PANORAMIC NEXT

M&A

ARMENIA

LEXOLOGY

M&A

2026

Contributing Editors

Eric M Swedenburg, **Yuru (Rita) Fu** and **Alison Z Preiss**

Simpson Thacher & Bartlett LLP

Panoramic Next: M&A explores the most impactful recent developments in global mergers and acquisitions and how legal practitioners have responded to them. Through a series of interviews with seasoned experts in key jurisdictions, it offers useful insights across all stages of M&A transactions.

Generated: October 27, 2026

The information contained in this report is indicative only. Law Business Research is not responsible for any actions (or lack thereof) taken as a result of relying on or in any way using information contained in this report and in no event shall be liable for any damages resulting from reliance on or use of this information. Copyright 2006 - 2026 Law Business Research

LEXOLOGY

Explore on **Lexology**

Armenia

Ani Mkrtumyan, **Narine Beglaryan**
Concern Dialog Law Firm

Summary

PROFILES

About

Q&A

What trends are you seeing in overall activity levels for mergers and acquisitions in your jurisdiction during the past year or so?

Which sectors have been particularly active or stagnant? What are the underlying reasons for these activity levels? What size are typical transactions?

What were the recent keynote deals? What made them so significant?

In your experience, what consideration do shareholders in a target tend to prefer? Are mergers and acquisitions in your jurisdiction primarily cash or share transactions? Are shareholders generally willing to accept shares issued by a foreign acquirer?

How has the legal and regulatory landscape for mergers and acquisitions changed during the past few years in your jurisdiction?

Describe recent developments in the commercial landscape. Are buyers from outside your jurisdiction common?

Are shareholder activists part of the corporate scene? How have they influenced M&A?

Take us through the typical stages of a transaction in your jurisdiction.

Are there any legal or commercial changes anticipated in the near future that will materially affect practice or activity in your jurisdiction?

What does the future hold? What activity levels do you expect for the next year? Which sectors will be the most active? Do you foresee any particular geopolitical or macroeconomic developments that will affect deal sizes and activity?

THE INSIDE TRACK

What factors make mergers and acquisitions practice in your jurisdiction unique?

What three things should a client consider when choosing counsel for a complex transaction in your jurisdiction?

What is the most interesting or unusual matter you have recently worked on, and why?

Profiles

ABOUT

Narine Beglaryan has 20 years of experience practising law, specialising in advising and representing both foreign and local clients across diverse business sectors. Narine heads Concern Dialog's corporate law and M&A practice group, alongside the firm's banking, capital markets, data protection, and privacy practices.

Narine's practice includes representing foreign investors, local shareholders, and their corporate vehicles in Armenia. She has advised on high-stakes investment projects, complex corporate restructurings, M&A transactions, and joint ventures for both local and international companies. Her extensive experience includes leading due diligence investigations, supporting transactions and concentration filings for major mining companies and banks, and handling the purchase and alienation of major construction and development special purpose vehicles (SPVs) as well as the purchase of operators of solar plants. This includes structured deals requiring close cooperation with funding financial institutions.

Throughout her career, she has been consistently recognised by leading international legal directories. Her current individual rankings include "Band 2" by *Chambers and Partners* (ranked for five years), "Leading Partner" by *The Legal 500* (ranked for six consecutive years), and "Highly Regarded" and "Women Leaders" by *IFLR1000*.

Ani Mkrtumyan is a senior associate at Concern Dialog law firm with five years of legal practice, specialising in corporate and commercial law, data protection and privacy. She advises and represents both foreign and local clients, with a particular focus on relocation to Armenia, M&As, merger filings and transactions.

Q&A

WHAT TRENDS ARE YOU SEEING IN OVERALL ACTIVITY LEVELS FOR MERGERS AND ACQUISITIONS IN YOUR JURISDICTION DURING THE PAST YEAR OR SO?

Armenia does not maintain general statistics on the transfer of shareholdings in companies or the disposal of companies' assets. In this respect, it is quite difficult to assess whether transactions have generally increased or decreased. It can, however, be asserted that ahead of the parliamentary elections held in Armenia in 2026, businesses and investors displayed a certain degree of caution, and in the months preceding the elections and until the formation of the new government, refrained from making and implementing business and investment decisions.

A review of the concentration-related decisions published on the website of Armenia's Commission for the Protection of Economic Competition and Consumer Rights ("Commission") shows that the vast majority of M&A transactions continue to be carried out through the transfer of company shareholdings. The same review shows that some businesses prefer not to file a concentration notification before putting the transaction into effect, but instead close the transaction first and only then notify the Commission, accepting the fine as a limited consequence. This behaviour, however, is not typical of participants

who hold a significant position in the relevant product market – despite the time involved, they prefer to implement the transaction only after obtaining the Commission's approval.

Since Armenian businesses typically have a foreign holding company, a particular feature of Armenian M&A is that these transactions are often carried out in jurisdictions outside Armenia, with the Armenian companies in such transactions becoming exclusively the subject of due diligence rather than the direct target of the change in ownership.

WHICH SECTORS HAVE BEEN PARTICULARLY ACTIVE OR STAGNANT? WHAT ARE THE UNDERLYING REASONS FOR THESE ACTIVITY LEVELS? WHAT SIZE ARE TYPICAL TRANSACTIONS?

It would be appropriate to start the answer to this question with a few official indicators about Armenia. According to official sources, the territory of the Republic of Armenia is 29,743 square kilometres. Armenia borders Georgia to the north, Azerbaijan to the east, Turkey to the west and southwest, and Iran to the south. Armenia has no access to the sea. A total of 76.5% of Armenia's territory lies at an elevation of 1,000–2,500 metres above sea level. This means that Armenia is a small market with limited scalability.

According to the 2022 census data, the permanent resident population of the Republic of Armenia, as of 1 July 2026 was 3,103,900 people, of whom 1,149,500 live in the capital city of Yerevan.

The list of Armenia's largest taxpayers is led mainly by mining companies, banks, utility service providers, companies engaged in tobacco production and sales, and e-gaming platform operators.

In terms of industrial output indicators, mining is likewise the leader, followed by food, beverage, and tobacco production.

According to the key macroeconomic indicators for January–June 2026, the economic activity index grew by 107.9% in January–June 2026 compared to the same period of 2025. Industrial output volume grew by 110.8%; gross agricultural output volume – by 88.1%; construction volume – by 147.1%; trade turnover – by 100.9%. Notably, electricity production grew by 110%. Imports increased while exports decreased.

A review of concentration (merger) proceedings over the past 12 months shows increased deal activity in the construction and development sector (construction volumes have grown outside the capital, since tax incentives have been removed in Yerevan but are still maintained in the regions), certain deals in the banking and capital market sector (acquisition of other financial companies or expansion of interests, given the growth in banks' revenue), and in food production or related sectors (linked to expansion or renewal of production capacities) as well as the acquisition of a mine.

Some activity is also observed in relation to electricity companies, particularly renewable electricity producers.

It is difficult to determine a typical deal type or its value, since, given the size of the market, each notable deal has many distinctive features that affect the valuation.

WHAT WERE THE RECENT KEYNOTE DEALS? WHAT MADE THEM SO SIGNIFICANT?

The most recently and widely discussed transaction, with largely negative media commentary, is the sale of shares in "Teghut" CJSC, which operates the Teghut mine, by Russia's VTB, which had become the mine's owner eight years ago in lieu of unfulfilled loan obligations. Teghut is the second-largest deposit in Armenia in terms of copper and molybdenum reserves. The shares were acquired by the company Kuprar RA.

One of the most publicly discussed deals in the financial and banking sector was the acquisition of shares in an investment company by one of Armenia's five largest banks. This deal is notable in that Armenian banks continue to focus on investment banking, and competition in this service segment is becoming somewhat more active.

The conclusion of several deals in the construction sector points, to some extent, to a trend of shifting positions among companies playing a key role in the development/construction market, with tendencies that may somewhat affect market competition in the future.

IN YOUR EXPERIENCE, WHAT CONSIDERATION DO SHAREHOLDERS IN A TARGET TEND TO PREFER? ARE MERGERS AND ACQUISITIONS IN YOUR JURISDICTION PRIMARILY CASH OR SHARE TRANSACTIONS? ARE SHAREHOLDERS GENERALLY WILLING TO ACCEPT SHARES ISSUED BY A FOREIGN ACQUIRER?

Mergers and acquisitions in Armenia are predominantly cash transactions. Acquiring companies or individuals mostly prefer to buy out the target company's shareholders completely, and target shareholders, in turn, generally prefer to sell their entire stake rather than retain a minority position.

HOW HAS THE LEGAL AND REGULATORY LANDSCAPE FOR MERGERS AND ACQUISITIONS CHANGED DURING THE PAST FEW YEARS IN YOUR JURISDICTION?

Although the legislation has undergone several amendments in recent years, the overall M&A regulatory framework in Armenia remains broadly unchanged. The following developments are particularly noteworthy:

- Concentration filings: The rules governing notifications to the Competition and Consumer Rights Protection Commission have been amended in relation to transactions between entities forming part of the same group of persons. More specifically, the scope of transactions not subject to declaration has been narrowed and intra-group reorganisations and transactions are exempt from concentration filing only where they involve the following:
    - a parent-subsidiary relationship or entities under common control, in each case involving more than 50% direct or indirect control; or
    - transfers between specified close family members. In addition, the acquisition of additional shares in an entity in which the acquirer already holds at least 20% is exempt from filing, provided that the resulting shareholding remains below 50%.
- Ultimate beneficial owner (UBO) disclosures: Since 1 January 2023, all legal entities, including commercial and non-commercial organisations, have been subject to mandatory UBO declaration requirements. Non-compliance or negligent errors may result in fines of up to 100,000 drams, while deliberately providing false

information or wilful concealment may lead to criminal liability. Failing to report for three consecutive years, as well as in the case of repeated or gross violation of the rules of submitting a declaration, the company may be dissolved.

- Energy sector control: Prior approval of the Public Services Regulatory Commission is required for the transfer, disposal or pledging of a 25% or greater interest in an energy-sector licensed entity, or of any interest conferring control over its decisions, as well as for the transfer or encumbrance of key assets necessary for licensed activities. For these deals, the Government holds a statutory pre-emptive right to purchase the shares or assets at a price not exceeding market value (except for generation facilities under 30 MW).

DESCRIBE RECENT DEVELOPMENTS IN THE COMMERCIAL LANDSCAPE. ARE BUYERS FROM OUTSIDE YOUR JURISDICTION COMMON?

The construction and building sectors are active, and deals have been concluded in the mining sector, in the banking and capital markets sector, as well as in the food and related sectors. Investments in the IT sector are also active, but it is worth mentioning that, in this area of activity, the deals are often not concluded in Armenia itself – rather, the target is typically the parent company of the Armenian company's shareholder.

A certain uptick is observed in the e-commerce services sector, and there are certain shifts in the infrastructure and services related to the tourism sector. The IT sector continues to develop; in particular, Armenia's first AI factory opened this year.

Direct or indirect participation of foreign companies or individuals in Armenian companies is a fairly common phenomenon. Overall, Armenia does not restrict the extent of foreign participation, with the exception of the media sector. Armenia has companies founded and operated by local entrepreneurs, including large businesses belonging to a single family. At the same time, Armenia also has successful businesses operating with foreign capital, including branches of global businesses.

ARE SHAREHOLDER ACTIVISTS PART OF THE CORPORATE SCENE? HOW HAVE THEY INFLUENCED M&A?

Shareholder activists are not part of the corporate scene in Armenia, and as such, they do not have any influence on M&A.

TAKE US THROUGH THE TYPICAL STAGES OF A TRANSACTION IN YOUR JURISDICTION.

The typical stages of an M&A transaction in Armenia involve the following:

- Preparation or preliminary negotiation: Execution of an non-disclosure agreement and, typically, an letter of intent setting out key terms.
- Due diligence: Review of the target’s position.
- Transaction documentation: Preparation and negotiation of the share purchase agreement (SPA) and ancillary corporate documents and acquisition of corporate approvals (board/shareholder approvals and addressing statutory pre-emption rights).

- Regulatory clearances: When the transaction is a concentration subject to declaration obtaining concentration permission decision and other sector-specific regulatory approvals.
- Closing and post closing: Execution of transactional documents unless documents were signed by providing conditions precedents on regulatory approvals. Registration of ownership changes before relevant authorities depending on the company type and transaction types, as well as updating charter, and ultimate beneficial owner (UBO) records, as well as appointment and registration of a new executive body, if applicable.

ARE THERE ANY LEGAL OR COMMERCIAL CHANGES ANTICIPATED IN THE NEAR FUTURE THAT WILL MATERIALLY AFFECT PRACTICE OR ACTIVITY IN YOUR JURISDICTION?

Among the major amendments recently made to the legal and commercial landscape is the adoption of the Law on Investments and the Law on Cybersecurity, which affect commercial practice in Armenia. While these laws have already been adopted and entered into force, their full implementation depends on the adoption of the sub-legislative acts anticipated within nine (in case of the Law on Investments) and 12 months (in case of the Law on Cybersecurity) from the date they entered into force.

Law on Investments

A new Law on Investments entered into force on 11 August 2026, replacing the previous Law on Foreign Investments. The new law extends investment protection to both local and foreign investors, subject to certain exclusions.

The national treatment regime for foreign investments has been retained, while a most-favoured-nation (MFN) treatment regime has also been introduced. The law further permits restrictions on investments in certain business sectors or geographical areas for specified public-policy purposes.

For local investments, protection under the new law applies to shareholding investments made after it entered into force, while investments in assets must satisfy the criteria prescribed by the law.

The new law also applies to foreign investments made before it entered into force. However, where the previous Law on Foreign Investments provides more favourable treatment, the foreign investor may elect to continue benefiting from the protections of the previous law.

The Law on Investments anticipates the adoption of certain implementing sub-legislative acts within a nine-month period of entry into force of this law.

Law on Cybersecurity

The Law on Cybersecurity and the Regulation of Information Systems entered into force respectively in January 2026 and December 2025. Under these laws, certain cybersecurity-related obligations of economic operators will become applicable only once the relevant implementing sub-legislative acts are adopted. The cybersecurity regulatory framework is therefore still developing, with substantive requirements expected to take

effect progressively mainly from November to December 2026. It is expected that cybersecurity due diligence must be considered for certain businesses in case of M&A.

Law on Joint Stock Companies

Amendments to the Law on Joint Stock Companies entered into force in June 2026, significantly expanding shareholders' rights to require a buy-back of their shares, strengthening protections for minority shareholders, particularly against potential abuse by majority shareholders.

WHAT DOES THE FUTURE HOLD? WHAT ACTIVITY LEVELS DO YOU EXPECT FOR THE NEXT YEAR? WHICH SECTORS WILL BE THE MOST ACTIVE? DO YOU FORESEE ANY PARTICULAR GEOPOLITICAL OR MACROECONOMIC DEVELOPMENTS THAT WILL AFFECT DEAL SIZES AND ACTIVITY?

It is quite difficult to answer the question of what to expect in the future, given today's extremely fast-changing circumstances and environment. Armenia shares a border with Iran. Armenia is also historically and economically closely tied to Iran. Developments with Iran and around Iran will directly have an impact on Armenia's economy. We have noticed that certain small and medium-sized investors withdraw their projects in Armenia because of the uncertain situation related to Iran.

The next biggest issue is trade turnover with Russia. Armenian agricultural and food products, including tobacco and alcohol products, are largely exported to the Russian market. As a result of political disagreements between Armenia and Russia, Russia periodically bans imports of Armenian products and has recently been discussing possible permanent bans on the import of certain product categories. This affects the economy and changes company valuations.

From the standpoint of M&A deals, the IT sector and the construction sector are likely to be active. There are as yet no signs that deals will occur in other sectors, or that their number will increase significantly.

The Inside Track

WHAT FACTORS MAKE MERGERS AND ACQUISITIONS PRACTICE IN YOUR JURISDICTION UNIQUE?

The M&A process is shaped by the parties involved in the deal. By this we mean that when the acquirer is a foreign party, the M&A negotiations through closing proceed with the involvement of international law firms and, in essence, do not involve any particular peculiarities – instead, the process follows generally accepted standards and practices, while complying with Armenian legal requirements. In the case of local acquirers, legal due diligence is not always carried out; this is a relatively new practice and is not always part of the acquisition process.

In other respects, Armenia does not differ from other countries – it has clearly defined procedures and steps for how deals should be carried out, including which corporate and regulatory approvals and consents need to be secured. Foreign investment screening, as such, is not determined under Armenian law.

WHAT THREE THINGS SHOULD A CLIENT CONSIDER WHEN CHOOSING COUNSEL FOR A COMPLEX TRANSACTION IN YOUR JURISDICTION?

In Armenia, legal services regarding M&A can be provided not only by advocate law firms (attorney-at-law firms) but also by legal firms/consultancies. Unlike advocate law firms, information transferred to legal firms/consultancies is not protected by attorney-client privilege, and in this respect, it makes the parties' confidentiality vulnerable. Therefore, the first thing recommended to pay attention to is that M&A legal support be provided by an advocate law firm.

Although price has recently become a decisive factor in the choice of legal services, the choice of legal counsel should not be based solely on price. In particular, the acquirer should pay attention to the quality of the services received for the price, including the capacity of the law firm, its manpower (human resources), and its experience, including litigation experience, since recently the assessment of litigation-related risks and the shaping of the parties' agreement terms in connection with such risks have also become topical.

And the third important consideration, of course, is the firm's references or credentials. What matters is not only the credentials the law firm shares about itself, but also inquiring with clients and with the international law firms that have worked with that particular law firm, and understanding whom they recommend for a given assignment.

WHAT IS THE MOST INTERESTING OR UNUSUAL MATTER YOU HAVE RECENTLY WORKED ON, AND WHY?

The most interesting matter is currently in the initial stages of negotiation, so I would rather refrain from discussing it. Another matter worth mentioning is the alienation of a construction/development project special purpose vehicle (SPV), where we acted as lead legal counsel to the seller. The structure of the deal was challenging, given that it involved both the buyer's and the seller's banks – one bank was financing the transaction, while the deal proceeds had to be directed to another bank to repay the seller's obligations and to restructure the security arrangements in favour of the buyer's bank. What made it both complex and interesting were the numerous requirements driven by the banks' comfort levels, their bureaucratic nature, and ensuring everything was completed within the deadlines – which we managed to do successfully.

Ani Mkrtumyan ani.mkrtumyan@dialog.am
Narine Beglaryan narine.beglaryan@dialog.am

Concern Dialog Law Firm

Read more from this firm on Lexology