

Georgia Global Utilities JSC

**Interim condensed consolidated financial statements for
the six months ended**

30 June 2025 (unaudited)

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Report on Review of Interim Financial Information

To the shareholders and Supervisory Board of Georgia Global Utilities JSC

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Georgia Global Utilities JSC and its subsidiaries, which comprise the interim condensed consolidated statement of financial position as at 30 June 2025, the related interim condensed consolidated statement of profit or loss and other comprehensive income for the six-month period then ended, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes (interim financial information). Management is responsible for the preparation and presentation of this interim financial information in accordance with IAS 34, *Interim Financial Reporting*. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34, *Interim Financial Reporting*.



Ana Kusrashvili (SARAS-A-169041)

On behalf of EY LLC (SARAS-F-855308)

22 September 2025

Tbilisi, Georgia

Interim consolidated statement of financial position**As at 30 June 2025***(Amounts expressed in thousands of Georgian Lari)*

	Note	30 June 2025 (unaudited)	31 December 2024
Assets			
Non-current assets			
Property, plant and equipment	4	1,023,763	973,876
Investment property		11,394	11,358
Right-of-use assets		616	991
Restructured trade receivables	5	47	79
Other non-current assets		4,894	7,337
Total non-current assets		1,040,714	993,641
Current assets			
Inventories		7,537	8,010
Trade and other receivables	5	35,789	27,368
Prepaid taxes other than income tax		3,077	76
Reimbursement assets		1,726	1,900
Prepayments		3,549	1,673
Deposits at bank	11	152,781	169,383
Cash and cash equivalents	11	51,830	50,029
Total current assets		256,289	258,439
Total assets		1,297,003	1,252,080
Equity			
Share capital		84,666	84,666
Treasury shares		(15,875)	(15,875)
Additional paid-in capital and other reserves		15,021	15,021
Revaluation reserve for property, plant and equipment		4,385	4,385
Retained earnings		318,936	264,147
Total equity		407,133	352,344
Liabilities			
Non-current liabilities			
Borrowings and bonds issued	6	745,000	767,038
Deferred revenue	8	43,528	39,027
Lease liabilities		535	854
Other non-current liabilities		155	154
Total non-current liabilities		789,218	807,073
Current liabilities			
Borrowings and bonds issued	6	28,779	29,772
Advances received	8	31,524	27,115
Trade and other payables	7	27,292	19,733
Provisions for liabilities and charges		6,276	5,275
Deferred revenue	8	6,650	7,356
Lease liabilities		131	146
Other taxes payable		-	3,266
Total current liabilities		100,652	92,663
Total liabilities		889,870	899,736
Total liabilities and equity		1,297,003	1,252,080

Approved for issue and signed on behalf of Georgia Global Utilities JSC on 22 September 2025:



 José Miguel Santos Gonzalez
 Chief Executive Officer

The accompanying notes on pages 5 to 14 are an integral part of these interim condensed consolidated financial statements

Interim consolidated statement of financial position**As at 30 June 2025***(Amounts expressed in thousands of Georgian Lari)*

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José Miguel Santos Gonzalez

Chief Executive Officer

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Interim consolidated statement of profit or loss and other comprehensive income**For the six months ended 30 June 2025***(Amounts expressed in thousands of Georgian Lari)*

<i>For the six months ended</i>			
		30 June 2025	30 June 2024
	Note	(unaudited)	(unaudited)
Revenue from water supply and related services	9	123,389	120,969
Revenue from electric power sales	10	19,973	13,880
Other revenue		882	280
Total revenue, income and gains		144,244	135,129
Electricity and transmission costs		(10,186)	(10,696)
Salaries and other employee benefits		(16,777)	(14,413)
Allowance for expected credit losses	5	(3,750)	(6,878)
Taxes other than income tax		(6,152)	(4,718)
General and administrative expenses		(3,615)	(3,069)
Professional fees		(1,521)	(1,475)
Raw materials, fuel and other consumables		(2,221)	(2,006)
Maintenance expenditure		(1,406)	(1,486)
(Charge) reversal for provisions and legal claims related expenses		(334)	86
Other operating expenses		(7,847)	(6,648)
Other income		3,347	824
		(50,462)	(50,479)
EBITDA		93,782	84,650
Finance income		5,149	248
Finance costs	6	(34,681)	(20,036)
Net foreign exchange gain (loss)		17,169	(21,733)
Depreciation and amortisation		(26,353)	(27,076)
Net (loss) gain from sale and write-off of property and equipment		(277)	372
Profit before income tax expense		54,789	16,425
Income tax expense		–	–
Profit and total comprehensive income for the period		54,789	16,425

Interim consolidated statement of changes in equity**For the six months ended 30 June 2025***(Amounts expressed in thousands of Georgian Lari)*

	<i>Share capital</i>	<i>Treasury shares</i>	<i>Additional paid-in capital and other reserves</i>	<i>Retained earnings</i>	<i>Revaluation reserve for property, plant and equipment</i>	<i>Total equity</i>
Balance as at 31 December 2023	84,666	(15,875)	15,021	201,792	4,385	289,989
Profit for the period	–	–	–	16,425	–	16,425
Total comprehensive income for the period	–	–	–	16,425	–	16,425
Balance as at 30 June 2024 (unaudited, not reviewed)	84,666	(15,875)	15,021	218,217	4,385	306,414
Balance as at 31 December 2024	84,666	(15,875)	15,021	264,147	4,385	352,344
Profit for the period	–	–	–	54,789	–	54,789
Total comprehensive income for the period	–	–	–	54,789	–	54,789
Balance as at 30 June 2025 (unaudited)	84,666	(15,875)	15,021	318,936	4,385	407,133

The accompanying notes on pages 5 to 14 are an integral part of these interim condensed consolidated financial statements

Interim consolidated statement of cash flows**For the six months ended 30 June 2025***(Amounts expressed in thousands of Georgian Lari)*

		For the six months ended 30 June 2025 (unaudited)	For the six months ended 30 June 2024 (unaudited)
	Note		
Cash flows from operating activities			
Profit before income tax		54,789	16,425
<i>Adjustments for:</i>			
Depreciation and amortization		26,353	27,076
Allowance for expected credit losses	5	3,750	6,878
(Reversal) charge for provisions and legal claims related expenses		334	(86)
Net (gain) loss from disposal of property, plant and equipment		277	(372)
Net foreign exchange (gain) loss		(17,169)	21,733
Finance income		(5,149)	(248)
Finance costs		34,681	20,036
<i>Working capital changes</i>			
Change in inventories		473	(811)
Change in trade and other receivables		(12,107)	(12,461)
Change in reimbursement assets		174	–
Change in prepaid taxes other than income tax		(3,001)	(1,775)
Change in prepaid transaction costs		–	(7,157)
Change in prepayments		(1,876)	(974)
Change in trade and other payables		461	6,418
Change in deferred revenue – current portion		(706)	338
Change in advances received		4,409	2,293
Change in other tax payables		(3,266)	62
Operating cash flows after working capital changes		82,427	77,375
Change in deferred revenue – non-current portion		4,501	2,625
Net cash flows from operating activities		86,928	80,000
Cash flows from investing activities			
Purchase of property, plant and equipment and intangible assets		(66,243)	(94,493)
Proceeds from sale of property, plant and equipment		–	574
Transfer to deposits at bank		(156,266)	–
Returns from deposits at bank		169,860	–
Interest received		3,099	275
Net cash used in investing activities		(49,550)	(93,644)
Cash flows from financing activities			
Payment of principal portion of lease liabilities		(585)	(583)
Proceeds from borrowings		–	21,979
Repayment of borrowings		–	(117)
Interest paid		(35,084)	(172)
Net cash (used in) / from financing activities		(35,669)	21,107
Effect of foreign exchange rate changes on cash and cash equivalents		92	13
Net change in cash and cash equivalents		1,801	7,476
Cash and cash equivalents at the beginning of the period		50,029	7,282
Cash and cash equivalents at the end of the period		51,830	14,757

The accompanying notes on pages 5 to 14 are an integral part of these interim condensed consolidated financial statements

(Amounts expressed in thousands of Georgian Lari)

1. Corporate information

The interim condensed consolidated financial statements of Georgia Global Utilities JSC (GGU) and its subsidiaries (collectively, the Group) for the six months ended 30 June 2025 were authorised for issue on 22 September 2025.

There was no change in the composition of the Group, its business segments, legal address and ultimate controlling parent as compared to 31 December 2024. Subsequent to 30 June 2025, Aqualia Georgia LLC ("immediate Parent") acquired remaining 20% stake from Georgia Capital JSC by exercising put option as set out in the shareholder's agreement between Aqualia Georgia LLC, Georgia Capital JSC, FCC Aqualia S.A. and Georgia Global Utilities JSC dated 2 February 2022. As a result, in July 2025 Aqualia Georgia LLC took 100% ownership of the Group (Note 14).

2. Basis of preparation

These interim condensed consolidated financial statements for the six months ended 30 June 2025 were prepared in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting*.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at and for the year ended 31 December 2024, signed and authorized for release on 25 April 2025.

Basis of consolidation used in preparation of these interim condensed consolidated financial statements is consistent with that used and disclosed in the Group's annual consolidated financial statements as at and for the year ended 31 December 2024.

The consolidated financial statements have been prepared on a historical cost basis, except for investment properties that have been measured at fair value.

The consolidated financial statements are presented in thousands of Georgian Lari ("GEL"), unless otherwise indicated.

The preparation of the interim condensed consolidated financial statements requires management to make estimates and assumptions that affect the reported income and expense, assets and liabilities and disclosure of contingencies at the date of the interim condensed consolidated financial statements. Although these estimates and assumptions are based on management's best judgment at the date of the interim condensed consolidated financial statements, actual results may differ from these estimates.

Assumptions and significant estimates in these interim condensed consolidated financial statements are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024.

Adoption of new or revised standards and interpretations

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of new standards effective as of 1 January 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

One amendment applies for the first time in 2025, but does not have an impact on the interim condensed consolidated financial statements of the Group:

Lack of exchangeability – Amendments to IAS 21

The amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments are effective for annual reporting periods beginning on or after 1 January 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments had no impact on the Group's interim condensed consolidated financial statements.

(Amounts expressed in thousands of Georgian Lari)

3. Segment information

Management organized the Group into the following two operating segments based on products sold and services rendered:

Electric power generation and sales

The segment owns hydroelectric and wind power stations that generate electric power for own consumption and for sale to external customers.

Water supply and wastewater collection services

The segment provides water supply and wastewater collection services which is the core activity of the Group.

Management monitors the operating results of its segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance, as explained below, is measured according to IFRS standards in the same manner as profit or loss in the consolidated financial statements.

Transactions between segments are accounted for at actual transaction prices, with exception for deemed electricity sales for water supply needs measured in accordance with the terms of Georgian National Energy and Water Supply Regulatory Commission (GNERC) regulations applied for water supply tariff setting purposes.

The Group's operations are concentrated in Georgia. All non-current assets of the Group are located in Georgia.

The following table presents financial results information of the Group's operating segments for the six months ended 30 June 2025 (unaudited).

	<i>Electric power generation and sales</i>	<i>Water supply and wastewater collection services</i>	<i>Intersegment transactions</i>	<i>Total</i>
Revenue from water supply and related services	–	123,389	–	123,389
Revenue from electric power sales	22,887	–	(2,914)	19,973
Other revenue	205	677	–	882
Total revenue, income and gains	23,092	124,066	(2,914)	144,244
Electricity and transmission costs	(338)	(12,762)	2,914	(10,186)
Salaries and other employee benefits	(1,127)	(15,650)	–	(16,777)
Allowance for expected credit losses	–	(3,750)	–	(3,750)
Taxes other than income tax	(26)	(6,126)	–	(6,152)
General and administrative expenses	(6)	(3,609)	–	(3,615)
Professional fees	(38)	(1,483)	–	(1,521)
Raw materials, fuel and other consumables	(89)	(2,132)	–	(2,221)
Maintenance expenditure	(25)	(1,381)	–	(1,406)
Charge for provisions and legal claims related expenses	–	(334)	–	(334)
Other operating expenses	(2,831)	(5,016)	–	(7,847)
Other income	101	3,246	–	3,347
EBITDA	18,713	75,069	–	93,782
Finance income	140	5,009	–	5,149
Finance costs	(1)	(34,680)	–	(34,681)
Net foreign exchange (loss) gain	(14)	17,183	–	17,169
Depreciation and amortization	(1,440)	(24,913)	–	(26,353)
Net loss from disposal and write-off of property and equipment	–	(277)	–	(277)
Profit before income tax expense	17,398	37,391	–	54,789
Income tax expense	–	–	–	–
Profit for the period	17,398	37,391	–	54,789

(Amounts expressed in thousands of Georgian Lari)

3. Segment information (continued)**Water supply and wastewater collection services (continued)**

The following table presents financial results information of the Group's operating segments for the six months ended 30 June 2024 (unaudited).

	<i>Electric power generation and sales</i>	<i>Water supply and wastewater collection services</i>	<i>Intersegment transactions</i>	<i>Total</i>
Revenue from water supply and related services	–	120,969	–	120,969
Revenue from electric power sales	16,914	–	(3,034)	13,880
Other revenue	–	280	–	280
Total revenue, income and gains	16,914	121,249	(3,034)	135,129
Electricity and transmission costs	(176)	(13,554)	3,034	(10,696)
Salaries and other employee benefits	(1,236)	(13,177)	–	(14,413)
Allowance for expected credit losses	–	(6,878)	–	(6,878)
Taxes other than income tax	(27)	(4,691)	–	(4,718)
General and administrative expenses	(118)	(2,951)	–	(3,069)
Professional fees	(29)	(1,446)	–	(1,475)
Raw materials, fuel and other consumables	(57)	(1,949)	–	(2,006)
Maintenance expenditure	(2)	(1,484)	–	(1,486)
Charge for provisions and legal claims related expenses	–	86	–	86
Other operating expenses	(2,299)	(4,349)	–	(6,648)
Other income	12	812	–	824
EBITDA	12,982	71,668	–	84,650
Finance income	155	93	–	248
Finance costs	(1,244)	(18,792)	–	(20,036)
Net foreign exchange loss	(312)	(21,421)	–	(21,733)
Depreciation and amortization	(1,982)	(25,094)	–	(27,076)
Net (loss) gain from disposal and write-off of property and equipment	(4)	376	–	372
Profit before income tax expense	9,595	6,830	–	16,425
Income tax expense	–	–	–	–
Profit for the period	9,595	6,830	–	16,425

The majority of revenue and cost elements were directly attributed to the relevant segments. The allocation principles and methods used by the management for revenue and costs elements, which cannot be directly attributed to the relevant operating segments, were:

- ▶ **Revenue** – for the purposes of segment disclosure, revenue from the internally consumed electricity (generated by Zhinvali HPP and Tetrikhevi HPP) was recorded at the regulated tariffs set by the GNERC (Decree No. 77, dated 28 December 2023) which were applicable for 2025 and 2024, respectively;
- ▶ **Salaries and benefits** – The costs of salaries and other benefits except that of administrative staff were attributed directly to the appropriate segments based on actual expenditure. Salaries and benefits of the administrative staff were allocated proportionally based on the number of employees in each operating segment;
- ▶ **Interest income and finance costs** were allocated according to the amount of borrowings received by each segment.

*(Amounts expressed in thousands of Georgian Lari)***4. Property, plant and equipment**

The movements in property, plant and equipment during the six months ended 30 June 2025 were as follows:

	<i>Land plots</i>	<i>Real estate</i>	<i>Infrastructure assets</i>	<i>Vehicles</i>	<i>Fixtures and fittings</i>	<i>CIP</i>	<i>Total</i>
Historical cost 31 December 2024	7,606	45,661	1,245,850	50,627	13,371	51,130	1414,245
Additions	–	3	18,065	8	286	57,243	75,605
Disposals	–	–	(10)	(2,400)	(641)	(1)	(3,052)
Transfers	6	448	31,530	2,772	266	(35,022)	–
30 June 2025 (unaudited)	7,612	46,112	1,295,435	51,007	13,282	73,350	1,486,798
Accumulated depreciation and impairment 31 December 2024	352	12,486	394,051	24,289	9,191	–	440,369
Depreciation charge	–	377	22,063	2,174	535	–	25,149
Disposals	–	–	(10)	(1,838)	(635)	–	(2,483)
30 June 2025 (unaudited)	352	12,863	416,104	24,625	9,091	–	463,035
Net book value							
31 December 2024	7,254	33,175	851,799	26,338	4,180	51,130	973,876
30 June 2025 (unaudited)	7,260	33,249	879,331	26,382	4,191	73,350	1,023,763

*(Amounts expressed in thousands of Georgian Lari)***4. Property, plant and equipment (continued)**

The movements in property, plant and equipment during the six months ended 30 June 2024 were as follow:

	<i>Land plots</i>	<i>Real estate</i>	<i>Infrastructure assets</i>	<i>Vehicles</i>	<i>Fixtures and fittings</i>	<i>CIP</i>	<i>Total</i>
Historical cost 31 December 2023	7,431	45,045	1,083,763	41,046	12,521	54,756	1,244,562
Additions	–	–	18,541	30	137	75,233	93,941
Disposals	–	(77)	(8,258)	(2,238)	(25)	(1)	(10,599)
Transfers	28	194	43,461	7,261	351	(51,295)	–
30 June 2024 (unaudited)	7,459	45,162	1,137,507	46,099	12,984	78,693	1,327,904
Accumulated depreciation and impairment 31 December 2023	352	11,792	358,072	22,477	8,430	–	401,123
Depreciation charge	–	370	23,357	1,751	505	–	25,983
Disposals	–	(36)	(8,112)	(1,926)	(10)	–	(10,084)
30 June 2024 (unaudited)	352	12,126	373,317	22,302	8,925	–	417,022
Net book value							
31 December 2023	7,079	33,253	725,691	18,569	4,091	54,756	843,439
30 June 2024 (unaudited)	7,107	33,036	764,190	23,797	4,059	78,693	910,882

(Amounts expressed in thousands of Georgian Lari)

5. Trade and other receivables

	30 June 2025 (unaudited)	31 December 2024
Non-current		
Trade receivables for water supply services from general population	88	116
	88	116
Less: allowance for expected credit losses	(41)	(37)
Total restructured trade receivables, net	47	79
Current		
Trade receivables for water supply services from general population	43,641	41,439
Trade receivables for water supply services from legal entities	37,794	31,249
Trade receivables for installation of water meters	102	139
Trade receivables for connection service	7,536	6,837
Trade receivables for electric power sales	3,375	1,978
	92,448	81,642
Less allowance for expected credit losses	(59,447)	(56,473)
Total current trade receivables, net	33,001	25,169
Other receivables	5,118	4,558
Less allowance for expected credit losses	(2,330)	(2,359)
Total other receivables, net	2,788	2,199
Total current trade and other receivables, net	35,789	27,368

The carrying amounts of the Group's trade and other receivables approximate their fair values and are denominated in GEL.

The movements in the ECL allowance for the trade and other receivables are as follows:

	Non-current trade and other receivables	Current trade and other receivables	Total
31 December 2023	44	46,264	46,308
Allowance for expected credit losses	(7)	6,880	6,873
Bad debts written off	–	(893)	(893)
30 June 2024 (unaudited)	37	52,251	52,288
31 December 2024	37	58,832	58,869
Allowance for expected credit losses	4	3,746	3,750
Bad debts written off	–	(801)	(801)
30 June 2025 (unaudited)	41	61,777	61,818

6. Borrowings

	30 June 2025 (unaudited)		31 December 2024	
	Current liabilities	Non-current liabilities	Current liabilities	Non-current liabilities
Eurobonds issued	28,750	742,724	29,723	764,609
Loans from Georgian financial institutions	29	2,276	49	2,429
Total borrowings	28,779	745,000	29,772	767,038

On 25 July 2024, the Group issued US Dollar 300 million green bonds: senior unsecured US Dollar-denominated 8.875% green notes, with a 5-year non-call 2-year bullet maturity ("the Notes"). The Notes were issued and sold at par value. The Notes are listed on the Global Exchange Market of the Irish Stock Exchange and rated BB– (stable) by Fitch and BB– (positive) by S&P. The proceeds of the Notes were used to refinance existing shareholder loan arrangement of the Group and to finance capital expenditures in the water supply and wastewater collection services. Bonds are guaranteed by one of the subsidiaries of GGU – Georgian Water and Power LLC. The Group repurchased US dollar 24 million of the bonds issued and does not plan to trade them on market for the foreseeable future.

*(Amounts expressed in thousands of Georgian Lari)***6. Borrowings (continued)**

The terms and conditions of the Notes require the Group to comply with certain financial covenants, tested on semi-annual basis, such as ratio of consolidated total assets of the GGU and the guarantors to consolidated total assets of the GGU and its subsidiaries and consolidated EBITDA of the GGU and the guarantors to consolidated EBITDA of the issuer and its subsidiaries. The Group is in compliance with the covenants as at 30 June 2025 and does not expect any material difficulties in compliance with the future covenants for at least 12 months from the date of these condensed consolidated financial statements.

As of 30 June 2025, other borrowings comprise of EUR denominated loans from Georgian banks of GEL 231 (31 December 2024: GEL 205) and USD denominated loans from Georgian banks of GEL 2,074 (31 December 2024: GEL 2,273).

For the six months ended 30 June 2025, the Group incurred borrowings costs of GEL 34,753 (for the six months ended 30 June 2024: GEL 19,951), of which GEL 72 (for the six months ended 30 June 2024: GEL 72) has been capitalized to property, plant and equipment.

There were no undrawn loan facilities available for Group as at 30 June 2025 and 31 December 2024.

7. Trade and other payables

	30 June 2025 (unaudited)	31 December 2024
Payables to employees	10,199	4,481
Trade payables	9,206	10,128
Payables for non-current assets	7,538	5,124
Other payables	349	–
Total trade and other payables	27,292	19,733

Trade and other payables are non-interest bearing and are normally settled within 60 days.

8. Contract assets and liabilities

The Group recognised GEL 143,362 revenue from contracts with customers during the six months ended 30 June 2025 (30 June 2024: GEL 134,849). The disaggregation of revenue from contracts with customers by types are presented in the interim consolidated statement of profit and loss and other comprehensive income for the period ended 30 June 2025 and in Notes 9 and 10.

Contract balances

The Group recognised the following revenue-related contract balances:

	30 June 2025	31 December 2024
Receivables		
Trade receivables	33,048	25,248
Other receivables	2,003	1,003
Total	35,051	26,251
Contract liabilities		
Advances received	31,524	27,115
Deferred revenue	50,178	46,383
Total	81,702	73,498

The Group recognised GEL 3,637 revenue that relates to carried-forward contract liabilities in 2025 and is included in the revenue water supply related services in interim consolidated statement of profit or loss and other comprehensive income for the six months ended 30 June 2025.

*(Amounts expressed in thousands of Georgian Lari)***9. Revenue from water supply and related services**

	<i>For the six months ended 30 June 2025 (unaudited)</i>	<i>For the six months ended 30 June 2024 (unaudited)</i>
Revenue from water supply to legal entities	92,915	91,537
Revenue from water supply to general population	26,622	26,215
Total revenue from water supply before charges for related services	119,537	117,752
Charges for connection service	3,594	3,091
Charges for installation of water meters	258	126
Total revenue from water supply and related services	123,389	120,969

10. Revenue from electric power sales

	<i>For the six months ended 30 June 2025 (unaudited)</i>	<i>For the six months ended 30 June 2024 (unaudited)</i>
Revenue from electric power sales to legal entities	19,662	13,133
Revenue from electric power sales to government-related entities	311	747
Total revenue from electric power sales	19,973	13,880

11. Cash and cash equivalents and deposits at bank

Cash and cash equivalents and deposits at bank as at 30 June 2025 and 31 December 2024 include the funds placed on current accounts in Georgian banks. All cash at bank and deposits balances are current and not impaired.

Amounts placed in bank deposits were not considered part of cash and cash equivalents as deposits are estimated to be prolonged once matured and are not held for the purpose of satisfying short-term liquidity commitments.

12. Related parties disclosures

In accordance with IAS 24, *Related Party Disclosures*, parties are considered to be related if one party has the ability to control or jointly control the other party or exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

Related parties may enter into transactions which unrelated parties might not, and transactions between related parties may not be effected on the same terms, conditions and amounts as transactions between unrelated parties.

The Group's immediate parent is Aqualia Georgia LLC and its ultimate controlling parent is FCC Aqualia S.A.

Transactions with Georgia Capital JSC (which exercises significant influence on the Group) and entities under its control are presented in the table below as transactions with other related parties.

The volumes of related party transactions, outstanding balances at the period and year end, and related expense and income for the period or year are as follows:

(Amounts expressed in thousands of Georgian Lari)

12. Related parties disclosures (continued)

	30 June 2025 (unaudited)		31 December 2024	
	Parent	Other (GCAP companies)	Parent	Other (GCAP companies)
Assets				
Trade and other receivables, gross	–	2,262	–	2,155
Less allowance for expected credit losses	–	–	–	(1,000)
Trade and other receivables, net	–	2,262	–	1,155
Prepayments	–	1,017	–	357
Reimbursement asset	–	1,726	–	1,900
Borrowings as at 1 January	–	–	509,231	–
Proceeds from borrowings and interest accrued during the period/year	–	–	44,781	–
Repayment of borrowing including interest during the period/year	–	–	(557,959)	–
Foreign exchange differences on borrowings	–	–	3,919	–
Other	–	–	28	–
Borrowings as at 30 June (unaudited) / 31 December	–	–	–	–
Liabilities				
Advances received	–	41	–	60
Trade and other payables	494	3	42	152

	For the six months ended 30 June 2025 (unaudited)			For the six months ended 30 June 2024 (unaudited)		
	Ultimate Parent	Parent	Other (GCAP companies)	Ultimate Parent	Parent	Other (GCAP companies)
Income and expenses						
Revenue from water supply	–	–	1,618	–	–	1,351
Professional fees	–	(792)	–	–	(935)	–
Reversal (charge) of Allowance for impairment of trade receivables	–	–	1,000	–	–	(501)
Other operating expenses	–	–	(3,557)	–	–	(2,609)
Other income	–	–	2,107	–	–	–
Finance costs	–	–	–	(19,936)	–	–

Directors' compensation

Total compensation to key management for the six months ended 30 June 2025 and 2024 was as follows:

	For the six months ended 30 June 2025 (unaudited)	For the six months ended 30 June 2024 (unaudited)
Salaries and benefits	1,413	1,267
Bonuses	267	387
Total management compensation	1,389	1,654

(Amounts expressed in thousands of Georgian Lari)

13. Fair value measurement

Assets and liabilities measured at fair value in the consolidated statement of financial position as at 30 June 2025 include investment property with fair value of GEL 11,394 (Level 3 of fair value hierarchy) (31 December 2024: GEL 11,358).

The Group measures fair value of its investment properties at the end of each reporting period. The real estate market in Georgia is relatively illiquid and inert, with market values tending to be stable over prolonged periods of time. Significant judgment is exercised in determination on whether fair value changes over the interim period since the date of the last revaluation are material and thus warrant recognition in the interim condensed consolidated financial statements. The management concluded that valuations of individual properties as at 30 June 2025 continue to remain stable as compared to 31 December 2024 and, thus, no further revaluation is required to be recognized in these interim condensed consolidated financial statements.

All financial instruments for which fair values are disclosed by the Group as at 30 June 2025 and 31 December 2024, are measured at fair value using a valuation technique with market observable and unobservable inputs. There were no changes in valuation techniques for Level 3 recurring fair value measurements in 2025 and 2024.

The fair values in Level 2 and Level 3 of fair value hierarchy were estimated using the discounted cash flows valuation technique. The fair value of unquoted fixed interest rate instruments was estimated based on estimated future cash flows expected to be received discounted at current interest rates for new instruments with similar credit risk and remaining maturity. The fair value of fixed rate borrowings and bonds (Level 2 of fair value hierarchy) is GEL 803,911 as at 30 June 2025 (31 December 2024: GEL 812,141).

Management assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

14. Events after the reporting period

In July 2025, with the acquisition of the remaining 20% stake from Georgia Capital JSC which exercised put option Aqualia Georgia LLC took full ownership of the Group. The transaction falls within the framework of the shareholder's agreement between Aqualia Georgia LLC, Georgia Capital JSC, FCC Aqualia S.A. and Georgia Global Utilities JSC set on 2 February 2022.

In July 2025 a new legal case was initiated against the Group in connection with property damage caused by flooding. The total estimated claim amount is GEL 1.1 million. In September 2025 another legal claim was initiated against the Group in connection with property damage caused by flooding. The total estimated claim amount is GEL 1.3 million.

In July 2025 Fitch upgraded the credit rating for the Group from BB- (Stable) to BB- (Positive).