

**ՀԻՄՆԱԴՐԱՄՆԵՐԻ ԿՈՂՄԻՑ ՀՐԱՊԱՐԱԿՎՈՂ ՀԱՇՎԵՏՎՈՒԹՅԱՆ  
 ՀԱՍՏԱՏՎԱԾ Է  
 Հիմնադրամի հոգաբարձուների  
 խորհրդի 28-06-2024 թ. որոշմամբ  
 «ՄԻՄՈՆՅԱՆ ԿՐԹԱԿԱՆ ՀԻՄՆԱԴՐԱՄ»  
 Հ Ա Շ Վ Ե Տ Վ ՈՒ Թ Յ ՈՒ Ն  
 հիմնադրամի 2024 թ. գործունեության մասին**

<b>1. Հիմնադրամի՝</b>		
1.1 Լրիվ անվանումը	ՄԻՄՈՆՅԱՆ ԿՐԹԱԿԱՆ ՀԻՄՆԱԴՐԱՄ	
1.2 Գտնվելու վայրը	ԵՐԵՎԱՆ ԱԶԱՓՆՅԱԿ ԱԶԱՓՆՅԱԿ ԹԱՂԱՄԱՍ ՀԱԼԱԲՅԱՆ 16	
1.3 Պետական գրանցման համարը	222.160.01143	
1.4 Պետական գրանցման տարին, ամիսը, ամսաթիվը	2009-10-14	
1.5 ՀՎՀՀ-ն	01245672	
1.6 Հեռախոսը (այդ թվում՝ բջջային)	+(374)10398413	
1.7 Պաշտոնական ինտերնետային կայքը		
1.8 Էլեկտրոնային փոստը	info@tumo.org	
<b>2. Հիմնադրի անուն, ազգանուն կամ անվանում՝</b>		
Սամվել Սիմոնյան Սայմըն		
<b>3. Հոգաբարձուների խորհրդի անդամների անուն, ազգանուն՝</b>		
<b>4. Կառավարչի անուն, ազգանուն՝</b>		
Մարի Լու Փափազյան		
5. Աշխատակազմում ընդգրկված անձանց քանակը	660	
6. Անձեռնմխելի կապիտալի չափը		
7. Անձեռնմխելի կապիտալի կառավարումից ստացված եկամուտ		
<b>8. Ֆինանսավորման աղբյուրները՝</b>		
8.1 Ֆինանսավորումն ըստ խմբերի	8.2 Ստացված ֆինանսական միջոցների նպատակը	8.3 Չափը
8.1.1 Պետական և համայնքային բյուջեներից դրամական մուտքեր		
8.1.2 Իրավաբանական անձանցից դրամական մուտքեր		
	Հայաստանի հուշարձանների 3D սկանավորում	3,000,000
	Թումո Ստուդիաներ	228,341,938
	Թումո ստեղծարար տեխնոլոգիաների կենտրոնի ընդլայնում ծրագիր	5,886,254,847

	Թումո ստեղծարար տեխնոլոգիաների կենտրոնի ընդլայնում ծրագիր (ք.Երևան)	100,000
	ԵՄ ԹՈՒՄՈ Ինժինեռական և կիրառական Գիտությունների համալիր	681,625,210
	Տեխնոլոգիաների և Ստեղծարար ոլորտների համալիրի հիմնում Կապանում	210,752,118
	Թումո ստեղծարար տեխնոլոգիաների կենտրոնի ընդլայնում ծրագիր (ք.Գյումրի)	70,761,250
	Գյումրու Շուկայի արդիականացում	665,132,664
	Թումո տուփեր	969,575
	Բարձր Որակավորում Ունեցող Մասնագետի ծրագիր	14,628,072
<b>8.1.3 Ֆիզիկական անձանցից դրամական մուտքեր</b>		
	Հովհաննես Թումանյանի անվան զբոսայգու վերակառուցման, վերանորոգման և պահպանման ծրագիր	240,000
	Թումո ստեղծարար տեխնոլոգիաների կենտրոնի ընդլայնում ծրագիր	1,130,403
<b>9. Հիմնադրի ներդրումը՝</b>		
9.1 Դրամական միջոցներ		
9.2 Գույք	9.2.1 Տեսակը	9.2.2 Արժեքը
	Բաժնեմաս	55,184,000
<b>10. Նվիրատվությունները/ նվիրաբերությունները</b>		
10.1 Նվիրատուները/նվիրաբերողներն ըստ խմբերի՝	10.2 Նվիրված/նվիրաբերված գույք	
	10.2.1 Տեսակը	10.2.2 Արժեքը
10.1.1 Հայաստանի Հանրապետություն/համայնքներ		
10.1.2 Իրավաբանական անձինք		
10.1.3 Ֆիզիկական անձինք		
<b>11. Իրականացված ծրագրերը՝</b>		
11.1 Ծրագրի անվանումը	11.2 Ծախսված գումարը	
ԵՄ ԹՈՒՄՈ Ինժինեռական և կիրառական Գիտությունների համալիր	426,293,517	
Թումո ստուդիաներ	214,871,250	
Հովհաննես Թումանյանի անվան զբոսայգու վերակառուցման, վերանորոգման և պահպանման ծրագիր	68,539,754	
Տավուշի մարզի Կողբ համայնքում Թումո կենտրոնի ստեղծում	234,730,810	
Թումո ստեղծարար տեխնոլոգիաների կենտրոնի ծրագիր ԿԲ հետ համատեղ (ք.Դիլիջան)	483,677,569	
Թումո ստեղծարար տեխնոլոգիաների կենտրոնի ընդլայնում ծրագիր	3,339,181,491	

Տեխնոլոգիաների և Ստեղծարար ոլորտների համալիրի հիմնում Կապանում	244,609,256
Թումո ստեղծարար տեխնոլոգիաների կենտրոն ծրագիր (ք.Երևան)	507,897,905
Թումո ստեղծարար տեխնոլոգիաների կենտրոն ծրագիր (ք.Գյումրի)	696,984,457
Թումո տուփեր	90,603,115
Հայկական մշակութային կոթողների 3D սկանավորում	19,193,412
<b>12. Ֆինանսական տարում օգտագործված միջոցների ընդհանուր չափը</b>	6,450,167,322
<b>13. Կանոնադրական նպատակների իրականացմանն ուղղված ծախսերի չափը</b>	6,326,582,536

**Նշումներ՝**

Աուդիտորական եզրակացությունը և ֆինանսական հաշվետվությունները ընդհանուր 35 էջ ծավալով կցված է Հիմնադրամների կողմից հրապարակվող հաշվետվությանը: Անհրաժեշտության դեպքում պատրաստակամություն ենք հայտնում այն ուղարկել նաև էլեկտրոնային փոստի միջոցով: Հիմնադրամի կողմից հաշվետու տարում կատարվել են նաև ձեռնարկատիրական ծախսեր՝ ընդամենը 34,540,536 դրամ չափով:

Ֆինանսական հաշվետվություններն ու ֆինանսական հաշվետվությունների վերաբերյալ աուդիտն իրականացնող անձի (աուդիտորի) եզրակացությունը՝ 35 էջերից:  
Էջերի քանակը

Հիմնադրամի տնօրեն \_\_\_\_\_  
ստորագրությունը, անունը, ազգանունը

Գլխավոր հաշվապահ \_\_\_\_\_  
ստորագրությունը, անունը, ազգանունը

# **Consolidated Financial Statements and Independent Auditor's Report**

## **Simonian Educational Foundation**

31 December 2024

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# Independent Auditor's Report

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Գրանթ Թորնթոն ՓԲԸ  
Երևան Պլազա բիզնես  
կենտրոն  
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To the members of Board of Trustees of Simonian Educational Foundation

## Opinion

We have audited the consolidated financial statements of Simonian Educational Foundation (the “Foundation”) and its subsidiaries (together the “Group”), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in net assets and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (“IFRSs”).

## 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 consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (the “IESBA Code”) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Republic of Armenia, and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Responsibilities of Management and Those Charged with Governance for the consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group’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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group’s financial reporting process.

## Auditor's Responsibilities for the Audit of the consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate 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 the 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 Group'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 Group'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Armen Hovhannisyán  
Chief Executive Officer  
of "Grant Thornton" CJSC



Narine Achemyán, FCCA  
Engagement Partner



3 October 2025



# List of members of the board of trustees of Simonian Educational Foundation

Samvel Simon Simonian – President of the Board

Sevan Natasha Simonian – Member of the Board

Silva Ohanian Simonian – Member of the Board

# Consolidated statement of profit or loss and other comprehensive income

In thousand AMD

	Notes	2024	2023
Income from grants and donations	5	7,582,441	6,291,474
Other revenues	6	1,100,152	707,603
<b>Total revenue</b>		<b>8,682,593</b>	<b>6,999,077</b>
Employee compensation		(4,594,167)	(3,402,433)
Depreciation and amortization		(750,900)	(595,982)
Program and other operating expenses	7	(1,814,672)	(1,545,033)
<b>Profit from operating activities</b>		<b>1,522,854</b>	<b>1,455,629</b>
Finance income	8	40,083	7,380
Finance costs	8	(70,231)	(41,543)
Gain (loss) from foreign exchange rate differences	9	(104,941)	64,319
<b>Profit before income tax</b>		<b>1,387,765</b>	<b>1,485,785</b>
Income tax expense	10	(52,037)	(37,131)
<b>Profit for the year</b>		<b>1,335,728</b>	<b>1,448,654</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>1,335,728</b>	<b>1,448,654</b>

The consolidated statement of profit or loss and other comprehensive is to be read in conjunction with the notes to and forming part of the consolidated financial statements set out on pages 12 to 35.

# Consolidated statement of financial position


In thousand AMD		31 December 2024	31 December 2023
	<b>Notes</b>		
<b>Assets</b>			
<b>Non-current assets</b>			
Property and equipment	11	10,418,887	9,153,136
Intangible assets	12	35,929	42,666
Right-of-use assets	13.1	493,450	557,675
Deferred income tax assets	14	8,771	-
Prepayments for non-current assets		40,416	376,072
<b>Total non-current assets</b>		<b>10,997,453</b>	<b>10,129,549</b>
<b>Current assets</b>			
Inventories	15	441,075	504,110
Trade and other receivables	16	400,334	195,351
Borrowings provided		4,480	4,480
Term deposits at banks	17	617,543	665,321
Bank balances		2,647,559	1,126,436
<b>Total current assets</b>		<b>4,110,991</b>	<b>2,495,698</b>
<b>Total assets</b>		<b>15,108,444</b>	<b>12,625,247</b>

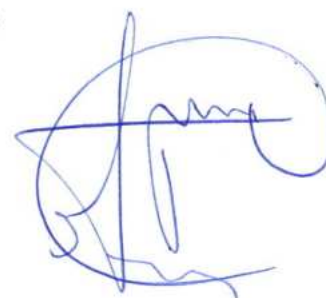
# Consolidated statement of financial position (continued)

In thousand AMD	Notes	31 December 2024	31 December 2023
<b>Equity and liabilities</b>			
<b>Liabilities</b>			
<b>Non-current</b>			
Loans and borrowings	18	248,045	112,531
Lease liabilities	13.2	482,442	484,951
Grants related to assets	19	6,639,806	7,482,748
Deferred income tax liabilities	14	-	6,005
<b>Total non-current liabilities</b>		<b>7,370,293</b>	<b>8,032,235</b>
<b>Current</b>			
Loans and borrowings	18	16,770	18,983
Current portion of lease liabilities	13.2	43,668	32,412
Contract liabilities	21	2,382,257	760,791
Trade and other payables	20	450,756	304,610
Current income tax liabilities		51,559	18,803
<b>Total current liabilities</b>		<b>2,945,010</b>	<b>1,135,599</b>
<b>Net assets</b>			
Accumulated profit		4,793,141	3,457,413
<b>Total net assets</b>		<b>4,793,141</b>	<b>3,457,413</b>
<b>Total equity and liabilities</b>		<b>15,108,444</b>	<b>12,625,247</b>

The consolidated financial statements were approved on 3 October 2025 by:

Marie Lou Papazian  
Director

 Armen Petrosyan  
Chief Accountant




The consolidated statement of financial position is to be read in conjunction with the notes to and forming part of the consolidated financial statements set out on pages 12 to 35.

# Consolidated statement of changes in net assets

In thousand AMD	Accumulated profit
Balance at 1 January 2023	2,008,759
Profit for the year	1,448,654
<b>Total comprehensive income for the year</b>	<b>1,448,654</b>
<b>Balance at 31 December 2023</b>	<b>3,457,413</b>
Profit for the year	1,335,728
<b>Total comprehensive income for the year</b>	<b>1,335,728</b>
<b>Balance at 31 December 2024</b>	<b>4,793,141</b>

The consolidated statement of changes in net assets is to be read in conjunction with the notes to and forming part of the consolidated financial statements set out on pages 12 to 35.

# Consolidated statement of cash flows

In thousand AMD

	2024	2023
<b>Cash flows from operating activities</b>		
Profit for the year	1,335,728	1,448,654
<i>Adjustments for:</i>		
Depreciation and amortization	758,274	595,982
Loss on disposal of property and equipment	30,076	45,938
Finance cost	70,231	41,543
Finance income	52,037	(7,380)
Income tax expense	(40,083)	37,131
Foreign exchange (gain) loss	104,941	(64,319)
<b>Operating profit before working capital changes</b>	<b>2,311,204</b>	<b>2,097,549</b>
Change in trade and other receivables	(257,269)	275,667
Change in inventories	63,035	(143,269)
Change in trade and other payables	135,849	(72,862)
Change in grants	(1,054,877)	370,479
Change in contract liabilities	1,621,466	(252,837)
Change in provided borrowings	-	234
<b>Cash from operations</b>	<b>2,819,408</b>	<b>2,274,961</b>
Interest paid	(8,925)	(9,112)
Income tax paid	(34,057)	(22,535)
<b>Net cash from operating activities</b>	<b>2,776,426</b>	<b>2,243,314</b>

# Statement of cash flows (continued)

In thousand AMD

	2024	2023
<b>Cash flows from investing activities</b>		
Payments for acquisition of property and equipment and intangible assets	(1,391,089)	(2,338,590)
Proceeds from disposal of property and equipment	9,541	9,739
Term deposits repaid	6,719	102,074
<b>Net cash used in investing activities</b>	<b>(1,374,829)</b>	<b>(2,226,777)</b>
<b>Cash flows from financing activities</b>		
Proceeds from loans and borrowings	495,000	275,219
Repayment of loans and borrowings	(329,051)	(200,849)
Lease payments	(43,088)	(87,865)
<b>Net cash from (used in) financing activities</b>	<b>122,861</b>	<b>(13,495)</b>
Net increase in bank balances	1,524,458	3,042
Foreign exchange effect on cash	(3,335)	44,811
Bank balances, beginning of the year	1,126,436	1,078,583
<b>Bank balances, end of year</b>	<b>2,647,559</b>	<b>1,126,436</b>

The consolidated statement of cash flows is to be read in conjunction with the notes to and forming part of the consolidated financial statements set out on pages 12 to 35.

# Notes to the consolidated financial statements

Simonian Educational Foundation

For the year ended 31 December 2024 (expressed in thousands of Armenian drams (AMD))

## 1 Nature of operations

Simonian Educational Foundation (the Foundation, together with its subsidiaries the Group) is a non-profit organization established to advance education and innovation in Armenia. Its principal project is the TUMO Center for Creative Technologies, which provides free programs in design and technology to teenagers aged 12 to 18 through self-learning, workshops, and project labs. In addition, the Foundation implements various educational and development projects funded by the European Union and other donors.

## 2 General information, statement of compliance with IFRS and going concern assumption

Simonian Educational Foundation, established in 2009 by Sam and Silva Simonian, is a non-profit organization dedicated to advancing education and innovation in Armenia.

The Group was registered in the State Register of the Republic of Armenia on 14 October 2009 and operates a network of educational centers and programs under the TUMO brand. Its flagship project, the TUMO Center for Creative Technologies, operates a growing network of hubs and TUMO Boxes that provide free extracurricular programs in design, technology, and applied arts to teenagers aged 12 to 18. The TUMO Armenia network has expanded to include 46 locations, consisting of 6 hubs and 39 boxes. Currently, TUMO operates hubs in Yerevan, Dilijan, Gyumri, Koghb, Kapan, and Yeghegnadzor, and has boxes in the Shirak, Tavush, Gegharkunik, Lori, Ararat, Vayots Dzor regions, as well as in southern Syunik. Within the framework of the TUMO Armenia campaign, there will be 66 TUMO Boxes connected to 16 fully equipped TUMO hubs across Armenia educating 80,000 students weekly. Beyond Armenia, the TUMO educational model has expanded internationally, with centers operating in Europe, the Middle East, Asia, and the Americas.

The Foundation also develops complementary initiatives such as TUMO Studios, TUMO Labs, and 42 Yerevan, and implements various projects funded by the European Union and other donors, including the EU TUMO Convergence Center, cultural heritage digitization programs, and community development initiatives.

One of the most significant initiatives currently underway is the EU TUMO Convergence Center for Engineering and Applied Science, developed in collaboration with the European Union. The project covers an area of 15,000 square meters adjacent to the TUMO Center in Yerevan and has been designed by the internationally recognized Dutch architectural firm MVRDV. The center will accommodate TUMO Labs, 42 Yerevan, academic institutions, research programs, and technology startups, serving as a platform that fosters collaboration between academia and industry.

The Foundation's main operational headquarter is located at 16 Halabyan Street, Yerevan. Pursuant to a contract signed on 31 May 2014 with the Yerevan Municipality, a 15.62-hectare area within the Hovhannes Tumanyan Park was granted to the Foundation for use free of charge for a period of 99 years.

As of 31 December 2024 the number of employees of the Group was 715 (2023: 581).

### Subsidiaries

The consolidated financial statements include the following subsidiaries:

Subsidiary	Ownership	Country	Date of incorporation	Industry	Date of acquisition
Tumo Ventures CJSC	100%	Armenia	24 March 2017	Franchising of Tumo educational program	21 August 2017
Shunn u Katun LLC	100%	Armenia	29 June 2017	-	3 July 2017
Khelagar Saqo LLC	100%	Armenia	24 November 2017	-	13 December 2017
Bnoutyan Barikneri Shuka CJSC	100%	Armenia	15 July 1995	-	9 March 2024

In 2017, the Foundation established a wholly owned subsidiary, TUMO Ventures CJSC, with the objective of expanding the Foundation's educational model internationally. The subsidiary is responsible for franchising the Foundation's program modules to make its self-learning and project-based educational system accessible in foreign markets. TUMO Ventures operates under a revenue-generating mandate intended to support the Foundation's mission-related activities. As of the reporting date, centers have been established or agreements signed in 12 cities, including Paris, Berlin, Tirana, Tokyo, Beirut, and Buenos Aires. Additional centers are under development in the United States, India, the Netherlands, Georgia, Kazakhstan, and Uruguay.

During the year, JHM Foundation transferred 100% of the shares of Bnoutyan Barikneri Shuka CJSC to the Group as a donation. The Group plans to redevelop Gyumri's historic food market into a center for culinary innovation. The project is expected to comprise three main components: (i) a modernized food market, (ii) a culinary school aimed at training young professionals to support the future development of Armenia's food sector, and (iii) a cluster of restaurants and artisanal shops.

Except for TUMO Ventures CJSC, the Group has treated its investments in subsidiaries as acquisitions of assets rather than business combinations (see Note 4.15.1). This is because these subsidiaries do not carry out any operations and solely hold plots of land, which the Foundation intends to utilize in its future activities.

### Statement of compliance and going concern

The financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ("IFRS") as developed and published by the International Accounting Standards Board (IASB), and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

The financial statements are prepared on a going concern basis, as management is satisfied that the Group has adequate resources to continue as a going concern for the foreseeable future. In making this assessment, management has considered a wide range of information including projection of profitability, regulatory capital requirements and funding needs. The assessment also includes consideration of reasonably possible downside economic scenarios and their potential impact on the profitability, capital and liquidity of the Company.

### Business environment

Armenia's business environment faces challenges due to geopolitical tensions, particularly ongoing aggression from Azerbaijan, and regional instability. The war in Ukraine has further complicated the situation, causing disruptions in trade, sanctions on Russia, and global inflation. Armenia's reliance on Russia has strained, affecting trade, remittances, and security guarantees, urging Armenia to diversify its economic relationships, though this comes with its own risks.

The Central Bank of Armenia, together with the Armenian government, managed to control inflation, however this created difficulties for exporters and businesses with foreign-currency liabilities. Global inflation and rising energy costs pressure Armenia's economy, especially due to reliance on imports.

Despite these challenges, businesses are diversifying supply chains and exploring new markets, while the government's reform efforts provide a path for long-term stability. However, Armenia's success will depend on ability to navigate these risks effectively.

These consolidated financial statements reflect management's assessment of the impact of the Armenian business environment on the operations of the Group. The Group's management constantly analyzes the economic situation in the current environment. The future economic and political situation and its impact on the Group's operations may differ from the management's current expectations.

## 3 New or revised standards or interpretations

### 3.1 New standards adopted as at 1 January 2024

In the current year the Group has adopted all the new and revised standards and interpretations issued by the International Accounting Standards Board (the “IASB”) and International Financial Reporting Interpretations Committee (the “IFRIC”) of the IASB that are relevant to its operations and effective for annual reporting periods beginning on 1 January 2024.

New standards and amendments described below and applied for the first time in 2024 did not have a material impact on the annual financial statements of the Group:

- “*Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants*” (Amendments to IAS 1)
- “*Lease Liability in a Sale and Leaseback*” (Amendments to IFRS 16)
- “*Supplier Finance Arrangements*” (Amendments to IAS 7 and IFRS 7)

### 3.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group

At the date of authorization of these financial statements, certain new standards, amendments and interpretations to existing standards have been published by the IASB but are not yet effective and have not been adopted early by the Group.

Management anticipates that all of the relevant pronouncements will be adopted in the Group’s accounting policies for the first period beginning on or after the effective date of the pronouncement.

Management does not anticipate a material impact on the Group’s financial statements from these Standards and Amendments. They are presented below:

- “*Lack of Exchangeability*” (Amendments to IAS 21)
- “*Classification and Measurement of Financial Instruments*” (Amendments to IFRS 9 and IFRS 7)
- IFRS 18 “*Presentation and Disclosures in Financial Statements*”
- IFRS 19 “*Subsidiaries without Public Accountability: Disclosures*”

## 4 Material accounting policies

### 4.1 Basis of preparation

The consolidated financial statements have been prepared on an accrual basis and under the historical cost convention with the exception of certain financial instruments that are stated at present discounted value of future cash.

### 4.2 Basis of consolidation

The Group’s financial statements consolidate those of the parent company and all its subsidiaries as at 31 December 2024. All subsidiaries have a reporting date of 31 December.

All transactions and balances between companies are eliminated on consolidation, including unrealized gains and losses on transactions between the Group companies. Where unrealized losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a Group perspective.

### 4.3 Climate-related matters

The Company and its customers may face significant climate-related risks in the future. These risks include the threat of financial loss and adverse non-financial impacts that encompass the political, economic and environmental responses to climate change. The key sources of climate risks have been identified as physical and transition risks.

Physical risks arise as the result of acute weather events such as floods, droughts and wildfires, and longer-term shifts in climate patterns, such as sustained higher temperatures, heat waves and droughts.

Transition risks may arise from the adjustments to a net-zero economy, e.g., changes to laws and regulations, litigation due to failure to mitigate or adapt, and shifts in supply and demand for certain commodities, products and services due to changes in consumer behaviour and investor demand.

These risks are receiving increasing regulatory, political and societal scrutiny, both within the country and internationally. While certain physical risks may be predictable, there are significant uncertainties as to the extent and timing of their manifestation. For transition risks, uncertainties remain as to the impacts of the impending regulatory and policy shifts, changes in consumer demands and supply chains.

The Group acknowledges the need for further efforts to fully integrate climate in the Group's risk assessments and management protocols.

#### 4.4 Foreign currency

##### Functional and presentation currency

The national currency of Armenia is the Armenian dram ("AMD"), which is the Group's functional currency, since this currency best reflects the economic substance of the underlying events and transactions of the Group.

These consolidated financial statements are presented in AMD (unless otherwise stated), since management believes that this currency is more useful for the users of these consolidated financial statements. All financial information presented in AMD has been rounded to the nearest thousand.

##### Foreign currency transactions

In preparing the consolidated financial statements, transactions in currencies other than the functional currency are recorded at the rates of exchange defined by the Central Bank of Armenia prevailing on the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates defined by the Central Bank of Armenia prevailing on the reporting date, which are as follows:

	31 December 2024	31 December 2023
AMD/1 USD	396.56	404.79
AMD/1 EUR	413.89	447.90

Non-monetary items are not retranslated and are measured at historic cost (translated using the exchange rates at the transaction date).

Exchange differences arising on the settlement and retranslation of monetary items, are included in profit or loss for the period.

#### 4.5 Revenue

##### Income from grants and donations

Donations and grants are recognized as income when it is probable that the economic benefits will flow to the entity and the amount can be measured reliably.

Unrestricted donations are recognized upon receipt and are measured at fair value at the date of receipt, where reliably measurable.

Conditional or restricted grants and donations are initially recorded as deferred income and recognized in profit or loss when the related conditions are fulfilled.

##### Revenue from contracts with customers

Revenue is measured at the fair value of the consideration received or receivable taking into account the amount of any trade discounts and rebates allowed by the Group.

Revenue is recognized either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers.

Contract revenue mainly arises from supporting the implementation of TUMO projects abroad and from franchising activities.

#### *Support of implementation of Tumo projects*

TUMO projects include project support, provision of educational materials, pedagogical methodology, use of the TUMO name, preparatory services for opening new TUMO centers, as well as management and coordination services. Revenue from the rendering of these services is recognized over time when the services are provided.

#### *Revenue from franchising*

Revenue from the franchising is recognized over time, on a straight-line basis upon the term of the appropriate franchising agreement.

The Group recognizes contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as contract liabilities in the consolidated statement of financial position. Similarly, if the Group satisfies a performance obligation before it receives consideration, the Group recognizes either a contract asset or a receivable in its consolidated statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

### **4.6 Intangible assets**

Intangible assets, which are acquired by the Group and which have finite useful lives, are stated at cost less accumulated amortization and impairment losses.

Amortization is charged to profit or loss on a straight-line basis over the estimated useful lives of the intangible assets, which is estimated at 10 years for computer software and licenses.

### **4.7 Property and equipment**

Property and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. Cost comprises purchase price including import duties and non-refundable purchase taxes and other directly attributable costs. When an item of property and equipment comprises major components having different useful lives, they are accounted for as separate items of property and equipment.

The gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

Expenditure to replace a component of an item of property and equipment that is accounted for separately is capitalized with the carrying amount of the component being written off. Other subsequent expenditure is capitalized if future economic benefits will arise from the expenditure. All other expenditure, including repair and maintenance, is recognized in profit or loss as incurred.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of the individual assets. Depreciation commences when assets are available for use. The estimated useful lives are as follows:

Buildings	- 30 years
Machinery and equipment	- 3-5 years
Fixtures and fittings	- 3-5 years

As no finite useful life for land can be determined, related carrying amounts are not depreciated.

## 4.8 Leased assets

### The Group as a lessee

At lease commencement date, the Group recognizes a right-of-use asset and a lease liability in its consolidated statement of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or the result for the year if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in the result for the year on a straight-line basis over the lease term.

## 4.9 Impairment of depreciable assets

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

## 4.10 Financial instruments

### Recognition and derecognition

Financial assets and financial liabilities are recognized when the Group becomes a part to the contractual provisions of the financial instrument.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all risks and rewards are transferred.

Financial liabilities are derecognized when they are extinguished, discharged, cancelled or expired.

### Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortized cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

The classification is determined by both:

- the Group's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognized in profit or loss are presented within finance costs, finance income or foreign exchange rate differences, except for impairment of trade receivables which are presented within other expenses. A summary of the Group's financial assets by category is given in Note 21.1.

### Subsequent measurement of financial assets

#### Financial assets at amortized cost

Financial assets are measured at amortized cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortized cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, term deposits, borrowings provided and trade receivables fall into this category of financial instruments.

#### Impairment of financial assets

IFRS 9's impairment requirements use more forward-looking information to recognize expected credit losses – the “expected credit loss (ECL) model”. Instruments within the scope of IFRS 9 requirements include loans and other debt-type financial assets measured at amortized cost, term deposits, cash and bank balances, trade receivables, recognized and measured under IFRS 15.

The Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk (“Stage 1”) and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low (“Stage 2”).

“Stage 3” would cover financial assets that have objective evidence of impairment at the reporting date.

“12-month expected credit losses” are recognized for the first category while “lifetime expected credit losses” are recognized for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

See Note 25.2 for the analysis of how the impairment requirements of IFRS 9 are applied.

#### Classification and measurement of financial liabilities

The Group's financial liabilities include loans and borrowings, lease liabilities and trade and other payables.

A summary of the Group's financial liabilities by category is given in Note 22.1.

#### Loans and borrowings

Loans and borrowings are recognized initially at fair value, net of issuance costs associated with the borrowing. Subsequent to initial recognition, loans and borrowings are stated at amortized cost with any difference between cost and redemption value recognized in the result for the year over the period of the borrowings on an effective interest basis.

### Trade and other payables

Trade and other payables are stated at fair value and subsequently stated at amortized cost.

### Lease liabilities

Lease liabilities are measured at present value of lease payments, discounted using the interest rate implicit in the lease or the Group's incremental borrowing rate and subsequently stated at amortized costs.

### 4.11 Inventories

Inventories are assets held for sale in the ordinary course of business or in the form of materials or supplies to be consumed in the production process or in the rendering of services. Items such as spare parts, stand-by equipment and servicing equipment are also recognized as inventories unless they meet the definition of property and equipment.

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The cost of inventories is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

### 4.12 Grants

Grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received.

Grants with a primary condition to purchase, construct or otherwise acquire non-current assets are recognized as deferred income in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Other grants are recognized as income over the periods necessary to match them with the cost for which they are intended to compensate, on a systematic basis. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they become receivable.

### 4.13 Income taxes

#### Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

#### Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

### 4.14 Employee benefits

Short-term employee benefits are benefits expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related services and include:

- (a) wages, salaries and bonuses;
- (b) paid annual leaves and paid disability leaves.

#### 4.15 Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of consolidated financial statements in conformity with IFRSs requires management to make critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates may be different from the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

##### Useful lives of property and equipment

Management has estimated useful lives of the property and equipment. Management believes that estimated useful lives of the property and equipment are not materially different from economical lives of those assets. If actual useful lives of property and equipment are different from estimations, consolidated financial statements may be materially different.

##### Right-of-use assets and lease liabilities

The value of right-of-use assets and lease liabilities is based on management estimates of lease terms as well as an incremental borrowing rate used to discount lease payments. The lease term corresponds to the non-cancellable period of each contract except in cases where the Group is reasonably certain of exercising renewal options. When assessing the lease term, management considers all facts and circumstances that create the economic incentive for the Group to exercise the option to extend the lease, such as the useful life of the asset located on the leased site, statistics on sites replacement, sequence of technology change, profitability of service centers as well as costs to terminate or enter into lease contracts.

Changes in these factors could affect the estimated lease term and the reported value of right-of-use assets and lease liabilities.

#### 4.15.1 Critical judgments in applying accounting policies

The following are the judgements made by management in applying the accounting policies of the Group that have the most significant effect on the consolidated financial statements.

##### Accounting for an investment, that is not a business combination

As described in Note 2, the Group acquired Shunn u Katun LLC, Khelagar Saqo LLC during 2017 and Bnoutyan Barikneri Shuka CJSC during 2024. Management believes that the mentioned transactions are not business combination, since acquired assets and assumed liabilities do not constitute a business, and, therefore, the transaction was accounted as an acquisition of assets by the Group by applying the acquisition method, however, without recognising of goodwill at the acquisition date for the investee.

## 5 Income from grants and donations

	2024	2023
Founders' donations	6,030,670	4,978,088
Grant income from projects with European Union	1,112,297	735,864
Other grants and donations	439,474	577,522
	<b>7,582,441</b>	<b>6,291,474</b>

The founders, Sam and Silvia Simonians, regularly make donations to the Group to carry out the Group's activities.

**Notes to the Financial Statements**

For the year ended 31 December 2024 (expressed in thousands of Armenian drams (AMD))

One of the most significant initiatives currently underway is the EU TUMO Convergence Center for Engineering and Applied Science, developed in collaboration with the European Union. The Center will accommodate TUMO Labs, 42 Yerevan, academic institutions, research programs, and technology startups, serving as a platform that fosters collaboration between academia and industry.

## 6 Other revenues

	2024	2023
<b>Contract revenues</b>		
License and franchise fees	894,991	606,510
Revenue from sale of goods	37,485	14,409
<b>Other revenue</b>		
Other	167,676	86,684
	<b>1,100,152</b>	<b>707,603</b>

## 7 Program and other operating expenses

	2024	2023
Office and utility expenses	591,331	527,189
Services received	397,209	327,707
Hospitality and marketing expenses	279,632	238,583
Maintenance expenses	119,584	93,687
Telecommunication and postal service expenses	39,517	41,782
Donations	35,411	28,887
Taxes and duties	28,132	21,352
Consulting expenses	87,935	21,194
Cost of goods sold	30,165	6,351
Allowance for provided borrowings and trade receivables	61,248	90,588
Other	144,508	147,713
	<b>1,814,672</b>	<b>1,545,033</b>

## 8 Finance income and costs

	2024	2023
Interest income on deposit	9,125	7,380
Fair value gain on related party loans	30,958	-
<b>Total finance income</b>	<b>40,083</b>	<b>7,380</b>
Interest expenses on lease arrangements	61,003	28,865
Interest expense on bank loans	8,972	12,678
Unwinding of interest on related party loans	256	-
<b>Total finance costs</b>	<b>70,231</b>	<b>41,543</b>
<b>Net finance costs</b>	<b>(30,148)</b>	<b>(34,163)</b>

## 9 Gain (loss) from foreign exchange rate differences

	2024	2023
Financial assets at amortized cost	(105,805)	79,407
Financial liabilities measured at amortized cost	864	(15,088)
<b>Gain (loss) from foreign exchange rate differences, net</b>	<b>(104,941)</b>	<b>64,319</b>

## 10 Income tax expense

	2024	2023
Current tax	66,813	28,784
Deferred tax	(14,776)	8,347
<b>Total income tax expense</b>	<b>52,037</b>	<b>37,131</b>

Reconciliation of the effective tax rate is as follows:

	2024	Effective tax rate (%)	2023	Effective tax rate (%)
Profit before taxation (under IFRSs)	1,387,765		1,485,785	
Tax calculated at a tax rate of 18% (2023: 18%)	249,798	18	267,441	18
Non-taxable items, net	(197,761)	(14)	(230,310)	(16)
<b>Income tax expense</b>	<b>52,037</b>	<b>4</b>	<b>37,131</b>	<b>2</b>

## 11 Property and equipment

	Land	Buildings and structures	Machinery, equipment and computers	Fixture and fittings	Constructions in progress	Total
<b>Cost</b>						
Balance at 1 January 2023	1,644,521	1,206,970	1,695,826	956,411	3,902,747	9,406,475
Additions	-	9,085	2,896	1,002,791	1,317,230	2,332,002
Disposals	-	(93,684)	(117,887)	(73,250)	(615)	(285,436)
Internal movement	-	3,023,912	475,148	(779,760)	(2,719,300)	-
<b>Balance at 31 December 2023</b>	<b>1,644,521</b>	<b>4,146,283</b>	<b>2,055,983</b>	<b>1,106,192</b>	<b>2,500,062</b>	<b>11,453,041</b>
Additions	55,183	5,475	298,614	69,566	1,563,842	1,992,680
Disposals	-	-	(4,296)	(33,959)	(6,205)	(44,460)
Internal movement	-	620,824	25,197	(71,848)	(574,537)	-
<b>Balance at 31 December 2024</b>	<b>1,699,704</b>	<b>4,772,582</b>	<b>2,375,498</b>	<b>1,070,315</b>	<b>3,483,162</b>	<b>13,401,261</b>
<b>Accumulated depreciation and impairment</b>						
Balance at 1 January 2023	-	179,314	1,273,892	523,922	-	1,977,128
Charge for the year	-	128,482	239,309	78,103	-	445,894

**Notes to the Financial Statements**

For the year ended 31 December 2024 (expressed in thousands of Armenian drams (AMD))

	Land	Buildings and structures	Machinery, equipment and computers	Fixture and fittings	Constructions in progress	Total
Eliminated on disposal	-	(10,906)	(98,718)	(13,493)	-	(123,117)
<b>Balance at 31 December 2023</b>	<b>-</b>	<b>296,890</b>	<b>1,414,483</b>	<b>588,532</b>	<b>-</b>	<b>2,299,905</b>
Charge for the year	-	238,984	342,730	105,984	-	687,698
Eliminated on disposal	-	-	(4,296)	(933)	-	(5,229)
<b>Balance at 31 December 2024</b>	<b>-</b>	<b>535,874</b>	<b>1,752,917</b>	<b>693,583</b>	<b>-</b>	<b>2,982,374</b>
<b>Carrying amount</b>						
<b>Balance at 31 December 2023</b>	<b>1,644,521</b>	<b>3,849,393</b>	<b>641,500</b>	<b>517,660</b>	<b>2,500,062</b>	<b>9,153,136</b>
<b>Balance at 31 December 2024</b>	<b>1,699,704</b>	<b>4,236,708</b>	<b>622,581</b>	<b>376,732</b>	<b>3,483,162</b>	<b>10,418,887</b>

Constriction in progress mainly includes the construction projects of Tumo hub in Kogh community and the construction of EU TUMO Convergence Center for Engineering and Applied Science.

Additions to construction in process include:

	2024	2023
EU TUMO Convergence Center for Engineering and Applied Science project	493,942	305,453
Construction of a Tumo hubs and boxes	679,163	523,505
Construction of a Tumo Centre in Kogh community	234,683	484,222
Reconstruction of the Tumo Studios	137,949	-
Other	18,105	4,050
	<b>1,563,842</b>	<b>1,317,230</b>

The EU TUMO Convergence Center for Engineering and Applied Science is one of the most important projects currently in progress, developed in partnership with the European Union. Spanning 15,000 square meters next to the TUMO Center in Yerevan, the complex was designed by the renowned Dutch architectural firm MVRDV. It will host TUMO Labs, 42 Yerevan, universities, research initiatives, and tech startups, creating a hub for cooperation between education and industry.

The land plots owned by the Group were acquired primarily through grants to support the Group's activities. Additionally, the Group has acquired subsidiaries that are not considered business units but have been accounted for by the Group as acquisitions of land plots.

The cost of fully depreciated property and equipment as of 31 December 2024 is AMD 1,726,455 thousand (2023: AMD 1,476,476 thousand), which mainly includes computers.

## 12 Intangible assets

	Computer software and licenses
<b>Cost</b>	
Balance at 1 January 2023	118,811
Additions	17,082
<b>Balance at 31 December 2023</b>	<b>135,893</b>
Disposals	(522)
<b>Balance at 31 December 2024</b>	<b>135,371</b>
<b>Accumulated amortization</b>	
Balance at 1 January 2023	86,375
Charge for the year	6,852
<b>Balance at 31 December 2023</b>	<b>93,227</b>
Charge for the year	6,351
Eliminated on disposal	(136)
<b>Balance at 31 December 2024</b>	<b>99,442</b>
<b>Carrying amount</b>	
<b>Balance at 31 December 2023</b>	<b>42,666</b>
<b>Balance at 31 December 2024</b>	<b>35,929</b>

## 13 Leases

The Group has entered into a 10-year lease agreement for a building to facilitate the implementation of its programs.

With the exception of short-term leases, each lease is reflected in the consolidated statement of financial position as a right-of-use asset and a lease liability.

### 13.1 Right-of-use assets

	Buildings
<b>Cost</b>	
Balance at 1 January 2023	279,126
Additions	368,642
<b>Balance at 31 December 2023</b>	<b>647,768</b>
Additions	-
<b>Balance at 31 December 2024</b>	<b>647,768</b>
<b>Accumulated depreciation</b>	
Balance at 1 January 2023	53,499
Charge for the year	36,594
<b>Balance at 31 December 2023</b>	<b>90,093</b>

**Notes to the Financial Statements**

For the year ended 31 December 2024 (expressed in thousands of Armenian drams (AMD))

	<b>Buildings</b>
Charge for the year	64,225
<b>Balance at 31 December 2024</b>	<b>154,318</b>
<b>Carrying amount</b>	
<b>Balance at 31 December 2023</b>	<b>557,675</b>
<b>Balance at 31 December 2024</b>	<b>493,450</b>

**13.2 Lease liabilities**

Lease liabilities are presented in the consolidated statement of financial position as follows:

	<b>31 December 2024</b>	<b>31 December 2023</b>
Non-current	482,442	484,951
Current	43,668	32,412
<b>Total lease liabilities</b>	<b>526,110</b>	<b>517,363</b>

The weighted average borrowing rate used by the Group to discount lease liabilities is 11.59%.

For the year ended 31 December 2024, interest expense accrued on lease liabilities amounted to AMD 61,003 thousand and has been recognized within finance costs (2023: AMD 28,865 thousand).

Future lease payments were as follows:

	<b>Lease payments</b>	
	<b>31 December 2024</b>	<b>31 December 2023</b>
<b>Within one year</b>		
Lease payments	98,898	93,415
Finance charges	(55,230)	(61,003)
	<b>43,668</b>	<b>32,412</b>
<b>In second to fifth years inclusive</b>		
Lease payments	415,088	512,708
Finance charges	(159,927)	(225,456)
	<b>255,161</b>	<b>287,252</b>
<b>After five years</b>		
Lease payments	270,045	269,595
Finance charges	(42,764)	(71,896)
	<b>227,281</b>	<b>197,699</b>
<b>Net present value</b>	<b>526,110</b>	<b>517,363</b>

**14 Deferred income taxes**

The movement of deferred income taxes is disclosed below:

	<b>2024</b>	<b>2023</b>
Balance at the beginning of year	(6,005)	2,342
(Charged) credited to profit or loss	14,776	(8,347)
<b>Balance at the end of year</b>	<b>8,771</b>	<b>(6,005)</b>

Deferred income taxes for the year ended 31 December 2024 can be summarized as follows:

**Notes to the Financial Statements**

For the year ended 31 December 2024 (expressed in thousands of Armenian drams (AMD))

	1 January 2024	Recognized in profit or loss	31 December 2024
<b>Deferred income tax assets</b>			
Lease liability	93,054	1,646	94,700
Right-of-use assets	(100,382)	11,561	(88,821)
Trade and other payables	1,323	1,569	2,892
<b>Net position</b>	<b>(6,005)</b>	<b>14,776</b>	<b>8,771</b>

Deferred income taxes for the year ended 31 December 2023 can be summarized as follows:

	1 January 2023	Recognized in profit or loss	31 December 2023
<b>Deferred income tax assets</b>			
Trade and other payables	2,342	(1,019)	1,323
Lease liabilities	-	93,054	93,054
Right-of-use assets	-	(100,382)	(100,382)
<b>Net position</b>	<b>2,342</b>	<b>(8,347)</b>	<b>(6,005)</b>

## 15 Inventories

	31 December 2024	31 December 2023
Construction materials	361,272	390,263
Goods	16,206	16,202
Spare parts	5,998	7,115
Other	57,599	90,530
<b>Total inventories</b>	<b>441,075</b>	<b>504,110</b>

## 16 Trade and other receivables

	31 December 2024	31 December 2023
<b>Financial assets</b>		
Trade receivables	176,762	81,992
<b>Total financial assets</b>	<b>176,762</b>	<b>81,992</b>
<b>Non-financial assets</b>		
Advances and prepayments	326,972	182,143
Prepaid taxes	46,964	21,804
Allowance for expected credit losses on advances	(150,364)	(90,588)
<b>Total non-financial assets</b>	<b>223,572</b>	<b>113,359</b>
<b>Total trade and other receivables</b>	<b>400,334</b>	<b>195,351</b>

Movement of the allowance for expected credit losses on advances is presented below:

**Notes to the Financial Statements**

For the year ended 31 December 2024 (expressed in thousands of Armenian drams (AMD))

	2024	2023
Balance at the beginning of the year	90,588	62,315
Written-off during the year	(1,472)	(62,315)
Increase in the allowance during the year	61,248	90,588
<b>Balance at the end of the year</b>	<b>150,364</b>	<b>90,588</b>

Trade receivables mainly comprise amounts due from foreign TUMO centers for annual license and franchising fees, transition management services, and technical support.

All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

See Note 25.1 for the currencies in which trade and other receivables are denominated.

## 17 Term deposits at banks

The Group has a deposit account in Ardshinbank Armenia CJSC.

Deposits are denominated in Euros, bear interest rate of 1,5% annually and mature in January 2025.

## 18 Loans and borrowings

	Non-current		Current	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Bank loans	93,747	112,531	-	15,933
Unsecured borrowings	154,298	-	16,770	3,050
<b>Total loans and borrowings</b>	<b>248,045</b>	<b>112,531</b>	<b>16,770</b>	<b>18,983</b>

The Group signed loan agreements with Ameriabank CJSC, at the average annual interest rate of 7.6%. The agreements are effective until 4 February 2033.

As at 31 December 2024, the Group had an outstanding unsecured, interest-free borrowing from a related party amounting to AMD 185,000 thousand. The borrowing was provided for a term of 1.5 years and is repayable in 2026. The fair value of the borrowing was determined by using the discounted cash flow method using 12.9% market rate.

See Note 25.1 for the currencies in which loans and borrowings are denominated.

## 19 Grants related to assets

	2024	2023
Balance at the beginning of the year	7,428,748	7,058,269
Received during the year	265,935	212,806
Transferred from (to) grants related to income	(865,746)	270,978
Credited to profit or loss	(189,131)	(113,306)
<b>Balance at the end of the year</b>	<b>6,639,806</b>	<b>7,428,748</b>

Grants related to assets mainly include granted areas and financial means for the construction of Tumo boxes and centers in Armenia. Significant balances mainly include grants received from European Union, Armenian General Benevolent Union, JHM Charitable Foundation and EPYGI LABS AM LLC Armenian Branch (related entity).

## 20 Trade and other payables

	31 December 2024	31 December 2023
Trade payables	191,205	116,910
Payables to the State budget	151,840	102,835
Payables to employees	107,711	84,865
<b>Total trade and other payables</b>	<b>450,756</b>	<b>304,610</b>

The Group has financial risk management policies to ensure that all payables are paid within the credit timeframe.

See Note 25.1 for more information about the Group's exposure to foreign currency risk.

## 21 Contract liabilities

	31 December 2024	31 December 2023
License and franchise advance fees	1,025,267	523,146
Grants related to income	1,329,581	210,211
Guarantee fees from students	27,409	27,434
	<b>2,382,257</b>	<b>760,791</b>

The movement of grants related to income was as follows:

	2024	2023
Balance at the beginning of the year	210,211	985,004
Received during the year	7,616,970	5,672,839
Credited to profit or loss	(7,363,346)	(6,176,654)
Transferred from (to) grants related to assets	865,746	(270,978)
<b>Balance at the end of the year</b>	<b>1,329,581</b>	<b>210,211</b>

License and franchising prepayments were mainly received for the opening of Tumo Centers in Germany, France, Portugal, Argentina and Japan.

The founders, Sam and Silvia Simonians, regularly make donations to the Group to carry out the Group's activities. In 2024, the amount of donations of the founders was AMD 6,030,670 thousand (2023: AMD 4,978,088 thousand).

## 22 Financial assets and liabilities

### 22.1 Categories of financial instruments

Details of the significant accounting policies and methods adopted, including the criteria for recognition and the basis on which income and expenses are recognized, in respect of each class of financial asset and financial liability are disclosed in Note 4.10. The carrying amounts of financial assets and financial liabilities in each category are as follows:

#### Financial assets

	31 December 2024	31 December 2023
<b>Amortized cost</b>		
Trade receivables	176,762	81,992
Borrowings provided	4,480	4,480

**Notes to the Financial Statements**

For the year ended 31 December 2024 (expressed in thousands of Armenian drams (AMD))

	31 December 2024	31 December 2023
Term deposits	617,543	665,321
Cash and bank balances	2,647,185	1,126,059
<b>Total financial assets</b>	<b>3,445,970</b>	<b>1,877,852</b>

**Financial liabilities**

	31 December 2024	31 December 2023
<b>Amortized cost</b>		
Loans and borrowings	264,815	131,514
Lease liabilities	526,110	517,363
Trade and other payables	298,916	201,775
<b>Total financial liabilities</b>	<b>1,089,841</b>	<b>850,652</b>

**22.2 Reconciliation of liabilities arising from financing activities**

The changes in the Group's liabilities arising from financing activities can be classified as follows:

	Loans and borrowings	Lease liabilities
Balance at 1 January 2023	53,594	217,325
<b>Cash-flows</b>		
Principal received	275,219	-
Principal repaid	(200,849)	(87,865)
Interest paid	(9,112)	-
<b>Non-cash</b>		
Interest accrued	12,678	28,865
Foreign exchange gain	(16)	-
Additions	-	368,642
Remeasurement	-	(9,604)
<b>Balance at 31 December 2023</b>	<b>131,514</b>	<b>517,363</b>
<b>Cash-flows</b>		
Principal received	495,000	-
Principal repaid	(329,051)	(43,088)
Interest paid	(8,925)	-
<b>Non-cash</b>		
Interest accrual	9,228	61,003
Foreign exchange gain	(1,993)	(9,168)
Fair value adjustment	(30,958)	-
<b>Balance at 31 December 2024</b>	<b>264,815</b>	<b>526,110</b>

**23 Related parties**

The Group's related parties include its Founders, entities under common controls and key management.

**23.1 Control relationships**

The Group is controlled by Sam and Silva Simonians (Founders).

## 23.2 Transactions with related parties

During the reporting year the Group had the following transactions with the related parties and as at the reporting date had the following outstanding balances.

Transactions	2024	2023
<b>Founders</b>		
Funds received	6,030,670	4,978,088
<b>Entities under common control</b>		
Services received	39,973	40,355
Borrowings provided	495,000	183,000
Repaid borrowing	(310,000)	(183,000)
<b>Key management</b>		
Salary and bonuses	248,351	238,949
<b>Outstanding balances</b>		
<b>Entities under common control</b>		
Loans and borrowings	154,298	-
<b>Key management</b>		
Trade and other payables	23,273	7,897

In order to secure the Group's activities Epygi Labs AM LLC (entity under common control) gave an area of 3,965 square meters located at 16 Halabyan for uncompensated use to the Group.

## 24 Contingent liabilities

### 24.1 Insurance

The Armenian insurance industry is in its development stage and many forms of insurance protection common in other parts of the world are not yet generally available in Armenia. The Group does not have full coverage for its plant facilities, business interruption, or third party liability in respect of property or environmental damage arising from accidents on the Group property or relating to the Group operations. Until the Group obtains adequate insurance coverage, there is a risk that the loss or destruction of certain assets or environmental damage could have a materially adverse effect on the Group's operations and financial position.

### 24.2 Taxes

The taxation system in Armenia is characterized by frequently changing legislation, which sometimes needs interpretations. Often differing interpretations exist among various taxation authorities and jurisdictions. Taxes are subject to review and investigations by tax authorities, which are enabled by law to impose fines and penalties.

These facts may create tax risks in Armenia substantially more than in other developed countries. Management believes that it has adequately provided for tax liabilities based on its interpretation of tax legislation. However, the relevant authorities may have differing interpretations and the effects could be significant.

### 24.3 Environmental matters

Management is of the opinion that the Group has met the Government's requirements concerning environmental matters and, therefore, believes that the Company does not have any current material environmental liabilities. However, environmental legislation in Armenia is in process of development and potential changes in the legislation and its interpretation may give rise to material liabilities in the future.

## 25 Financial instruments risk

The Group is exposed to various risks in relation to financial instruments. The main types of risks are market risk, credit risk and liquidity risk.

### 25.1 Market risk analysis

The Group is exposed to market risk through its use of financial instruments and specifically to currency risk, which result from both its operating and investing activities.

#### Foreign currency risk

The Group undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise.

Most of the Group's transactions are carried out in Armenian drams. Exposures to currency exchange rates arise from the Group's foreign currency denominated grants, acquisitions, bank loans, term deposits and trade receivables, which are primarily denominated in US dollars, as well as in Euros.

Foreign currency denominated financial assets and liabilities which expose the Group to currency risk are disclosed below.

Item

31 December 2024	USD	Euro	Ruble
<b>Financial assets</b>			
Trade and other receivables	47,982	103,270	-
Term deposits	-	608,418	-
Cash and bank balances	1,753,529	708,124	484
<b>Total financial assets</b>	<b>1,801,511</b>	<b>1,419,812</b>	<b>484</b>
<b>Financial liabilities</b>			
Loans and borrowings	101,779	-	-
Trade and other payables	11,788	1,148	11
<b>Total financial liabilities</b>	<b>113,567</b>	<b>1,148</b>	<b>11</b>
<b>Net position</b>	<b>1,687,944</b>	<b>1,418,664</b>	<b>473</b>

Item

31 December 2023	USD	Euro	Ruble
<b>Financial assets</b>			
Trade and other receivables	20,299	49,354	-
Term deposits	-	665,321	-
Cash and bank balances	55,608	485,124	12,339
<b>Total financial assets</b>	<b>75,907</b>	<b>1,199,799</b>	<b>12,339</b>

**Notes to the Financial Statements**

For the year ended 31 December 2024 (expressed in thousands of Armenian drams (AMD))

Item

31 December 2023	USD	Euro	Ruble
<b>Financial liabilities</b>			
Loans and borrowings	124,710	-	-
Trade and other payables	14,060	7,215	12
<b>Total financial liabilities</b>	<b>138,770</b>	<b>7,215</b>	<b>12</b>
<b>Net position</b>	<b>(62,863)</b>	<b>1,192,584</b>	<b>12,327</b>

The following table details the Group's sensitivity to a 10% (2023: 10%) increase and decrease in dram against USD and Euro. 10% represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates.

If Armenian dram had strengthened against USD and Euro by 10% then this would have had the following impact:

	USD impact		Euro impact	
	2024	2023	2024	2023
Profit or loss	(168,794)	6,286	(141,866)	(119,258)

Exposures to foreign exchange rates vary during the year depending on the volume of overseas transactions. Nonetheless, the analysis above is considered to be representative of the Group's exposure to currency risk.

**25.2 Credit risk analysis**

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group is exposed to credit risk from financial assets, including cash and cash equivalents held at banks, bank deposits, trade and other receivables.

The maximum exposure to credit risk is represented by the carrying amounts of the following financial instruments:

	31 December 2024	31 December 2023
Accounts receivable	176,762	81,992
Borrowings provided	4,480	4,480
Term deposits	617,543	665,321
Bank balances	2,647,185	1,126,059
	<b>3,445,970</b>	<b>1,877,852</b>

The credit risk is managed on a group basis based on the Group's credit risk management policies and procedures.

The credit risk in respect of cash balances held with banks and deposits with banks are managed via diversification of bank deposits and are only with major reputable financial institutions.

The Group continuously monitors the credit quality of customers. The Group's policy is to deal only with credit worthy counterparties. The ongoing credit risk is managed through regular review of ageing analysis.

The Group does not hold any security on trade receivables balance. In addition, the Group does not hold collateral relating to other financial assets.

**Trade receivables**

The Group applies the IFRS 9 simplified model of recognizing lifetime expected credit losses for all trade receivables as these items do not have a significant financing component.

In measuring the expected credit losses, trade receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due and also according to the geographical location of customers.

The expected loss rates are based on payment profile for sales over the past year as well as the corresponding historical credit losses during that period. The historical rates are adjusted to reflect current and forwarding looking macroeconomic factors affecting the customer's ability to settle the amount outstanding. The Group has identified gross domestic product (GDP) and unemployment rates of the countries in which the customers are domiciled to be the most relevant factors and according adjusts historical loss rates for expected changes in these factors. However, given the short period exposed to credit risk, the impact of these macroeconomic factors has not been considered significant within the reporting period.

Trade receivables mainly comprise annual license and franchising fees receivable from foreign TUMO centers. The Group assessed the credit risk on these receivables as insignificant and, accordingly, no allowance for expected credit losses was recognized as at 31 December 2024 (31 December 2023: AMD nil).

### 25.3 Liquidity risk analysis

Liquidity risk is the risk that the Group will be unable to meet its obligations.

The Group's policy is to run a prudent liquidity management policy by means of holding sufficient cash and cash equivalents, as well as highly liquid assets for making all operational and debt service related payments when those become due.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

2024	Trade payables	Loans and borrowings		Lease liabilities	Total
Weighted average effective interest rate	Interest free	7.61%	Interest free	11.59%	
Less than 6 months	298,916	12,428	-	49,788	361,132
6 months to 1 year	-	12,153	-	49,110	61,263
1-5 years	-	75,121	185,000	518,978	779,099
More than 5 years	-	41,971	-	166,155	208,126
	<b>298,916</b>	<b>141,673</b>	<b>185,000</b>	<b>784,031</b>	<b>1,409,620</b>

2023	Trade payables	Loans and borrowings	Lease liabilities	Total
Weighted average effective interest rate	Interest free	7.61%	11.59%	
Less than 6 months	201,775	15,775	18,900	236,450
6 months to 1 year	-	12,406	34,208	46,614
1-5 years	-	144,333	512,708	657,041
More than 5 years	-	-	269,595	269,595
	<b>201,775</b>	<b>172,514</b>	<b>835,411</b>	<b>1,209,700</b>

The Group considers expected cash flows from financial assets in assessing and managing liquidity risk, particularly its cash resources, term deposits and trade receivables. The Group's cash resources and trade receivables significantly exceed the current cash outflow requirements.

## 26 Fair value measurement

The Group provides an analysis of its assets and liabilities that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable. These Levels are described below:

- Level 1 - fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

### Financial instruments measured at amortized cost

The carrying amount of the Group's financial instruments are considered to be a reasonable approximation of the fair value.

Trade receivables and payables, cash and cash equivalents and term deposits are either liquid or short-term, thus, it is assumed that the carrying amount is close to their fair value.

The fair values of the Group's interest-bearing loans and borrowings are determined by using the discounted cash flows method using the discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.

The Group's financial instruments are categorized within Level 3 of the fair value hierarchy.