



**“ALASHKERT FOOTBALL CLUB”
NON-GOVERNMENTAL ORGANIZATION**

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR’S REPORT**

FOR THE YEAR ENDED 31 DECEMBER 2025



GM CONSULT LLC

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INDEPENDENT AUDITOR'S REPORT

To the Management of "ALASHKERT FOOTBALL CLUB" NGO

State Registration Certificate No.: 211.171.57441

Registered and Operating Address: Republic of Armenia, Yerevan, Davtashen, 2nd District, 26/29

OPINION

We have audited the financial statements of "ALASHKERT FOOTBALL CLUB" NGO (the Organization), which comprise the statement of financial position as at 31 December 2025, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at 31 December 2025, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

In our opinion, the attached financial statements comply with the accounting requirements set out in Appendix G.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Organization in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the ethical requirements applicable in the Republic of Armenia relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with those requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OTHER MATTER

The Organization's financial statements for the year 2024 were audited by "Audit Armenia" CJSC, which issued an unmodified opinion in its independent auditor's report dated 14 April 2026

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The management of the Organization is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS. For this purpose, management is responsible for establishing such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. In addition, we:

- Identify and assess the risks of material misstatement in the financial statements due to fraud or error, design and perform audit procedures responsive to those risks, and obtain sufficient and appropriate audit evidence to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Other matters among those communicated to those charged with governance include the planned scope and timing of the audit, as well as significant deficiencies identified during the audit, including material weaknesses in internal control that we identified during the course of our audit.

Yerevan, 14 April 2026

GM CONSULT LLC

General Director:  Gohar Margaryan

Qualified Auditor:  Anahit Tadevosyan

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“ALASHKERT FOOTBALL CLUB” NGO
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

State Registration Certificate No.: 211.171.57441
Registered and Operating Address: 26/29 Davtashen 2nd District, Yerevan, Republic of Armenia

STATEMENT OF FINANCIAL POSITION

(Presented in AMD thousands)	Note	2025	2024
Current assets			
Cash and cash equivalents		15,014	13,062
Receivables from player transfers		-	-
Receivables from group / related parties	J	-	-
Other current receivables	6 J	114	-
Prepayments			929
Borrowings provided to related parties		2,597,369	2,595,217
Inventories			
Other Current assets			
Total Current assets		2,612,497	2,609,208
Non-current assets			
Property, plant and equipment	7E	-	2,464
Intangible assets – players	8 F/ Appendix 1 F	83,912	-
Intangible assets – other	8 F	-	-
Receivables from player transfers		-	-
Receivables from group / related parties		-	-
Other non-current receivables		-	-
Deferred tax assets		-	-
Investments		-	-
Total Non-current assets		83,912	2,464
Total assets		2,696,409	2,611,672
Current liabilities			
Bank overdrafts and other loans	I	-	-
Prepayments received		6,200	-
Payables from player transfers	Appendix 2	52,939	-
Payables on salaries and other short-term benefits	Appendix 3	8,213	769
Payables on social/tax authorities	Appendix 4	3,182	272
Other payables		1,870	5,619
Accrued and deferred income		-	-
Short-term reserves		-	-
Grants related to income		4,067	
Other current liabilities		4,710	
Total current liabilities		81,181	6,660

Non-current liabilities			
Bank and Other loans	I	-	-
Borrowings from the Group/related parties		-	-
Payables from player transfers	Appendix 2	-	-
Payables on salaries and other benefits	Appendix 3	-	-
Payables on taxes and other mandatory payments	Appendix 4	-	-
Other payables		-	-
Accrued and deferred income		-	-
Deferred tax liabilities		-	-
Long-term reserves	J	-	-
Other non-current liabilities		-	-
Total non-current liabilities		-	-
Total liabilities		81,181	6,660
Net assets/(liabilities)		2,615,228	2,605,012
Equity			
Share/Authorized Capital	K	-	-
Retained Earnings	K	2,615,228	2,605,012
Reserves			
Total Equity		2,615,228	2,605,012

These financial statements were approved by the Organization’s management on 14.04.2026. The notes on pages 14-22 form an integral part of these financial statements.

“ALASHKERT FOOTBALL CLUB” NGO
Director:

  Alexey Baliberdin

**“ALASHKERT FOOTBALL CLUB” NGO
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025**

State Registration Certificate No.: 211.171.57441
Registered and Operating Address: 26/29 Davtashen 2nd District, Yerevan, Republic of Armenia

STATEMENT OF COMPREHENSIVE INCOME

(Presented in AMD thousands)	Note	2025	2024
Revenue			
Ticket sales			
Sponsorship and advertising	2B	4,051	15,125
Broadcasting rights	B	-	-
Commercial	B	-	-
UEFA support funds	2B	181,400	108,428
Grants, donations from national football bodies	2 B	11,454	-
Support/donations from related parties	2 B	20,490	6,000
Other operating income	2 B	134	21,386
Total revenue		217,529	150,939
Expenses		-	-
Cost of sales (materials)		-	-
Salary expenses (players)	3 C	(46,375)	(38,007)
Salary expenses (other employees)	3 C	(39,738)	(25,884)
Holiday provision		(4,708)	-
Depreciation of property, plant and equipment	8 H	(2,464)	(1,038)
Amortization of intangible assets (excluding player registration costs)	9 I	-	-
Impairment of property, plant and equipment and intangible assets (excluding player registration costs)		-	-
Other operating expenses	4 D	(94,395)	(105,333)
Total operating expenses (excluding player registration costs)		(187,680)	(170,262)
Operating profit (loss)		29,849	(19,323)
Acquisition and disposal of player registrations		-	-
Amortization of intangible assets (player registrations)		(14,514)	-
Impairment of intangible assets (player registrations)		-	-
Training compensation for players		(1,160)	-
Acquisition costs (including non-capitalized payments to agents/brokers and player rental fees)		(15,817)	(1,468)
Income from disposals of player registrations (including rental income)		595	1,960
Total acquisition and disposal of player registrations	Appendix 1	(30,896)	492

Gain (loss) on disposal of property, plant and equipment		-	-
Gain (loss) on disposal of intangible assets		-	-
Total Gain (loss) on disposal of non-current assets			
Financial result			
Financial income		-	-
Financial expenses		-	-
Net gain (loss) from exchange rate differences	5	11,263	(1,203)
Net financial income (expenses)		11,263	(1,203)
Other income (non-operating)	D	-	-
Other expenses (non-operating)	D	-	-
Profit (loss) before tax		10,216	(20,034)
Profit tax			-
Net profit (loss) for the year		10,216	(20,034)

These financial statements were approved by the Organization's management on 14.04.2026. The notes on pages 14-22 form an integral part of these financial statements.

«ALASHKERT FOOTBALL CLUB» NGO
Director:

Alexey Baliberdin



**“ALASHKERT FOOTBALL CLUB” NGO
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025**

State Registration Certificate No.: 211.171.57441
Registered and Operating Address: 26/29 Davtashen 2nd District, Yerevan, Republic of Armenia

STATEMENT OF CHANGES IN EQUITY

(Presented in AMD thousands)	Retained earnings	Total
Balance as at January 1, 2024	2,625,046	2,625,046
Increase in authorized capital		-
Profit (loss) for the year	(20,034)	(20,034)
Balance as at December 31, 2024	2,605,012	2,605,012
Increase in authorized capital	-	
Profit (loss) for the year	10,216	10,216
Balance as at December 31, 2025	2,615,228	2,615,228

These financial statements were approved by the Organization’s management on 14.04.2026. The notes on pages 14-22 form an integral part of these financial statements.

“ALASHKERT FOOTBALL CLUB” NGO
Director:



Alexey Baliberdin

“ALASHKERT FOOTBALL CLUB” NGO
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

State Registration Certificate No.: 211.171.57441

Registered and Operating Address: 26/29 Davtashen 2nd District, Yerevan, Republic of Armenia

STATEMENT OF CASH FLOW

(Presented in AMD thousands)	2025	2024
Cash flows from operating activities		
Operating profit	10,216	(20,034)
Adjustments		
Depreciation and amortization	16,978	1,038
Grants	(454)	(3,321)
Financial income		
Financial expense		
Foreign currency exchange rate differences (profit)/loss	(10,757)	1,203
Operating loss before changes in working capital	15,983	(21,114)
Change in inventories		
Trade and other receivables	816	1,314
Change in trade and other payables	21,581	(7,665)
Cash generated from operations	38,380	(27,465)
Profit tax paid		
Interest received		
Interest paid		
Net cash flow from operating activities	38,380	(27,465)
Cash flows from investing activities		
Proceeds from disposal of player registrations	595	1,960
Payments for acquisition of player registrations	(44,579)	(1,468)
Borrowings provided to related parties	7,283	25,967
Proceeds from disposal of property, plant and equipment		(225)
Payments for acquisition of property, plant and equipment		
Other		
Net cash flows from investing activities	(36,701)	26,234

Cash flows from financing activities		
Proceeds from borrowings – shareholders and related parties		
Repayment of borrowings – shareholders and related parties		
Proceeds from borrowings – financial institutions		
Repayment of borrowings – financial institutions		
Proceeds from equity investments		
Dividends paid		
Other		
Net cash flows from financing activities	-	-
Net increase in cash and cash equivalents	1,679	(1,231)
Effect of exchange rate changes on cash and cash equivalents	273	(1,203)
Cash and cash equivalents at the beginning of the period	13,062	15,496
Cash and cash equivalents at the end of the reporting period	15,014	13,062

These financial statements were approved by the Organization’s management on 14.04.2026. The notes on pages 14-22 form an integral part of these financial statements.

“ALASHKERT FOOTBALL CLUB” NGO
Director:




Alexey Baliberdin

**“ALASHKERT FOOTBALL CLUB” NGO
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025**

State Registration Certificate No.: 211.171.57441
Registered and Operating Address: 26/29 Davtashen 2nd District, Yerevan, Republic of Armenia

NOTES TO THE FINANCIAL STATEMENTS

General information

• Nature of operations and general information

“Alashkert Football Club” Non-Governmental Organization (hereinafter the “NGO” or the “Organization”) is a type of public association of citizens of the Republic of Armenia, foreign citizens, stateless persons and legal entities, having the status of a non-profit organization. The Organization was registered in the State Register of Legal Entities of the Republic of Armenia on 27 December 2011, in accordance with the legislation of the Republic of Armenia. The registration number of the Organization is 211.171.57441.

The statutory objectives of the Organization are:

- To promote the development and popularization of football in the Republic of Armenia,
- To participate in amateur and/or professional football competitions organized and held in the Republic of Armenia,
- To promote a healthy lifestyle,
- To support the social security, health protection and development of athletes,
- To take measures to ensure appropriate sports nutrition for football players,
- To establish relationships with sports schools and/or football clubs both in the Republic of Armenia and abroad,
- To organize amateur football competitions,
- To take measures aimed at preparing players for the National Football Team of Armenia,
- To promote the improvement of the level of football education among children,
- To contribute to the enhancement of the professional level of coaching activities,
- To support the provision of favourable training conditions for children engaged in football across different regions of the Republic of Armenia,
- To contribute to the improvement of theoretical and practical management of professional football in the Republic of Armenia,
- To organize and conduct training camps.

The governing bodies of the Organization are the General Meeting and the executive body, represented by the General Director. The regular General Meeting of the Organization is convened once every five years. The General Director determines the date, time and venue of the General Meeting.

In 2025, the average number of employees of the Organization was 46 (2024: 49). The address of the Organization is: 26/29 Davtashen 2nd District, Yerevan, Republic of Armenia.

1. Accounting policy

1.1. Basis of preparation of the financial statements

The financial statements have been prepared in accordance with **International Financial Reporting Standards (IFRS)**.

The financial statements have been prepared on a historical cost basis and under the going concern assumption.

The financial statements are presented in Armenian Drams (AMD), and the financial information is presented in thousands of AMD, without decimal places.

1.2. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Depreciation is recognized in the statement of comprehensive income so as to write off the cost or revalued amount of property, plant and equipment (other than land and assets not yet available for use) over their estimated useful lives, using the straight-line method at the following rates:

Asset class	Useful life
Machinery and equipment	1 year
Production and economic property, tools	1 year

Items of property, plant and equipment with a cost of up to AMD 50,000 are assigned a useful life of up to one year.

Depreciation of assets acquired under finance leases is calculated using the same methodology over their estimated useful economic lives; however, where the lease term is relatively short, the depreciation is based on the term specified in the finance lease agreement.

Gains or losses arising from the disposal or derecognition of property, plant and equipment are determined as the difference between the proceeds from sale and the carrying amount of the asset, and are recognized in profit or loss for the year.

1.3. Non-current intangible assets – players

Transfer fees and other directly attributable costs incurred in connection with the acquisition and registration of players are capitalised as non-current intangible assets. Such costs are amortised on a straight-line basis over the contractual term of the respective player agreements. Costs related to players promoted from the Club's youth academy are not capitalised.

Where the contract term is revised, the unamortised balance, together with any new costs arising from the extension of contractual terms, is amortised over the revised contractual period.

Any transfer fee contingent on one or more uncertain future events is capitalised when it is probable that the related event(s) will occur.

Player registrations are written off as a result of impairment when their carrying amount exceeds the recoverable amount, being the higher of fair value less costs to sell and value in use.

1.4. Revenue

Revenue represents the gross inflow of economic benefits arising from the ordinary activities of the Organization, excluding transfer fees from the sale of player registrations and related taxes.

Revenue is measured at the fair value of the consideration received or receivable and represents the amount payable for the sale of goods or services in the ordinary course of business between market participants, excluding discounts and applicable taxes.

Matchday / ticketing revenue

Matchday revenue is recognised in the reporting period in which the respective match takes place. Matchday revenue received in advance of the reporting period but relating to future seasons (e.g., season ticket sales) is recognised as deferred income and is released to revenue as matches are played.

Sponsorship and advertising

Sponsorship and advertising include amounts received from the main club sponsor, other sponsors, stadium perimeter advertising and other forms of sponsorship and promotional activities.

Broadcasting rights

Broadcasting revenue represents amounts received under agreements with media companies for home matches. Revenue allocated based on media market distribution and participation fees is recognised as matches are played. Prize money arising from sporting performance is recognised when its receipt becomes certain.

Commercial revenue

Commercial revenue consists of retail sales, food and beverage sales, event organisation (on non-match days), lotteries and other commercial activities not otherwise classified.

UEFA solidarity and prize money

UEFA prize money represents amounts received in connection with participation in UEFA club competitions. Revenue allocated based on the media market and participation fees is recognised as matches are played. Prize money arising from sporting performance is recognised when its receipt becomes certain. UEFA solidarity payments are recognised when the related receivable becomes certain.

Other income

Other income includes donations, grants, extraordinary operating income, and other income not classified in the categories above.

1.5. Trade receivables

Trade receivables are measured at cost (the amount initially recognised in the accounting records), except where the effect of discounting is material. In such cases, receivables are measured at amortised cost.

Loans provided

At initial recognition, the net result (loss) arising from discounting of interest-free or low-interest term loans to their fair value is recognised:

- in equity, if the financial asset relates to participants and entities controlled by them; and
- in profit or loss, if the financial asset relates to other parties.

Cash and cash equivalents

Cash comprises cash on hand and demand deposits.

Cash equivalents are held for the purpose of meeting short-term cash liabilities rather than for investment or other purposes. In order for investments to qualify as cash equivalents, they must be readily convertible into known amounts of cash and be subject to an insignificant risk of changes in value. Accordingly, investments are normally classified as cash equivalents only if they have a short maturity period, for example three months or less from the date of acquisition.

Bank overdrafts repayable on demand form an integral part of the Organization's cash management and are included as a component of cash and cash equivalents in the statement of cash flows, while being presented as liabilities in the statement of financial position.

1.6. Short-term employee benefits

When an employee has rendered services to the Organization during a reporting period, the Organization recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for those services:

- a) as a liability, net of any amounts already paid. If the amount already paid exceeds the undiscounted amount of benefits, the Organization recognises the excess as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- b) as an expense, unless IFRS requires or permits the cost of benefits to be included in the cost of another asset (e.g., inventories, property, plant and equipment).

The Organization recognises the expected cost of employee benefits in the form of compensated absences as follows:

- a) in the case of accumulating compensated absences (e.g., annual leave), when employees render services that increase their entitlement to future compensated absences; and
- b) in the case of non-accumulating compensated absences (e.g., sick leave), when the absence occurs.

The Organization measures the expected cost of accumulating compensated absences as the additional amount it expects to pay as a result of unused entitlements accumulated at the end of the reporting period.

1.7. Grants

Recognition

Grants are recognised when there is reasonable assurance that:

- the Organization will comply with the conditions attached to them; and
- the grants will be received.

Presentation

Grants are presented in the statement of financial position as deferred income.

Accounting treatment

Grants are recognised in profit or loss on a systematic basis over the periods in which the Organization recognises as expenses the related costs for which the grants are intended to compensate. A grant receivable as compensation for expenses or losses already incurred, or for the purpose of providing immediate financial support to the

Organization with no future related costs, is recognised in profit or **loss in the period in which it becomes receivable**.

Repayment

A grant that becomes repayable is accounted for as a change in accounting estimate. The repayment of a grant is first applied against any unamortised deferred credit balance relating to the grant. To the extent that the repayment exceeds any such deferred credit balance, or where no deferred credit exists, the repayment is recognised immediately in profit or loss.

1.8. Effects of changes in foreign exchange rates

Functional currency

In determining its functional currency, the Organization considers the following factors:

- a) the currency:
 - that mainly influences the sales prices of goods and services (often the currency in which sales prices of goods and services are denominated and settled); and
 - of the country whose competitive forces and regulations mainly determine the sales prices of its goods and services;
- b) the currency that mainly influences labour, material and other costs incurred in providing goods or services (this is often the currency in which such costs are denominated and settled).

The functional currency of the Organization is the Armenian Dram (AMD).

Initial recognition

A foreign currency transaction is initially recorded, on recognition, in the functional currency by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. The spot exchange rate is considered to be the average exchange rate formed in the foreign exchange market.

Subsequent reporting at period end

At the end of each reporting period:

- a) monetary items denominated in foreign currencies are retranslated using the closing rate;
- b) non-monetary items measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- c) non-monetary items measured at fair value in a foreign currency are translated using the **exchange rate at the date when fair value was determined**.

Recognition of exchange differences

In accordance with Article 108(7) of the Tax Code of the Republic of Armenia, for the purposes of determining the corporate Profit tax base, the positive revaluation result of assets, including foreign currency, foreign currency-denominated other assets, as well as assets denominated in bank gold and other precious metals, is not considered income for the Organization.

In accordance with Article 112(7) of the Tax Code of the Republic of Armenia, for the purposes of determining the corporate Profit tax base, the negative revaluation result of assets, including foreign currency, foreign currency-denominated other assets, as well as assets denominated in bank gold and other precious metals, is not considered an expense for the Organization.

1.9. Profit tax

Current tax

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (or recovered from) the tax authorities, using the tax rates (and tax regulations governing taxation) that have been enacted at the end of the reporting period.

The Organization presents profit or loss, other comprehensive income, and equity items net of the related tax effects.

Offsetting

The Organization offsets current tax assets and current tax liabilities when, and only when:

- a) it has a legally enforceable right to set off the recognised amounts; and
- b) it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

1.10. Changes in accounting estimates

The effect of a change in an accounting estimate, except for the cases described below, is recognised prospectively and included in profit or loss:

- a) in the period of the change, if the change affects only that period; or
- b) in the period of the change and future periods, if the change affects both.

To the extent that a change in an accounting estimate result in changes in assets and liabilities, or relates to an item of equity, it is recognised by adjusting the carrying amount of the related asset, liability or equity item in the period of the change.

Where it is difficult to distinguish a change in accounting policy from a change in accounting estimate, it is treated as a change in accounting estimate, with appropriate disclosure.

1.11. Changes in accounting policies

The Organization changes its accounting policies only when:

- a) required by an IFRS; or
- b) the change results in the presentation of more reliable and relevant information in the financial statements about the effects of transactions, other events and conditions on the Organization's financial position, financial performance and cash flows.

When the Organization applies a new accounting policy retrospectively, it applies the new accounting policy to comparative information for prior periods, going back as far as retrospective application is practicable.

Retrospective application is impracticable for a prior period unless it is possible to determine the cumulative effect of the change on both the opening and closing balances of the statement of financial position for that period. The aggregate adjustment relating to periods prior to those presented in the financial statements is adjusted against the opening balance of each affected component of equity in the earliest period presented. Generally, the adjustment is made against retained earnings. However, it may be allocated to another component of equity (for example, to comply with the requirements of another IFRS).

When it is impracticable for the Organization to apply a new accounting policy retrospectively for all prior periods due to the inability to determine the cumulative effect of the change, the Organization applies the new policy prospectively from the earliest practicable date. In such cases, the Organization does not consider the portion of cumulative adjustments to assets, liabilities and equity arising before that date.

A change in accounting policy is permitted even if it is not practicable to apply that policy on a prospective basis for any prior period.

1.12. Events after the reporting period

The Organization adjusts the amounts recognised in its financial statements to reflect adjusting events after the reporting period. The Organization does not adjust amounts recognised in its financial statements to reflect non-adjusting events after the reporting period.

2 B. Revenue

AMD Thousand	2025	2024
UEFA support payments	181,400	108,428
Subsidies, donations and other amounts from the Football Federation of Armenia (FFA)	11454	6,000
Support/donations from related parties	20,490	
Sponsorship and advertising	4,051	15,125
Other	134	21,387
Total Revenue	217,529	150,939

3 C. Employee benefit expenses

AMD Thousand	2025	2024
Players		
Salary	(34,208)	(28,742)
Tax/social contributions	(12,167)	(9,265)
Total	(46,375)	(38,007)
Other employees		
Salary	(29,590)	(19,417)
Tax/social contributions	(10,148)	(6,467)
Total	(39,738)	(25,884)
Total Employee compensation expenses	(86,113)	(63,891)

4 D. Other operating expenses

AMD Thousand	2025	2024
Training camps and match organization expenses	75,475	79,982
Sportswear and sports equipment expenses	1,979	15,645
Match-related penalties	186	1,030
Medical expenses for players	658	1,425
Audit and consultancy fees	10,929	4,100
Telecommunication expenses	412	91
Bank charges	655	143
Other expenses	4,101	2,917
Total other operating expenses	94,395	105,334

5 Foreign currency exchange rate differenced profit/loss

AMD Thousand	2025	2024
Net profit/loss from exchange rate difference	11,263	(1,203)
Total Other non-operating expenses	11,263	(1,203)

6 Other receivables

(Presented in AMD thousands)	2025	2024
Short-term receivables on the budget	107	-
Receivables on the salary	7	-
Total other receivables	114	-

7 E. Non-current tangible assets – Property, plant and equipment

(Presented in AMD thousands)	Machinery and equipment	Production and economic property, tools	Total
As at January 1, 2024	2,679	24,641	27,320
Addition		225	225
Disposal			
Revaluation increase			
As at December 31, 2024	2,679	24,866	27,545
Addition			
Disposal			
Revaluation increase			
As at December 31, 2025	2,679	24,866	27,545
Accumulated depreciation and impairment			
As at January 1, 2024	2,679	21,364	24,043
Depreciation of property, plant and equipment		1,038	1,038
Accumulated depreciation of disposed property, plant and equipment			
Depreciation of property, plant and equipment			
As at December 31, 2024	2,679	22,402	25,081
Depreciation of property, plant and equipment		2,464	2,464
Accumulated depreciation of disposed property, plant and equipment			
Depreciation of property, plant and equipment			
As at December 31, 2025	2,679	24,866	27,545
Carrying amount			
As at December 31, 2024	-	2,464	2,464
As at December 31, 2025	-	-	-

8 F. Non-current intangible assets

(Presented in AMD thousands)	Players' registrations	Other	Total
As at January 1, 2024		2,215	2,215
Addition			
Disposal			
Revaluation increase			
As at December 31, 2024		2,215	2,215
Addition	98,426		98,426
Disposal			
Revaluation increase			
As at December 31, 2025	98,426	2,215	100,641
Accumulated depreciation and impairment			
As at January 1, 2024		2,215	2,215
Amortization of non-current intangible assets			
Amortization of disposed non-current intangible assets			
Impairment of non-current intangible assets			
As at December 31, 2024		2,215	2,215
Amortization of non-current intangible assets	14,514		14,514
Amortization of disposed non-current intangible assets			
Impairment of non-current intangible assets			
As at December 31, 2025	14,514	2,215	16,729
Carrying amount			
As at December 31, 2024	-	-	-
As at December 31, 2025	83,912	-	83,912

9. Related party transactions

In accordance with IAS 24 “Related Party Disclosures”, parties are considered related if one party has the ability to control the other party or exercise significant influence over the other party’s financial and operating decisions.

For the purposes of these financial statements, related parties include members of the Organization’s management and persons connected with them, as well as other persons and entities that are related to or appropriately controlled by them.

The Organization’s related parties include:

- Participants of the Organization

The ultimate controlling party of the Organization is **Bagrat Navoyan**.

For the purposes of these financial statements, related parties also include entities under joint control, the Director, as well as persons related to them.

Name of related party	Nature of relationship
Bagrat Navoyan	President
Nairi Youth Sports School LLC	Bagrat Navoyan is the 100% shareholder of the LLC
Bagrat Tour LLC	Bagrat Navoyan is the 100% shareholder of the LLC

The Organization enters into transactions with related parties in the course of its activities. Transactions with related parties are as follows:

• **Transactions with the ultimate controlling party**

AMD thousand	Balance at 31.12.2024	Additions	Repayments	Balance at 31.12.2025
Loans provided – Bagrat Navoyan	2,595,217	203,018	200,866	2,597,369

• **Transactions with entities under joint control**

AMD thousand	Balance at 31.12.2024	Additions	Repayments	Balance at 31.12.2025
Advance provided – Bagrat Tour LLC	929	—	929	—

• **Transactions with management**

AMD thousand	Balance at 31.12.2024	Additions	Repayments	Balance at 31.12.2025
Salary – General Director: Alexey Baliberdin	—	1,422,762	1,213,062	209,700
Salary – Executive Director: Liparit Navoyan	—	1,114,120	1,114,120	—
Salary – Vice President: Tigran Mkrtchyan	—	1,064,631	939,631	125,000
Loans received – General Director: Alexey Baliberdin	—	230,000	230,000	—
Grant – Vice President: Tigran Mkrtchyan	—	24,557,000	20,490,000	4,067,000

“ALASHKERT FOOTBALL CLUB” NGO
Director:

  Alexey Baliberdin