

TELECOM Armenia OJSC

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

31 March 2025

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Financial Statements

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TELECOM Armenia OJSC
Statement of Financial Position

	31 March 2025	31 December 2024 (audited)
<i>In thousands of Armenian Drams</i>		
ASSETS		
Non-current assets		
Property, plant and equipment	28,981,378	28,409,826
Investment property	6,097,112	6,097,112
Intangible assets	12,320,952	12,264,582
Prepayments for indefeasible right-of-use (IRU)	1,175,414	1,175,414
Leasehold improvements	811,305	859,745
Right-of-use assets	6,012,690	5,921,387
Prepayments for non-current assets	8,582,636	1,892,432
Loans issued	19,796,231	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	198,914
Total non-current assets	85,395,133	77,867,772
Current assets		
Inventories	927,523	651,030
Trade and other receivables	12,719,559	12,643,219
Current income tax prepayments	269,728	269,728
Other taxes receivable	118,462	160,580
Deferred expenses	45,804	45,804
Term deposit	600,548	673,914
Cash and cash equivalents	173,059	7,905,458
Total current assets	14,854,683	22,349,733
TOTAL ASSETS	100,249,816	100,217,505
EQUITY		
Share capital	22,837,709	22,837,709
Share premium	4,240,000	4,240,000
Retained earnings	12,631,380	12,194,787
Reserve capital	3,425,656	3,425,656
TOTAL EQUITY	43,134,745	42,698,152
LIABILITIES		
Non-current liabilities		
Bonds issued	28,643,155	28,967,505
Other financial payables	2,225,859	2,225,869
Lease liabilities	4,677,474	3,870,684
Provisions for asset retirement obligations	1,784,024	1,740,060
Deferred income	14,968	14,968
Total non-current liabilities	37,345,490	36,819,086
Current liabilities		
Bonds issued	178,603	184,547
Lease liabilities	1,118,121	2,039,264
Trade and other financial payables	9,556,271	10,675,835
Provisions for liabilities and charges	34,947	35,479
Deferred income	19,254	19,254
Payables to staff	1,317,237	1,223,856
Advances received	7,015,787	5,987,713
Other taxes payable	529,361	534,319
Total current liabilities	19,769,581	20,700,267
TOTAL LIABILITIES	57,115,071	57,519,353
TOTAL LIABILITIES AND EQUITY	100,249,816	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-Mar 2025	Jan-Mar 2024
Revenue from mobile communication services	4,156,648	3,879,431
Revenue from fixed communication services	3,047,128	3,489,875
Revenue from sale of equipment	610,302	752,126
Other revenue	1,335,597	505,969
Total revenues	9,149,675	8,627,401
Cost of services provided	(5,265,415)	(5,152,446)
Cost of equipment sold	(597,718)	(738,462)
Total cost of sales	(5,863,133)	(5,890,908)
Gross profit	3,286,542	2,736,493
Other operating income	58,001	(64,991)
General and administrative expenses	(1,310,479)	(1,231,116)
Distribution expenses	(805,194)	(835,118)
Other operating expenses	(189,274)	(122,982)
Net change for expected credit losses on financial assets	(170,491)	195,767
Operating profit	869,105	678,053
Finance income	424,564	458,164
Finance costs	(850,479)	(735,442)
Foreign exchange losses less gains	(6,597)	175,019
Profit before income tax	436,593	575,794
PROFIT	436,593	575,794
TOTAL COMPREHENSIVE INCOME	436,593	575,794

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-Mar 2025	-	-	436,593	-	436,593
Total comprehensive income for 2025	-	-	436,593	-	1,251,506
Balance at 31 March 2025	22,837,709	4,240,000	12,631,380	3,425,656	43,134,745

TELECOM Armenia OJSC
Statement of Cash Flows

<i>In thousands of Armenian Drams</i>	Jan-Mar 2025	Jan-Mar 2024
Cash flows from operating activities		
Cash received from customers	10,557,778	10,460,018
Cash proceeds from rent	442,409	383,744
Cash proceeds from other operating activities	20,868	(9,617)
Interest received	5,592	33,125
Cash paid to service providers	(4,098,323)	(3,297,767)
Cash paid to staff	(1,796,685)	(1,655,525)
Cash paid to inventory suppliers	(890,284)	(1,221,108)
Taxes other than on income tax paid	(1,057,697)	(813,770)
Interest paid	(618,974)	(24,728)
Cash paid for business trips	(12,005)	(7,643)
Cash paid for other operating activities	(5,035)	(8,553)
Net cash from operating activities	2,547,644	3,838,176
Cash flows from investing activities		
Purchases of property, plant and equipment and intangible assets	(9,807,855)	(2,999,972)
Proceeds from the sale of property, plant and equipment	135,508	32,417
Repayment received on bank deposits	940,729	-
Placement of bank deposits	(859,117)	(13,137)
Net cash used in investing activities	(9,590,735)	(2,980,692)
Cash flows from financing activities		
Lease principal repayments	(671,664)	(839,717)
Net cash from financing activities	(671,664)	(839,717)
Effect of exchange rate changes on cash and cash equivalents	(17,644)	(17,400)
Net change in cash and cash equivalents	(7,732,399)	367
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	173,059	990,129