JSC WIND POWER
Separate Financial Statements

For the Year Ended 31 December 2024
Together with Independent Auditor's Report

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders and the Board of Directors of Joint Stock Company Wind Power

Opinion

We have audited the separate financial statements of *Joint Stock Company Wind Power* (the "Company"), which comprise the separate statement of financial position as at 31 December 2024, and the separate statement of profit or loss and other comprehensive income, separate statement of changes in equity and separate statement of cash flows for the year then ended, and notes to the separate financial statements, including a summary of material accounting policies.

In our opinion, the accompanying separate financial statements present fairly, in all material respects, the separate financial position of the Company as at 31 December 2024, and its separate financial performance and its separate cash flows for the year then ended in accordance with *International Financial Reporting Standards* (IFRS).

Basis for Opinion

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

We are independent of the Company 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 financial statements in Georgia, and have fulfilled our other ethical responsibilities in accordance with these 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 Separate Financial Statements

Board of directors is responsible for the preparation and fair presentation of these separate financial statements in accordance with IFRS, and for such internal control as the board of directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Separate Financial Statements

Our objectives of our audit are to obtain reasonable assurance about whether the separate 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 ISA 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 Separate financial statements.

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

Nexia

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

- Identify and assess the risks of material misstatement of the separate 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 entity'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 Company'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 separate 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 Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and conctent of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Ana Gabedava, Engagement Partner (SARAS-A-518332)

Nexia Georgia LLC (SARAS-F-550338)

31 March, 2024

Tbilisi, Georgia

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31 March, 2025

Tbilisi, Georgia

JSC WIND POWER
SEPARATE STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER, 2024
(IN '000 GEL)

	Note	2024	2023
ASSETS			
Non-current assets			
Property, plant and equipment	7	6,618	4,266
Intangible assets	8	52,236	52,260
Investments		-	169
		58,854	**56,695**
Current assets			
Prepayments	9	6,104	4,779
Prepaid taxes		-	225
Inventories		-	4
Cash and cash equivalents	10	9	5
		6,113	**5,013**
TOTAL ASSETS		**64,967**	**61,708**
EQUITY AND LIABILITIES			
Equity			
Share capital	11	11,500	10,000
Share premium	11	67,503	60,318
Accumulated losses		(14,522)	(10,291)
		64,481	**60,027**
Current liabilities			
Borrowings		-	3
Trade payables	12	411	438
Prepayments for share capital	11	-	1,240
Taxes Payables		75	-
TOTAL LIABILITIES		**486**	**1,681**
TOTAL EQUITY AND LIABILITIES		**64,967**	**61,708**

Approved for issue and signed on behalf of the management on 31 March 2025.

Chief Executive Officer
Lasha Iordanashvili

JSC WIND POWER
SEPARATE STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER, 2024
(IN '000 GEL)

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Chief Executive Officer
Lasha Iordanashvili

(IN ’000 GEL)

	Note	**2024**	**2023**
Employee benefits		(675)	(669)
Professional services		(2,346)	(853)
Prepaiment Write off expense		(11)	-
Other expenses	12	(1,000)	(953)
LOSS FROM OPERATIONS		**(4,032)**	**(2,475)**
Loss from the disposal of a subsidiary		(169)	-
Net loss from exchange rate difference		(30)	(53)
LOSS BEFORE INCOME TAX		**(4,231)**	**(2,528)**
Income tax expense		-	-
NET LOSS FOR THE YEAR		**(4,231)**	**(2,528)**
Other comprehensive income		-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(4,231)**	**(2,528)**

Approved for issue and signed on behalf of the management on 31 March 2025.

Chief Executive Officer
Lasha Iordanashvili

JSC WIND POWER
SEPARATE STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER, 2024
(IN '000 GEL)

	Note	2024	2023
Employee benefits		(675)	(669)
Professional services		(2,346)	(853)
Prepaiment Write off expense		(11)	-
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(IN ’000 GEL)

	Share capital	**Share premium**	**Accumulated losses**	**Total**
As at 31 December 2022	**10,000**	**51,848**	**(7,763)**	**54,085**
Contributions by owners				
Increase in equity	-	8,470	-	**8,470**
Total comprehensive loss for the year	-	-	(2,528)	**(2,528)**
As at 31 December 2023	**10,000**	**60,318**	**(10,291)**	**60,027**
Contributions by owners				
Increase in equity	1,500	7,185	-	**8,685**
Total comprehensive loss loss for the year	-	-	(4,231)	**(4,231)**
As at 31 December 2024	**11,500**	**67,503**	**(14,522)**	**64,481**

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	Share capital	Share premium	Accumulated losses	Total
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JSC WIND POWER
SEPARATE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER, 2024
(IN ’000 GEL)

	Note	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(4,231)	(2,528)
Adjustments to:			
Amortization of intangible assets	8	24	32
Depreciation of PPE	7	76	68
Prepayment Write-off expense		11	-
Loss from the disposal of a subsidiary		169	-
Loss from exchange rate difference		30	53
Cash flows from operating activities before changes in working capital		**(3,921)**	**(2,375)**
Movements in working capital			
Increase in prepayments for services		(1,336)	(4,505)
Increase / (Decrease) in trade payables		(24)	58
Decrease / (Increase) in prepaid taxes		300	(266)
Decrease / (Increase) in inventories		4	(2)
NET CASH OUTFLOWS FROM OPERATING ACTIVITIES		**(4,977)**	**(7,090)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(2,428)	(2,637)
NET CASH OUTFLOWS FROM INVESTING ACTIVITIES		**(2,428)**	**(2,637)**
CASH FLOWS FROM FINANCIAL ACTIVITIES			
Increase of share capital and premium	11	8,682	8,470
Increase in Prepayments for capital growth		(1,240)	1,240
NET CASH INFLOWS FROM FINANCING ACTIVITIES		**7,442**	**9,710**
NET DECREASE IN CASH AND CASH EQUIVALENTS		**37**	**(17)**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	10	**5**	**77**
Effect of changes in foreign exchange rate on cash and cash equivalents		(33)	(55)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	10	**9**	**5**

Approved for issue and signed on behalf of the management on 31 March 2025.

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JSC WIND POWER
SEPARATE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER, 2024
(IN '000 GEL)

	Note	2024	2023
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The notes on pages 9-20 form an integral part of these separate financial statements.

1. GENERAL INFORMATION

JSC Wind Power (the Company) is a joint stock company as defined under the Law of Georgia on Entrepreneurs and is incorporated and domiciled in Georgia. The company was registered on 28 April 2015 with identification number 402013904. Registering body is the National Agency of Public Registry. According to the meeting of partners, since 2022, the company has changed its brand name and instead of JSC Oni Cascadi, it was called JSC Wind Power.

The Company’s head office is located on 100a Beliashvili street, Tbilisi, Georgia.

The company operates in the energy sector. Until 2021, the company tried to obtain a permit for the construction of hydropower plant in the Racha-Lechkhumi and Kvemo Svaneti region of Georgia. However in August 2021, the Company signed a new memorandum with the Georgian government and amended the Memorandum of Understanding, signed on 16 July 2015 for construct a hydropower plant (the HPP) in the Racha-Lechkhumi and Kvemo Svaneti region of Georgia. According to the memorandum, the company has the right to build 3 wind power plants in different regions of Georgia: Ruisi Wind Power Plant, Zestafoni Wind Power Plant and Pharavani Wind Power Plant with a full installed capacity of 206 MW. If after the research stage it is revealed that the power plants are not suitable for construction, the company has the right to offer the government an alternative project.

In July 2021, Peri LLC became the sole shareholder of the company with a 100% share. Before of this date shareholders were: Peri LLC (55%) and Oni Holding LLC (45%).

Shareholders of Peri LLC are: Ioseb Mechedlishvili (96%) და Kakhaber Shevardnadze (4%).

2. BASIS OF PREPARATION

These separate financial statements have been prepared in accordance with International Financial Reporting Standards and International Accounting Standards as issued by the International Accounting Standards Board (IASB) and Interpretations (collectively IFRSs).

The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the most appropriate application in applying the accounting policies. The areas where material judgments and estimates have been made in preparing the separate financial statements and their effect are disclosed in Note 3.

The company complied with the exemption provided in IFRS 10 and did not prepare consolidated financial statements. The Company also uses "Recommendation on the presentation of financial and management statements" provided by Service for Accounting, Reporting and Auditing Supervision and did not prepare consolidated financial statements, since the subsidiaries are not material either individually or aggregated.

These separate financial statements have been prepared under the historical cost. Amounts are rounded to the nearest thousand, unless otherwise stated. The separate financial statements are presented in Georgian Lari (GEL), which is also the Company’s functional currency.
The reporting period for the Company is the calendar year from 1 January to 31 December. The material accounting policies adopted in the preparation of the separate financial statements are set out in note 17. The policies have been consistently applied to all the years presented, unless otherwise stated.

GOING CONCERN

The company is in the process of full feasibility study and obtaining a permit for the construction of wind power plants. These separate financial statements have been prepared on the assumption that the company is a going concern and will continue its operations for the foreseeable future. As the company did not start its main activities, during last years incurred significant losses and therefore the Company has accumulated losses presented in its financial position as of 31 December 2024 and 31 December 2023, subsequently.. Shareholders are going to fund the company's operating losses, until it generates sufficient income to finance working capital. The Company during 2025 obtained huge finanicang from European Building and Reconstruction Banks (EBRD), the detailes about the loan is disclosed in note 15. As the Company is in the process of developing main activity, the management believes that the going concern assumption is appropriate for the company.

(IN ’000 GEL)

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The ccompany makes certain estimates and assumptions regarding the future. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may deviate from these estimates and assumptions. 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, plant and equipment. The company has used judgment in determination of useful lives of property, plant and equipment considering such factors as technical or commercial obsolesce, expected usage of the assets by reference to the assets’ expected capacity of physical output and expected wear and tear, which depends on operational factors. Although the management has made his best estimate in determining the pattern of consumption of the future economic benefits embodied in the asset, they may substantially differ from actual results that may materially influence the figures presented in the financial statement. Useful lives are reviewed at the end of each financial year and updated when change of estimate is necessary.

Useful lives of intangible assets. intangible assets are amortised over their useful lives. Useful lives are based on the management's estimates of the period that the assets will generate revenue, which are periodically reviewed for continued appropriateness. Changes to estimates can result in significant variations in the carrying value and amounts charged to the statement of comprehensive income in specific periods.

The Company believes that its accruals for tax liabilities are adequate for all open audit years based on its assessment of many factors including past experience and interpretations of tax law. This assessment relies on estimates and assumptions and may involve a series of complex judgments about future events.

4. ADOPTION OF NEW AND REVISED STANDARDS AND INTERPRETATIONS

The following new standards and interpretations came into force on January 1, 2024:

Table—New requirements effective from 1 January 2024			
Standard/ amendment	**When issued**	**Effective date (early application is possible unless otherwise noted)**	**Standards/Interpretations amended**
Classification of Liabilities as Current or Non-current Amendment to IAS 1	20-Jan-25	1-Jan-24	IAS 1
Lease Liability in a Sale and Leaseback Amendment to IFRS 16	22-Sep	1-Jan-24	IFRS 16
Non-current Liabilities with Covenants Amendments to IAS 1	22-Oct	1-Jan-24	IAS 1
Supplier Finance Arrangements Amendments to IAS 7 and IFRS 7	23-May	1-Jan-24	IAS 7, IFRS 7
International Tax Reform—Pillar Two Model Rules Amendments to IAS 12	23-May	1-Jan-23	IAS 12

Classification of Liabilities as Current and Non-current

Classification of Liabilities as Current or Non-current clarifies a criterion in IAS 1 Presentation of Financial Statements for classifying a liability as non-current: the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period.

(IN '000 GEL)

4. ADOPTION OF NEW AND REVISED STANDARDS AND INTERPRETATIONS (CONTINUED)

Lease Liability

In a Sale and Leaseback Lease Liability in a Sale and Leaseback amends IFRS 16 by adding subsequent measurement requirements for sale and leaseback transactions.

Non-current Liabilities with Covenants

Non-current Liabilities with Covenants amends IAS 1 Presentation of Financial Statements. The amendments improve the information an entity provides when its right to defer settlement of a liability for at least twelve months is subject to compliance with covenants. The amendments also respond to stakeholders' concerns about the classification of such a liability as current or non-current.

Supplier Finance Arrangements

Supplier Finance Arrangements amends IAS 7 Statement of Cash Flows to require an entity to provide additional disclosures about its supplier finance arrangements. The amendments also add supplier finance arrangements as an example within the liquidity risk disclosure requirements of IFRS 7 Financial Instruments: Disclosures.

International Tax Reform—Pillar Two Model Rules

International Tax Reform—Pillar Two Model Rules amends IAS 12 Income Taxes. The amendments introduce a temporary exception to the requirements to recognise and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes. The amendments also introduce targeted disclosure requirements for affected entities.

Effect of changes is not material for the financial statements.

5. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS THAT HAVE BEEN ISSUED BUT ARE NOT YET EFFECTIVE

This edition does not include Accounting Standards that have an effective date later than 1 January 2024.

These Accounting Standards are relevant, however, even if an entity does not intend to adopt a requirement early. Paragraph 30 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors requires an entity to disclose 'information relevant to assessing the possible impact that application of the new IFRS [Accounting Standard] will have on the entity's financial statements in the period of initial application'.

The table shows amendments and Accounting Standards that have an effective date after 1 January 2024.

Table–Accounting Standards and amendments issued, but not effective, as at 1 January 2024			
Standard/ amendment	**When issued**	**Effective date (Early application is possible unless otherwise noted)**	**Standards/ Interpretations amended**
Lack of Exchangeability Amendments to IAS 21	23-Aug	1-Jan-25	IAS 21, IFRS 1

This section summarises changes to be introduced by the documents listed in the table 'Accounting Standards and amendments issued, but not effective, as at 1 January 2024'.

Lack of Exchangeablity

Lack of Exchangeablity amends IAS 21 The Effects of Changes in Foreign Exchange Rates to require an entity to apply a consistent approach to assessing whether a currency is exchangeable into another currency and, when it is not, to determining the exchange rate to use and the disclosures to provide.

5. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS THAT HAVE BEEN ISSUED BUT ARE NOT YET EFFECTIVE (CONTINUED)

Amendment – Noncurrent Liabilities with Covenants (Amendment to IAS 1).

Subsequent to the release of amendments to IAS 1 Classification of Liabilities as Current or Non-Current, the IASB amended IAS 1 further in October 2022. If an entity’s right to defer is subject to the entity complying with specified conditions, such conditions affect whether that right exists at the end of the reporting period, if the entity is required to comply with the condition on or before the end of the reporting period and not if the entity is required to comply with the conditions after the reporting period. The amendments also provide clarification on the meaning of ‘settlement’ for the purpose of classifying a liability as current or non-current

Standards and Amendments Mandatorily Effective from 1 January 2025

Lack of Exchangeability (Amendment to IAS 21)

On 15 August 2023, the IASB issued Lack of Exchangeability which amended IAS 21 The Effects of Changes in Foreign Exchange Rates (the Amendments). The Amendments arose as a result of a submission received by the IFRS Interpretations Committee (the Committee) about the determination of the exchange rate when there is a long-term lack of exchangeability. IAS 21, prior to the Amendments, did not include explicit requirements for the determination of the exchange rate when a currency is not exchangeable into another currency, which led to diversity in practice. The Committee recommended that the IASB develop narrow-scope amendments to IAS 21 to address this issue. After further deliberations, the IASB issued an exposure draft of the proposed amendments to IAS 21 in April 2021 and the final amendments were issued in August 2023. The Amendments introduce requirements to assess when a currency is exchangeable into another currency and when it is not. The Amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency.

If it is not stated otherwise, new standards and interpretations are not expected to have material effect on the Company financial statements.

6. FINANCIAL INSTRUMENTS – RISK MANAGEMENT

The Company is exposed through its operations to the following financial risks:

- Credit risk
- Liquidity risk
- Market risk:
- Currency risk

In common with all similar businesses, the Company is exposed to risks that arise from its use of financial instruments. Note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these separate financial statements.

PRINCIPAL FINANCIAL INSTRUMENTS

The principal financial instruments used by the Company, from which financial risk arises, are as follows: cash and cash equivalents, other payables, borrowings and lease liabilities.

All financial assets and liabilities are measured at amortized cost. Due to their short-term nature, the carrying value of cash and cash equivalents, other payables and borrowings approximate their fair value. The carrying value of lease liabilities approximates their fair value.

GENERAL OBJECTIVES, POLICIES AND PROCESSES

The Management has overall responsibility for the determination of the Company’s risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company’s finance function.

The Management receives monthly reports from the Company Financial Controller through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets. The overall

(IN ’000 GEL)

6. FINANCIAL INSTRUMENTS – RISK MANAGEMENT (CONTINUED)

objective of the Management is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below:

CREDIT RISK

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company is mainly exposed to credit risk from credit sales. As the Company’s financial assets comprised only cash and cash equivalents, credit risk is minimized at acceptable level.

LIQUIDITY RISK

Liquidity risk refers to the availability of sufficient funds to meet repayments of other financial commitments associated with financial instruments as they actually fall due. To manage liquidity risk, the Company performs regular monitoring of future expected cash flows, which is a part of assets/liabilities management process.

The table below explains the contractual period of financial liabilities (undiscounted data):

	2024	2023
Up to 1 year	411	441
From 1 to 5 years	-	-

MARKET RISK

Market risk is the risk that the fair value of a financial instrument will decrease because of changes in market factors. Market risk arises from the company’s use of interest bearing and foreign currency financial instruments.

It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates (currency risk) and interest rates.

CURRENCY RISK

Currency risk is defined as the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The company is exposed to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows.

The Companies all financial assets and liabilities are denominated in Gel, except for cash and cash equivalents with an amount of GEL 0 and GEL 3 and borrowings with an amount GEL 0 and GEL 3 as at 31 December 2024 and 2023 respectively, which are denominated in USD.

CURRENCY RISK SENSITIVITY

The following table details the Company’s sensitivity to a 20% increase and decrease in the foreign currency exchange rates against GEL and represents management’s assessment of the possible change in foreign currency exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the year for a 20% change in foreign currency rates.

Impact on net profit and equity based on asset values are:

	31 December 2024		31 December 2023	
	+20%	-20%	+20%	-20%
USD impact gain (loss)	1	(1)	1	(1)

FAIR VALUE HIERARCHY

The fair value of cash and cash equivalents were determined using level 1 measurement, borrowings and lease liabilities are measured at level 2 of fair value hierarchy, and the fair value of other financial liabilities were determined using level 3 measurement.

(IN ’000 GEL)

6. FINANCIAL INSTRUMENTS – RISK MANAGEMENT (CONTINUED)

CAPITAL DISCLOSURES

The Company's objectives when maintaining capital are:

- To safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders; and
- To provide an adequate return to shareholders by pricing services commensurately with the level of risk.

The Company sets the amount of capital it requires in proportion to risk. The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

7. PROPERTY, PLANT AND EQUIPMENT

Historical cost	**Technical equipment and machinery**	**Vehicles**	**Land**	**Construction in progress**	**Other**	**Total**
31-Dec-22	**897**	**46**	**770**	**-**	**29**	**1,742**
Additions	-	23	2,639	-	13	**2,675**
Disposals	-	-	(38)	-	-	(38)
31-Dec-23	**897**	**69**	**3,371**	**-**	**42**	**4,379**
Additions	-	-	1,499	916	13	2,428
31-Dec-24	**897**	**69**	**4,870**	**916**	**55**	**6,807**
Accumulated depreciation						
31-Dec-22	(43)	-	-	-	(2)	(45)
Depreciation	(60)	(2)	-	-	(6)	(68)
31-Dec-23	**(103)**	**(2)**	**-**	**-**	**(8)**	**(113)**
Depreciation	(60)	(7)	-	-	(9)	(76)
31-Dec-24	**(163)**	**(9)**	**-**	**-**	**(17)**	**(189)**
Net book value						
31-Dec-23	**794**	**67**	**3,371**	**-**	**34**	**4,266**
31-Dec-24	**734**	**60**	**4,870**	**916**	**38**	**6,618**

On October 10, 2024, the company signed a loan agreement with the EBRD for $189 million, under which it had to pledge all of its movable and immovable property as collateral, as of December 31, 2024. As of December 31, 2024, the company has no fully depreciated fixed assets.

(IN ’000 GEL)

8. INTANGIBLE ASSETS

Historical cost	**Right to build wind plants**	**Licenses**	**Total**
31 December 2022	**52,236**	**166**	**52,402**
Additions	-	-	-
31 December 2023	**52,236**	**166**	**52,402**
Additions	-	-	-
Write-off	-	(166)	(166)
31 December 2024	**52,236**	**-**	**52,236**

Accumulated amortization			
31 December 2022	**-**	**(110)**	**(110)**
Amortization	-	(32)	**(32)**
31 December 2023	**-**	**(142)**	**(142)**
Amortization	-	(24)	**(24)**
31 December 2024	-	(166)	**(166)**

Net book value			
31 December 2023	**52,236**	**24**	**52,260**
31 December 2024	**52,236**	**-**	**52,236**

As at 31 December 2023 the Company has two active mineral extraction licenses for mining of sand and gravel. The licenses were acquired on 6 December 2019 and 5 August 2019, which is effective for 5 years. Maximum output (cbm) obtained through the license is defined to be 82,350 and 143,550 respectively. As at 31 December 2024, both licenses have been expired.

In 2021 September, the parent company purchased 11 companies with the amount of GEL 52,437. Those companies had rights to integrate to electricity network 206 installed capacity megawatts of wind plants. The parent contributed all purchased subsidiaries of the Company at book value. The Company obtained rights to integrate to electricity network installed capacity megawatts 206 of wind plants from new subsidiaries. As a result, GEL 52,236 from total consideration paid was presented as intangible assets.

9. PREPAYMENTS

As of December 31, 2024, a material part of the advances paid represents the amounts paid for connection to the electricity transmission network. (4,407 Gel).

10. CASH AND CASH EQUIVALENT

	31/12/2024	**31/12/2023**
National Currency in Resident Bank Accounts	9	2
Foreign Currency in Resident Bank Account	-	3
	9	**5**

(IN '000 GEL)

11. SHARE CAPITAL AND SHARE PREMIUM

	Number of outstanding Shares	Ordinary Shares	Share Premium	Total
At 31 December 2022	**10,000**	**10,000**	**51,848**	**61,848**
New Shares issued	-	-	8,470	8,470
At 31 December 2023	**10,000**	**10,000**	**60,318**	**70,318**
New Shares issued	1,500	1,500	7,185	8,685
At 31 December 2024	**11,500**	**11,500**	**67,503**	**79,003**

1,500 new shares were issued in 2024. In 2023 year company received 1,240 GEL in advance to issue new shares in 2024 year.

Each ordinary share carries one vote. Share premium represents the excess of contributions received over the nominal value of shares issued.

12. TRADE PAYABLES

Trade payable as at 31 December 2023 consists GEL187 liability to Feri LLC. At 31 December 2024 GEL187 liability to Feri LLC.

13. OTHER EXPENSES

	2024	2023
Service cost	754	757
Amortization	100	100
Tax expenses, other than income tax	71	45
Rent Expense	22	11
Other	53	40
	1,000	**953**

14. TRANSASCTIONS WITH RELATED PARTIES

Details of transactions and balances between the Company and related parties are disclosed below:

	2024	2023
	Shareholder	**Shareholder**
Separate statement of seperate financial position		
Borrowing	-	3
Prepayments for capital growth	-	1,240
Trade payable	187	187
Separate statement of comprehensive income		
Finance expense	-	-
Short-term lease expense	-	(2)

15. EVENTS AFTER REPORTING PERIOD

The company signed a loan agreement with the EBRD on October 10, 2024 for $189 million, and as of January 15, 2025, the company received the first tranche in the amount of $70 (193,759 GEL) million.

Apart from the aforementioned event, there were no other events after the reporting period that require the adjustment of the financial statements or the disclosure in the explanatory notes.

16. SUMMARY OF MATERIAL ACCOUNTING POLICIES

MATERIAL ACCOUNTING POLICIES

Material accounting policies applied in the preparation of these separate financial statements are set out below. These policies are consistently applied to all the years presented, unless otherwise stated.

FINANCIAL INSTRUMENTS

Financial assets

The Company classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. The Company has not classified any of its financial assets as Fair value through profit or loss and Fair value through other comprehensive income.

Amortized cost

Financial assets are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

The Company's financial assets measured at amortized cost comprise cash and cash equivalents in the separate statement of financial position. Cash and cash equivalents include cash at bank with original maturities of three months or less.

Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired: Fair value through profit or loss and other financial liabilities. The Company didn’t classify financial liabilities as fair value through profit or loss.

Other financial liabilities

Financial liabilities are classified as borrowings, trade payable and lease liabilities. Financial liabilities are initially measured at fair value, net of transaction costs. Financial liabilities are subsequently measured at amortized cost using the effective interest method.

Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company’s obligations are discharged, cancelled or they expire.

FAIR VALUE MEASUREMENT

A number of assets and liabilities included in the company’s separate financial statements require measurement at, and disclosure of, fair value.

The fair value measurement of the Company’s financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised

16. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

into different levels based on how observable the inputs used in the valuation technique utilised are (the ‘fair value hierarchy’):

- Level 1: Quoted prices in active markets for identical items (unadjusted)
- Level 2: Observable direct or indirect inputs other than Level 1 inputs
- Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

PROPERTY, PLANT AND EQUIPMENT

Land plots are stated at historical cost. Items of property, plant and equipment are initially recognised at cost. As well as the purchase price, cost includes directly attributable costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognised within provisions.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit and loss during the financial period in which they are incurred.

Depreciation is charged on the carrying value of property, plant and equipment and is designed to write off assets over their useful economic lives.

Land is not depreciated. Depreciation of Wind measuring tower mast is calculated on a straight-line basis at the 10 year useful life

INTANGIBLE ASSETS

Intangible assets are shown at historical cost less accumulated amortization and impairment charges. All the company’s intangible assets have finite useful lives and amortization is charged under straight line method according to the useful life.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite useful lives is recognized in the separate statement of comprehensive income in the expense category consistent with the function of the intangible assets.

IMPAIRMENT OF NON-CURRENT ASSETS

At each reporting date, the company reviews the carrying amounts of its non-current (property, plant and equipment and intangible assets) assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists (or cash-generating unit), the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized immediately in separate statement of comprehensive income.

Recoverable amount is the higher of fair value less costs to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in separate statement of comprehensive income.

16. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in separate statement of comprehensive income.

TAXATION

Income tax expense represents the sum of the tax currently payable. The tax currently payable is based on taxable profit for the year.Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are not taxable or deductible in current period. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Owing to the specific nature of the taxation system in Georgia, there are no differences between the carrying amounts and tax bases of the assets and liabilities of companies registered in Georgia that could result in deferred tax assets or deferred tax liabilities.

Taxes other than income tax are recognised when obligating events have occurred. The obligating events are an event that raises a liability to pay a tax. Taxes are calculated in accordance with Georgian legislation.

SHARE CAPITAL

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. Any excess of the fair value of consideration received over the par value of shares issued is recorded as share premium in equity.

PREPAYMENT OF SERVICES

Prepayments are carried at cost less provision for impairment. A prepayment is classified as non-current when the goods or services relating to the prepayment are expected to be obtained after one year, or when the prepayment relates to an asset which will itself be classified as non-current upon initial recognition. Prepayments to acquire assets are transferred to the carrying amount of the asset once the Company has obtained control of the asset and it is probable that future economic benefits associated with the asset will flow to the Company.

Other prepayments are written off to profit or loss when the goods or services relating to the prepayments are received. If there is an indication that the assets, goods or services relating to a prepayment will not be received, the carrying value of the prepayment is written down accordingly and a corresponding impairment loss is recognised in profit or loss for the year.

RECOGNITION OF EXPENSES

Expenses are recognized in the income statement if there arises any decrease of future economic profit related to the decrease of an asset or increase of a liability that can be reliably assessed.

Expenses are recognized in the income statement immediately, if the expenses do not result in future economic profit any more, or if future economic profit do not meet or stop to meet the requirements of recognition as an asset in the balance sheet.

SALARIES AND OTHER EMPLOYEE BENEFITS

Wages, salaries, bonuses, and non-monetary benefits are accrued in the year in which the associated services are rendered by the employees of the Company.

EVENTS AFTER THE REPORTING PERIOD

Events after the reporting period and events before the date of separate financial statements authorization for issue that provide additional information about the company's separate financial statements are reported in the separate financial statements. Post-balance sheet events that do not affect the financial position of the Company at the balance sheet date are disclosed in the notes to the separate financial statements when material.

16. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

TRANSACTIONS WITH RELATED PARTIES

Related parties or transactions with related parties, as defined by IAS 24 “Related party disclosures”, could be one or more of the following:

A. Parties that directly, or indirectly through one or more intermediaries: control, or are controlled by, or are under common control with, the company (this includes parents, subsidiaries and fellow subsidiaries); have an interest in the company that gives then significant influence over the company; and that have joint control over the company;

B. Members of key management personnel of the Company or its parent;

C. Close members of the family of any individuals referred to in (a) or (b);

D. Parties that are entities controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (c) or (b);

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form. Details of transactions between the Company and other related parties are disclosed below.

FOREIGN CURRENCY TRANSLATION

Assets and liabilities denominated in foreign currencies are subject to recalculation under the official exchange rates established by the National Bank of Georgia at the year-end. Exchange rate adjustments originating due to the converting are reported in the Income statement. Results denominated in foreign currencies are recalculated under the exchange rates at the date of transaction. Translation at year-end rates does not apply to nonmonetary items. Table below presents the closing exchange rates by the National Bank of Georgia:

	USD
Exchange rate as at 31 December 2024	2.8068
Exchange rate as at 31 December 2023	2.6894