000 AMD	Jan-Jun 2026	Jan-Jun 2025
Cash flows from operating activities		
Cash received from customers	19,963,283	17,839,588
Cash proceeds from rent	626,342	713,378
Cash proceeds from sale of other inventory	909,749	479,627
Interest received	19,324	9,801
Cash paid to suppliers	(10,567,252)	(9,161,845)
Cash paid to staff	(3,887,017)	(3,706,422)
Taxes other than on income tax paid	(2,133,247)	(2,072,126)
Interest paid	(1,184,838)	(1,224,950)
Cash paid for business trips	-	(44,039)
Cash paid for other operating activities	(257,801)	(12,877)
Net cash from operating activities	**3,488,543**	**2,820,135**
Cash flows from investing activities		
Purchases of property, plant and equipment and intangible assets	(12,262,245)	(13,643,493)
Proceeds from the sale of property, plant and equipment	23,336	4,149,501
Investments in joint ventures		200,000
Loans issued	(4,000,000)	-
Repayment of borrowings provided	7,976,444	-
Repayment received on bank deposits	-	1,791,429
Placement of bank deposits	-	(1,104,117)
Net cash used in investing activities	**(8,262,465)**	**(8,606,680)**
Cash flows from financing activities		
Lease principal repayments	(1,566,802)	(1,394,856)
Net cash used in financing activities	**(1,566,802)**	**(1,394,856)**
Net change in cash and cash equivalents	**(6,340,724)**	**(7,181,401)**
Cash and cash equivalents at 1 January	9,134,776	7,905,458
Effect of movements in exchange rates on cash and cash equivalents	(22,790)	(29,034)
Cash and cash equivalents at 31 March	**2,771,262**	**695,023**