The Term Sheet is translated from Georgian. Only the Georgian version of the Preliminary Term Sheet is submitted to and approved by the National Bank of Georgia

In case of discrepancies, the Georgian version shall prevail.

Limited Liability Company

Alma

(Identification Number: 204873388)

Preliminary Term Sheet of the Offering

The Preliminary Term Sheet of offering establishes the terms of the offering based on the information available as of the date of its registration and constitutes the terms and conditions of the bond offering.

This document sets forth the terms of the offering of up to USD 30,000,000 (Thirty million) in total nominal value of unsubordinated, unsecured, dematerialized bonds (the **"Bonds"**), callable by the issuer, bearing a fixed interest rate (the **"Coupon"** or **"Interest"**), and the rights defined in accordance with the "Terms and Conditions of the Bonds". The Bonds will mature 24 months after issuance. The Final Term Sheet shall be submitted to the National Bank of Georgia within ten (10) business days from the date of the approval of the Prospectus.

Name of the Security	Unsubordinated, Unsecured Bonds (the "**Bonds**") of Alma LLC (the "**Issuer**", the "**Company**")
Name, Legal Form, Identification Number and Contact Information of the Issuer	Alma LLC (Identification Number: 204873388) Legal Address: Georgia, Tbilisi, Didube District, 6 Vani Street Actual Address: Georgia, Tbilisi, 64B I. Chavchavadze Avenue Email: info@alma.ge Website: https://alma.ge Phone: (+995 32) 2 225 225
Name and Contact Information of Placement Agent 1	JSC Galt & Taggart (Identification Number: 211359206) Address: Georgia, Tbilisi 0179, 3 Pushkin Street Email: st@gt.ge Website: https://galtandtaggart.com/en Phone: (+995 32) 2 44 01 11
Name and Contact Information of Placement Agent 2	TBC Capital LLC (Identification Number: 204929961) Address: Georgia, Tbilisi 0102, 7 Marjanishvili Street Email: info@tbccapital.ge Website: https://www.tbccapital.ge/ge Phone: (+995 32) 2 27 27 33
Name and Contact Information of the Prospectus Approval Authority	National Bank of Georgia Address: 1 Zviad Gamsakhurdia Embankment, 0114 Tbilisi, Georgia Email: info@nbg.gov.ge Website: www.nbg.gov.ge Phone: (+995 32) 2 40 64 06 Fax: (+995 32) 2 40 65 77
Date of Prospectus Approval	
Expiration date of Prospectus	According to the legislation, 12 months from the approval of the preliminary prospectus

The approval of the Prospectus by the National Bank of Georgia pertains solely to the form of the Prospectus and shall not be construed as an endorsement of the accuracy of its content or the value of the investments described therein.

Person Responsible for Preparing the Document:
Alma LLC (Identification Number: 204873388)

Please refer to the original, Georgian version of the document for relevant signatures & approvals

Signed on behalf of Alma LLC:
Signatory:
Full Name: Giorgi Kacharava
Position: Chairman of the Supervisory Board
Signature:
Date:

Signatory:
Full Name: Giorgi Trapaidze
Position: Director
Signature:
Date:

Signed on behalf of JSC Galt & Taggart:
Signatory:
Full Name: Irakli Kirtava
Position: Director
Signature:
Date:

Signed on behalf of TBC Capital LLC:
Signatory:
Full Name: Tina Simonishvili
Position: Authorized Representative of the Director
Signature:
Date:

Information about the Bonds

Primary characteristics of the Bonds

Coupon (Interest) Rate	The interest on the Bonds shall accrue on the nominal value at a rate of 8.00-8.50% per annum. The final coupon rate shall be determined through the Book-building process, based on the demand expressed for the Bonds.
Principal Repayment Terms	The principal amount of the Bonds shall be repaid in full on the Maturity Date.
Interest Accrual and Payment	Interest shall accrue on the Bonds from the Issue Date until the Maturity Date at the rate specified above. It will be calculated on a 360-day year basis. Interest shall be paid semi-annually on July [11] and January [11]. The first interest payment date shall be January [11], 2026.
Currency of the Bonds	The Bonds are denominated in USD.
Rights and Restrictions Related to the Bonds	Except as otherwise provided in the Terms and Conditions of the Bonds/Terms of the Bonds, the Prospectus does not specify any special rights or restrictions related to the Bonds.
Transferability Restrictions	No restrictions apply to the transferability of the Bonds.
Issuer/Bond Credit Rating	The Issuer has not obtained a credit rating.
Maturity Date	The Bonds shall be redeemed on July [11], 2027 by payment of the outstanding principal and any accrued but unpaid interest.
Central Securities Depository Contact Information	JSC Georgian Central Securities Depository (ID: 204935400) 71 Vazha-Pshavela Ave., Block 10, 7th Floor, Office #7, Saburtalo District, Tbilisi, Georgia Tel: +995 32 250 02 11 Email: info@gcsd.ge
Admission for Trade	Following placement, the Issuer intends to apply for the admission of the Bonds for trading and listing on the Georgian Stock Exchange or Tbilisi Stock Exchange. The Issuer meets the requirements for listing and trading under applicable stock exchange regulations. Georgian Stock Exchange listing rules are available at: GSE: GSE | Listing Rules. Tbilisi Stock Exchange listing rules are available at: TSE | Listing Rules.
Bond Class and Status	The Bonds constitute the Company's direct, unsecured, and unsubordinated obligations. All Bonds shall rank equally and *pari passu* in all respects.
Dividend Policy	For details on the Company's dividend policy, please refer to the section titled **"Dividend Policy"** in the Prospectus.

Information regarding the Offering

Offering	Up to USD 30,000,000 total nominal value debt securities (Bonds) with a maturity date on July [11], 2027.
Minimum Placement Volume	1 Bond.
Instrument	Coupon Bond
Bond Nominal Value	1,000 (one thousand) USD
Number of Bonds	Up to 30,000 (thirty thousand) units.
Total Nominal Value of the Offering	Up to USD 30,000,000 (thirty million).
Issue Price of Bonds	100% of the Bond's nominal value.
Issue Date of Bonds	The Bonds will be issued on July [11], 2025.
Resolutions Approving the Issue	Resolution of the Partners' Meeting dated January 8, 2025.
Deferred Placement Date	Any date from the Bond's issue date to the end of the offering period, when Bonds are placed at the deferred placement price.
Deferred Placement Price	The nominal value of the Bonds plus accrued interest from the issue date to the deferred placement date.
Redemption Option	In cases defined in accordance with the "Terms and Conditions of the Bonds", the Bonds are subject to a redemption option, as specified in subsection 2.6.4 of the "Terms and Conditions of the Bonds" ("Early Redemption of the Bonds").
Offering Period	The time period from the approval date of the Final Term Sheet until the end of the offering period, during which the Bonds may be purchased.
End Date of the Offering	The offering shall end on the earliest of the following: a) expiration of the Prospectus validity period; b) full placement of the publicly offered securities; c) termination of the public offering.

Bond Maturity Date	The principal amount of the Bonds, together with any accrued and unpaid interest (if any), shall be repaid on or about July [11], 2027.
Currency of the Bonds	The Bonds are denominated in USD.
Ranking of Securities in Case of Insolvency/Bankruptcy	In the event of bankruptcy, holders of the securities shall be treated as unsecured creditors. The ranking of claims is determined in accordance with the Law of Georgia on Rehabilitation and Collective Satisfaction of Creditors and is as follows: a) Expenses related to the bankruptcy proceedings (including costs incurred under Chapter V of the Civil Procedure Code of Georgia; remuneration of the insolvency manager; and case-related expenses, including costs arising from employment relations during the bankruptcy proceedings, asset management expenses, and fees for professional services procured by decision of the insolvency manager); b) Claims arising after the court issues an order admitting the insolvency application and opening the bankruptcy proceedings, including tax liabilities incurred after the initiation of the bankruptcy case; c) Preferential claims; d) Preferential tax claims; e) unsecured claims, including the amount of taxes incurred prior to the decision on the admissibility of the application for insolvency, which are not covered by other subparagraphs of Article 104 (1) of the Law on Rehabilitation and Collective Satisfaction of Creditors – claims of the Bondholders fall in this category. For more information, please refer to the subsection **“Risks Related to the offered securities”** in this Prospectus.
Calculation and Paying Agent	JSC Galt & Taggart (Identification Number: 211359206).
Default	In the event of a “Default” as defined in the Prospectus, the Bondholders may declare the outstanding claims immediately due and demand immediate redemption of the Bonds from the Issuer, including payment of 100% of the principal amount and any accrued interest (if applicable). Please refer to subsection – 2.6.6 **“Default”** in the section **“Terms and Conditions of the Bonds”**.

Use of Proceeds and Reasons for the Offering	The net proceeds from the issuance of the Bonds will be used for refinancing of bank loans. For details please refer to the section **“Use of Proceeds and Reasons for the Offering**”.
Net Proceeds	In case of full placement of the issued Bonds, the net proceeds from the Bonds will not be less than 98% of the total nominal value of the issued Bonds.
Restrictions on Sale and Transfer	The Bonds will be offered only within the jurisdiction of Georgia, in accordance with the legislation of Georgia.
Governing Law	Legislation of Georgia
Jurisdiction	Any dispute arising out of or relating to the Prospectus shall be reffered to and settled by the courts of Georgia according to the procedures outlined in the Prospectus.
Key Terms of the Bond Placement Agreement/Placement Agreement	The agreement obliges the Placement Agent 1 and Placement Agent 2 (together, the “Placement Agents”) to provide underwriting of the Bonds solely on a non-guaranteed basis. It is the duty of each Placement Agent to assist the Issuer in preparing the documents necessary for the placement of the Bonds (including the Prospectus), to act as a placement agent and consult the Company regarding the issue, sale and settlement of the Bonds.
Placement Commission	The placement fee does not exceed [2.0]% of the placed Bonds. The fee is fully covered by the Issuer and no costs related to the placement will be charged to investors.

Potential Taxes Imposed on Investors

All expenses related to the placement of the Bonds shall be fully borne by the Issuer, and investors shall not incur any additional costs associated with the placement of the Bonds within the scope of the Offer.

Conflicts of Interest Related to the Offer

The Issuer and Placement Agent 1 (JSC Galt & Taggart), the Issuer’s auditors, and third parties or experts involved in the preparation of the Prospectus are not related parties, and no conflicts of interest exist among them.

There is a possibility that JSC Bank of Georgia, one of the major commercial banks operating in Georgia, which is affiliated with Placement Agent 1, might acquire part of the bonds. Specifically, the ultimate parent of both Placement Agent 1 and JSC Bank of Georgia is Lion Finance Group PLC, a company listed on the London Stock Exchange. Furthermore, the head of the Corporate Lending Division of JSC Bank of Georgia (which includes both the issuance of corporate loans and investments in bonds) oversees Placement Agent 1 at the group level. These circumstances may give rise to a conflict of interest between, on one hand, Placement Agent 1 and the Issuer, and on the other hand, Placement Agent 1 and JSC Bank of Georgia. However, the Issuer believes that any potential conflict of interest has been minimized considering the following:

(a) Placement Agent 1 declares and confirms that JSC Bank of Georgia shall be treated as one of the investors on equal and equitable terms;

It is also possible that a portion of the Bonds may be acquired by a major commercial bank affiliated with Placement Agent 2 (Placement Agent 2 is a wholly owned subsidiary of JSC TBC Bank). Furthermore, Placement Agent 2 and the Corporate Lending Division of JSC TBC Bank (which includes both corporate lending and bond investment activities) are managed under a unified management structure. This may give rise to a conflict of interest between, on one hand, Placement Agent 2 and the Issuer, on the other hand, Placement Agent 2 and JSC TBC Bank, and thirdly, between Placement Agent 2 and the investors. However, the Issuer believes that any potential conflict of interest has been minimized considering the following:

(a) Placement Agent 2 declares and confirms that JSC TBC Bank shall be treated as one of the investors on the basis of equality and equal rights;

(b) In the event that, during the book-building process, the total volume of purchase orders received from potential investors exceeds the aggregate volume of Bonds offered under this Prospectus and orders must be allocated on a pro-rata or other basis, such allocation decisions shall be made by the Issuer and not by Placement Agent 2.

The Issuer is not aware of any other actual or potential conflicts of interest related to the Offer.

Limited Liability Company

Alma

(Identification Number: 204873388)

Prospectus for the Issue of Unsubordinated, unsecured, dematerialized Bonds

Bonds with an aggregate nominal value of up to 40,000,000 (forty million) U.S. dollars equivalent, shall be issued as direct, unsubordinated, fixed-rate coupon bonds in two or more separate issuances. For each issuance (the date of the initial issuance shall be specified in the Final Term Sheet for the respective bonds, while the anticipated dates of subsequent issuances shall be set out in the respective Offering Documents), the nominal value of each bond at issuance shall be 1,000 (one thousand) units in the respective currency. The currency for each issuance shall be determined in the respective term sheet and may be either Euro or U.S. Dollar. For each issuance, the offering price per bond shall be 100% (one hundred percent) of its nominal value. The detailed terms of each issuance — including the aggregate issuance volume, denomination, interest payment frequency, exact issue date, maturity period, and annual coupon rate — shall be determined in accordance with this Prospectus and the relevant Final Term Sheet. The frequency of coupon payments shall be one of the following: monthly; quarterly; semi-annually. The maturity of the bonds shall be one of the following: 1 year, 2 years, 3 years, 4 years, or 5 years. The final coupon rate to be applied to the nominal value of the bonds shall be determined during the offering process based on the volume and terms of investor demand (Book-building). The final coupon rate must fall within the range specified in the Preliminary Term Sheet (which is made available to prospective investors during the offering process). Within each public offering, it is prohibited to commence the Book-building process prior to submitting the Preliminary Term Sheet to the National Bank of Georgia and making such document publicly available. Furthermore, determination of the final coupon rate within the bounds set by the Preliminary Term Sheet does not constitute a material change and only requires reflection in the Final Term Sheet/Prospectus.

The bonds constitute unsecured and unsubordinated obligations of the Company.

Alma LLC (the **"Company"** or the **"Issuer"**) is responsible for the information contained in this Prospectus. To the best of the Company's knowledge (having exercised all reasonable efforts to verify the accuracy of the information), the data provided in this Prospectus are based on facts and do not omit any information that could materially affect the reliability or completeness of the disclosed information. Furthermore, all material facts known to the Company have been included in this Prospectus, and no information has been omitted that would impact its contents.

The approval of this Prospectus by the National Bank of Georgia (the "NBG") pertains solely to the form of the document and shall not be construed as an endorsement of the accuracy of its contents or of the value of the investments described herein.

Person Responsible for Preparing the Document:
Alma LLC (ID No.: 204873388)

The responsible person declares that:

the information presented in the issuance prospectus includes all material facts known to them, and no information has been omitted that would affect the content of the prospectus."

Please refer to the original, Georgian version of the document for relevant signatures & approvals

Signed on behalf of Alma LLC:
Signatory:
Full Name: Giorgi Kacharava
Position: Chairman of the Supervisory Board
Signature:
Date:

Signatory:
Full Name: Giorgi Trapaidze
Position: Director
Signature:
Date:

Signed on behalf of JSC Galt & Taggart:
Signatory:
Full Name: Irakli Kirtava
Position: Director
Signature:
Date:

Signed on behalf of TBC Capital LLC:
Signatory:
Full Name: Tina Simonishvili
Position: Authorized Representative of the Director
Signature:
Date:

Important Information for Investors

Potential investor must read the following disclaimer before continuing. The disclaimer applies to the attached Prospectus (hereinafter - the “Prospectus”) and potential investor is therefore advised to read this carefully. By accessing and using the Prospectus (including for investment purposes), an investor agrees to be bound by the following terms and conditions (as amended from time to time).

Body responsible for approving the Prospectus:

National Bank of Georgia – Address: 1, Zviad Gamsakhurdia Embankment, 0114, Tbilisi, Georgia; Tel.: 2 406 406. E-mail: info@nbg.gov.ge; Website: https://nbg.gov.ge/

Limitation of Liability

Except as may be expressly required under applicable law, no person other than the Issuer — including any authorized representative of the Issuer, its Chief Financial Officer, members or Chair of the Supervisory Board, Placement Agents, Calculation and Paying Agent, Central Depository (the “**Central Depository**” or the “**Depository**”), any of the Issuer’s advisors, affiliates, or any director, advisor, or agent thereof — accepts any responsibility for the contents of this Prospectus, for the accuracy or completeness of the information presented herein, or for any representations made or purported to be made in connection with the issuance or offering of the securities described herein.

Accordingly, the Placement Agents and the Company’s advisors accept no legal or other liability in connection with this Prospectus or any statements attributed to them herein.

For the purposes of this offering, the Placement Agents and Calculation and Paying Agent are acting exclusively for the Issuer, they do not represent any other person in connection with the offering and they will not regard any other person (whether or not a recipient of this Prospectus) as their client in relation to the offering. Therefore, they will not be responsible to anyone else other than the Company for providing services or for giving advice in relation to the offering or any transaction or arrangement referred to herein.

This Prospectus does not constitute, and shall not be used for, any offering (a) in any jurisdiction where such offering is not permitted, or (b) to any person for whom such offering would be unlawful. No action has been or will be taken in any jurisdiction (other than Georgia) to permit a public offering of the Bonds or to distribute the Prospectus (or other related offering materials).

The investor’s confirmation: the attached Prospectus is delivered to the investor at his/her/its request and on the basis that the investor has confirmed to the placement agent 1: (JSC Galt & Taggart, ID No. 211359206, Address: 3 Pushkin St., Tbilisi 0179, Georgia, Tel: +995 32 2444 132 / +995 32 2440 111, Email: st@gt.ge) (the “**Placement Agent 1**”), Placement Agent 2 (TBC Capital LLC, ID No. 204929961, Address: 7 Marjanishvili St., Tbilisi 0102, Georgia, Tel: +995 32 277-27-33, Email: info@tbccapital.ge) (the “**Placement Agent 2**”) and Alma LLC (the “**Company**” or the “**Issuer**”) that the investor is located outside the United States of America and is not a US person (as defined in Regulation S under the United States Securities Act of 1933), and is outside the United Kingdom and European Economic Area, and is a person into whose possession this Prospectus may lawfully be delivered in accordance with the laws of the jurisdiction in which he/she/it is located.

If the Prospectus is provided in electronic format, neither the Company nor the Placement Agents nor any of their affiliates accept any responsibility or liability for discrepancies between the electronic and printed versions of the document, nor for any computer viruses or other harmful elements that may arise as a result of the transmission of this document in electronic form. By accessing the Prospectus electronically, the investor acknowledges and accepts the terms of its electronic delivery.

For the avoidance of any doubts, the Prospectus published/made publicly available on the website of the National Bank of Georgia shall prevail.

No material changes have occurred between the submission and approval of the Prospectus. If any such material changes arise between approval and the commencement of the offering, the Prospectus shall be updated accordingly.

A hard copy of the Prospectus will be made available to the investor upon request made to the Placement Agents.

Restriction: If a person has gained access to this document contrary to and notwithstanding the aforementioned terms and restrictions, he/she shall not be authorized to purchase any of the securities described ny this Prospectus.

Approved by the National Bank of Georgia	Approval Date
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Contents

General Overview of the Prospectus

Introduction

Name of the Security	Non-subordinated, Unsecured Bonds (the "**Bonds**") of Alma LLC (the "**Issuer**", the "**Company**")
Name, Legal Form, Identification Number and Contact Information of the Issuer	Alma LLC (Identification Number: 204873388) Legal Address: Georgia, Tbilisi, Didube District, 6 Vani Street Actual Address: Georgia, Tbilisi, 64B I. Chavchavadze Avenue Email: info@alma.ge Website: https://alma.ge Phone: (+995 32) 2 225 225
Name and Contact Information of Placement Agent 1	JSC Galt & Taggart (ID No. 211359206) Address: Georgia, Tbilisi 0179, 3 Pushkin Street Email: st@gt.ge Website: https://galtandtaggart.com/en Phone: (+995 32) 2 44 01 11
Name and Contact Information of Placement Agent 2	TBC Capital LLC (Identification Number: 204929961) Address: Georgia, Tbilisi 0102, 7 Marjanishvili Street Email: info@tbccapital.ge Website: https://www.tbccapital.ge/ge Phone: (+995 32) 2 27 27 33
Name and Contact Information of the Prospectus Approval Authority	National Bank of Georgia Address: 1 Zviad Gamsakhurdia Embankment, 0114 Tbilisi, Georgia Email: info@nbg.gov.ge Website: www.nbg.gov.ge Phone: (+995 32) 2 40 64 06 Fax: (+995 32) 2 40 65 77
Date of Prospectus Approval	
Validity Period of the Prospectus.	In accordance with the applicable legislation, 12 months from the approval of the first Final Term Sheet

Important Information:

The General Overview of the Prospectus constitutes an integral part of the Prospectus.

Any investment decision must be made based on the Prospectus as a whole and not solely on the section of the "General Overview of the Prospectus".

The Issuer may be held liable if any part of the General Overview of the Prospectus is misleading, inaccurate, inconsistent with the main body of the Prospectus, or fails to include key information necessary for investors to make informed decisions about whether or not to invest in the securities offered.

An investment in bonds involves high risk. Any investor, who will purchase the Bonds, should be prepared to face the economic risk of his/her/its investment and take into account the fact that the repayment of the principal amount of the Bonds and accrued interest will be depended on the Issuer's solvency. In accordance with securities market legislation, the information presented in the Prospectus must be comprehensive, reflect all material information related to the Company, its activities, and the securities to be issued, be conveyed in a concise and clear language, and allow for easy analysis. Any information supplied by the Company or the Placement Agents in connection with the Bonds and placement is not intended to provide an evaluation of the risks involved in investing in Bonds. Each investor shall make his/her/its own evaluation of the potential risks involved. In addition, the investor may lose all or part of the total invested amount.

The Prospectus and the information contained therein may be subject to introducing appropriate alterations and additions in case of a change of circumstances, which will be reflected in the final Prospectus (e.g. fixing the interest rate, correction of technical deficiency, clarification of the issue size, etc.). The Issuer will inform the investors about such alterations and additions based on the procedure established by the law. Sale or public offering of the Bonds described herein is prohibited until the Prospectus is approved by the National Bank of Georgia.

Offering of the Bonds described in this Prospectus is made within the jurisdiction of Georgia as allowed by the applicable laws of Georgia. This Prospectus does not constitute an offer of securities for sale in any jurisdiction in which such offer is unlawful.

Neither the Company nor the Placement Agents make any representation or warranty to any potential or actual bondholder regarding the legality of such person's investment in the bonds under the applicable investment or other legislation to which they are or may become subject.

No person is authorized to provide information or make any representations on behalf of the Company or the Placement Agents that are not included in this Prospectus. Any such information or representation should not be relied upon as having been authorized by the Company or the Placement Agents. The delivery of this Prospectus or the sale of bonds under it shall under no circumstances imply that there has been no change in the Company's affairs since the date of approval of the Prospectus.

This Prospectus shall not be considered legal, investment, business, or tax advice. Investors should consult their own advisors, as needed, and independently determine whether the acquisition of the securities described herein is lawful and suitable under the relevant laws and regulations applicable to them.

Warning

Bond issuance prospectus is not a simple document and it may be difficult for an investor to thoroughly understand and evaluate the product offered by this Prospectus. In making any investment decision, investors shall rely on their own analysis of the Company, the Bonds, the terms of this offering, the Interest and risks. In this regard, see the section “Risk Factors”. Each potential investor must determine the suitability of investing in the Bonds in light of their own circumstances. The issuance of the Bonds under the Prospectus is public. Besides, and all potential investors shall:

i. Have sufficient knowledge and experience to properly evaluate the Bonds, the merits and risks of investing in the Bonds and the information contained in this Prospectus or any applicable amendments;
ii. Have access to, and knowledge of, appropriate analytical tools to evaluate the suitability of investing in the Bonds and the impact such investment on its overall investment portfolio in the context of its particular financial situation;
iii. Have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including where the currency for principal and interest payments (Georgian Lari or US Dollar) is different from the currency in which the potential investor attracts or implements investments;
iv. Be able to understand thoroughly the terms of the Bonds offering and be familiar with the characteristics of the relevant financial market;
v. Be able to evaluate (either alone or with the help of a financial adviser) possible development scenarios of economic, interest rate and other factors that may affect their investment and their ability to bear the applicable risks.

This statement is purely cautionary and does not constitute a limitation of the Issuer's liability.

Sources Used

The primary sources used in this Prospectus include:

- Audited annual financial statements of Alma LLC for 2023 and 2024;
- Charter of Alma LLC (published on the Public Registry Portal at **napr.gov.ge**, search request ID: **B24163992**);
- National Statistics Office of Georgia (**www.geostat.ge**);
- National Bank of Georgia (**www.nbg.ge**);
- Galt & Taggart Research (**https://galtandtaggart.com/en**);
- TBC Capital Research (**https://tbccapital.ge/en**).

The Responsible Person confirms:

“Where information provided by a third party is used, the source is indicated and a disclaimer is included, stating that the information has been accurately reproduced and that, to the best of their knowledge, no material facts have been omitted that would render the information inaccurate or misleading.”

Information on the Issuer

The issuer if Alma LLC (Identification Number: 204873388) Legal Address: Georgia, Tbilisi, Didube District, 6 Vani Street. Actual Address: Georgia, Tbilisi, 64B I. Chavchavadze Avenue Country of registration: Georgia. Governing legislation: Georgian Law.

Contact information:

Email: info@alma.ge

Website: https://alma.ge

Phone: (+995 32) 2 225 225

Alma LLC is a leading company in Georgia's outdoor advertising sector, with 30 years of experience in the field. The Company holds permits and licenses for placing advertisements on billboards, digital monitors, in airports, on public transportation, and on other state-owned properties. Across the country, the Company offers its clients nearly up to advertising channels and printing services within the outdoor advertising domain, including the following:

- **Billboards –** Alma offers a wide range of outdoor advertising solutions, including traditional billboards as well as placements on bridges, building facades, rooftops, and other proprietary structures.
- **Monitors –** Clients can display dynamic video advertisements on Alma's monitors, which support diverse content formats such as videos, static images, 3D animations, GIFs, and slideshows.
- **Airports –** Alma provides advertising opportunities in both Tbilisi and Batumi international airports, with available placements in arrival and departure terminals. Ad formats include billboards, lightboxes, and LED screens.
- **Lightboxes –** Lightboxes are compact advertising structures arranged in groups within a given space. Through these, clients may obtain exclusive advertising rights for a defined period and area, meaning that no parallel advertising activity of the same type will occur in the selected area;
- **Bus Stops –** Advertisements at bus stops can be both standard and interactive in nature;
- **Metro –** Alma LLC holds exclusive rights to advertise in the Tbilisi metro system. This includes upper vestibules, lower platforms, and metro carriages;
- **Buses –** The service provides opportunities to place advertisements on buses in Tbilisi and Batumi;
- **Printing/Installation –** Alma operates its own printing facility equipped with advanced wide-format printers and technical infrastructure. It also provides full-scale installation services to support end-to-end campaign execution.

The breakdown of the Company's revenues by type of service is presented below:

	2022 Unaudited	2023 Unaudited	2024 Unaudited
Billboards	15,607	17,720	22,791
Monitors	5,906	7,084	10,213
Airports	6,467	8,622	8,695
Printing/Installation	4,960	5,833	9,127
Lightboxes	2,116	2,769	3,839
Bus Stops	1,933	2,600	3,564
Metro	2,150	3,392	3,855
Buses	1,922	2,098	3,575
Other	94	98	-
Total, in GEL '000:	**41,155**	**50,215**	**65,658**

Note regarding the structure

The prospectus presents information both about the Issuer and its Subsidiary Companies (the "**Group**"); however, any and all information related to the Subsidiary Companies is provided solely for informational purposes and in accordance with regulatory and legal requirements, and it does not affect the following:

a) The payment of the principal amount of the Bonds as well as the Interest constitutes solely the obligation of the Issuer;

b) The terms of the Bonds apply only to the Issuer and do not give rise to any obligations toward the Subsidiary Companies. Furthermore, disclosure of the Group's data does not constitute any form of guarantee by the subsidiary companies to the bondholders and does not affect the interpretation of the terms of the Bonds.

The purpose of presenting information on the Subsidiary Companies in the Prospectus is to provide potential Investors with an understanding of the performance of the Subsidiary Companies, as their operational and financial results may have an indirect impact on the standalone financial results of the Issuer.

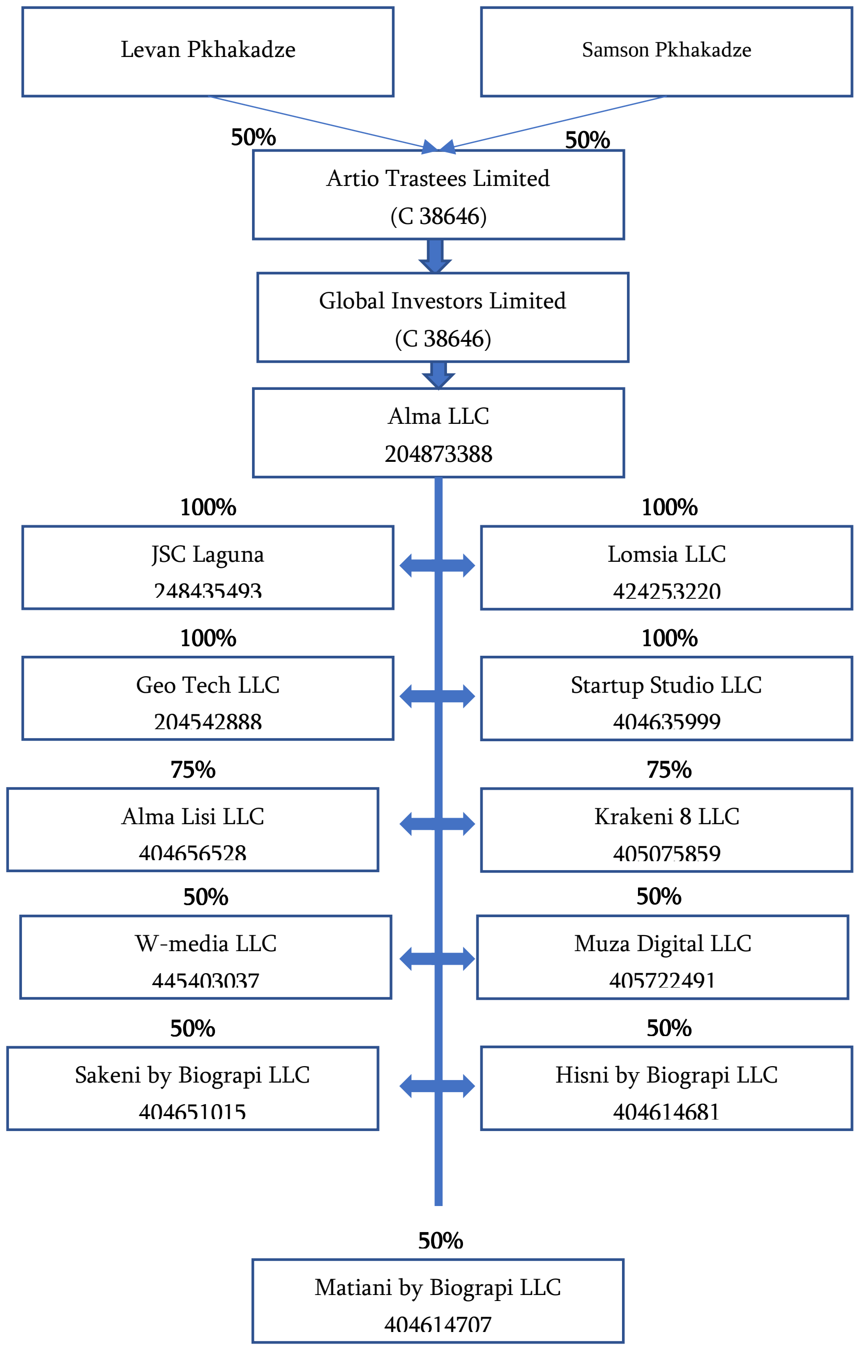
Most of the Company's subsidiary and affiliated/related enterprises are in the development phase and therefore do not generate operational income. If these companies continue to operate without generating profit, the Issuer may be required to reduce the carrying value of its investments in these companies, finance their operations, and/or recognize increased losses from them.

For more details please refer to *Risk 6.3 – The negative operational results of the Issuer's subsidiaries and affiliated enterprises may have an adverse impact on the Company's standalone and consolidated profit.*

Company Shareholders and Ultimate Beneficiaries

The 100% owner of the Company is Global Investors Limited (C38646, Malta), whose partners are individual persons Levan Pkhakadze (ID No.: 01024008758) and Samson Pkhakadze (ID No.: 01024006897).

**As of the date of preparation of the Prospectus, the structure of the Issuer is presented below:*



** As of December 18, 2024, three subsidiaries of Alma LLC — JSC Winthrop Center (ID: 405646243), Medical-Prophylactic Center LLC (ID: 204909581), and Basis Asset Management LLC (ID: 205288428) — were merged with Millennium Towers LLC (ID: 405645137). Prior to the merger, the Issuer was the direct 100% owner of JSC Winthrop Center, which in turn owned 100% of Millennium Towers LLC. The latter owned 100% of both Basis Asset Management LLC and Medical-Prophylactic Center LLC.*

** In January 2025, the Issuer sold the full equity stake of its 100%-owned subsidiary, Millennium Towers LLC (ID: 405645137), to related parties. Specifically, VELLAGIO LLC (ID: 204469413) acquired an 80% interest, while Belmond Capital LLC (ID: 405730197) acquired the remaining 20%. VELLAGIO LLC is a subsidiary of Global Investors Limited (C38646), the 100% shareholder of the Issuer. Belmond Capital LLC is wholly owned by Vasil Pkhakadze (ID: 01008027919).*

** In April 2025, the Issuer sold the full equity stake of its 100%-owned subsidiary, Kostava Towers LLC (ID: 404649298), to a related party. Specifically, VELLAGIO LLC (ID: 204469413) acquired 100% of the shares.*

** In May 2025, the Issuer sold the full equity stake of its 100%-owned subsidiary, A Energy LLC (ID: 405668923), to multiple parties. Specifically, 50% of the company was acquired by VELLAGIO LLC (ID: 204469413), 25% by Tengiz Tsulaia (ID: 37001018394), 16.6% by JSC Gravity Investments (ID: 404669649), and the remaining 8.4% by JSC Letteren (ID: 405607543).*

Brief Overview of the Sector

Advertising Market

The advertising and market research sector comprises companies engaged in advertising creation and placement across various media channels, outdoor advertising, marketing services, media representation, and related activities. According to the National Statistics Office of Georgia, the advertising and market research sector has demonstrated consistent growth in recent years. In 2023, the total turnover of the sector reached GEL 921.7 million—representing a 25% increase compared to 2022. The compound annual growth rate (CAGR) for the 2019–2023 period was a positive 7.3%.

One of the key drivers behind the growth of the advertising sector is the overall development of the business sector. Historically, the performance of the two sectors has shown a strong correlation. Despite this growth, the advertising sector still constitutes a relatively small portion of the broader business sector in Georgia.

The advertising market is cyclical by nature. For example, during the COVID-19 pandemic in 2020, the sector's turnover dropped to GEL 601.8 million—a 13% decline compared to 2019. However, this decline was partially offset by the fact that 2020 was an election year, which helped mitigate the pandemic's negative impact on the sector.

Outdoor Advertising Market

The outdoor advertising market encompasses ad placements across billboards, bus stops, airports, and other public venues in various cities. This market operates primarily through auctions and tenders. Winners of such auctions are granted exclusive rights to place outdoor advertisements in specific municipal areas. While airport placements are managed through contracts with airport operating companies, the right to advertise in other public spaces is granted by relevant government bodies. These auctions are decentralized and administered by local authorities on a city or regional basis.

Currently, the largest player in Georgia's outdoor advertising market is Alma LLC, which holds the majority of exclusive rights nationwide. The second-largest operator is Pixel Outdoor LLC, which is active primarily in Batumi. In addition, the sector includes a less formal segment comprising outdoor advertisements placed on private property, which are not subject to municipal auctions.

Construction Sector

Construction is one of the key sectors of the Georgian economy. The volume of the sector increased significantly in 2022 and 2023, reaching approximately GEL 5.4 billion. Over the past five years, construction has accounted for around 8% of Georgia's gross domestic product (GDP), though in 2023, its share slightly decreased to 7.6%.

Several factors influence the activity level in the sector, including economic growth, exchange rate fluctuations, credit availability, market sentiment, pandemics, trends in the real estate market, and government-funded infrastructure projects. In recent years, construction costs in Georgia have increased considerably, with labor costs rising most sharply—primarily due to a shortage of skilled labor.

The area covered by construction permits reached a historic high in 2023 and remained elevated in 2024, indicating continued strong competition in the sector. In the first nine months of 2024, permits were issued for the construction of 962,000 square meters of residential space—a 9% decrease compared to the same period in the previous year.

Residential Real Estate Sector

The real estate sector continues to maintain a strong presence in Georgia's economy. High domestic demand for residential and commercial properties, supported by economic growth, has been further amplified in recent years by rapid tourism development and migration effects. Between 2019 and the first half of 2024, the sector's average contribution to GDP was approximately 10.5%.

In the first nine months of 2024, a total of 28,532 apartments were sold in Tbilisi, reflecting only a 1% decrease compared to the same period in 2023. The average sale price reached USD 1,209 per square meter—representing an annual increase of 5%. As of September 2024, the total market volume reached USD 278 million, reflecting a 23% year-on-year growth.

In contrast, average rental prices have declined. As of the first nine months of 2024, the average rental price was USD 11.8 per square meter—an 8% decrease compared to the same period in the previous year. Nonetheless, rental yields remain relatively high, standing at 9.6% as of September 2024.

For further informationplease refer to **"Industry Overview"**.

Management of the Issuer and Key Executive Team

Mr. Giorgi Trapaidze – Director

Mr. Giorgi Trapaidze joined Alma in 2014 and currently serves as the Director of the Company. He is responsible for overseeing the Company's strategic development, driving growth in revenue and operational performance, and managing communications and negotiations with key stakeholders.

From 2016 to 2019, he served as Director of MP Development LLC, where he was responsible for the successful execution of both commercial and residential real estate projects.

From 2007 to 2013, Mr. Trapaidze held various positions in the Corporate Banking Department at JSC Bank of Georgia.

For additional information regarding the corporate governance framework of the Issuer, please refer to the section **"Governing Body and Management"**.

Key Financial Indicators

The following tables present a summary of the key indicators of the Company's standalone and consolidated financial statements, based on the restated consolidated audited financial statements and standalone audited financial statements for the years 2023 and 2024. The audited financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The audit opinions issued for the Company's annual financial statements for 2023 and 2024 were unmodified. Subsequently, management corrected the non-compliance with the requirements of the International Financial Reporting Standards in the consolidated financial statements, and the Group issued a restated consolidated financial statement as of December 31, 2024. For detailed information, please refer to the subsection "Consolidated Operating and Financial Review."

Except as disclosed in this Prospectus (including the sale of Millennium Towers LLC, Kostava Towers LLC, and A Energy LLC, as well as the co-borrower arrangements on loans issued to Alma Leasing LLC and Millennium Towers LLC), no other material events have occurred after 31 December 2024 and up to the date of this Prospectus that would be considered material for the assessment of the Issuer's solvency.

Statement of Comprehensive Income, Key Indicators (Thousands of GEL)	**Company**			**Group**		
	2023 Audit	**2024** Audit	**2024** **Pro-forma**	**2023** Audited Restated	**2024** Audited	**2024** **Pro-forma**
Revenue	50,215	65,658	65,658	53,726	68,707	68,707
Cost of Sales	(16,177)	(20,082)	(20,082)	(18,901)	(22,524)	(22,524)
Gross Profit	**34,038**	**45,576**	**45,576**	**34,825**	**46,183**	**46,183**
General and Administrative Expenses	(5,506)	(6,578)	(6,578)	(6,480)	(7,956)	(7,877)
Profit/(Loss) from Disposal of Subsidiary, Net	(14,280)	-	29,333	19,931	-	37,272
Income from Sale of Subsidiary Interest, Net	1,412	-	-		-	-
Other Income/Expenses[2]	1,690	(1,203)	(1,203)	2,165	(2,028)	(2,374)
Operating Profit	**17,354**	**37,796**	**67,129**	**50,441**	**36,198**	**73,204**
Finance Income	3,432	3,340	3,340	2,812	2,487	4,002
Finance Costs	(11,927)	(12,415)	(12,415)	(19,181)	(19,971)	(11,709)
Share of Profit/(Loss) of Equity-accounted Investees	(4,355)	(7,614)	(7,614)	(4,355)	(7,614)	(7,614)
Other Non-operating Income/Expenses[3]	(401)	(856)	(856)	(374)	(2,568)	(1,169)
Profit Before Tax	**4,104**	**20,250**	**49,583**	**29,342**	**8,532**	**56,713**
Income Tax Expense	-	-	-	-		
Total Comprehensive Income for the Year	**4,104**	**20,250**	**49,583**	**29,342**	**8,532**	**56,713**

Selected Key Financial Indicators[1]:

Pro Forma

This section presents the pro forma impact on the Group's standalone and consolidated financial statements and financial ratios. The pro forma effect reflects the following events: the deconsolidation of Millennium Towers LLC and Kostava Towers LLC, It takes into account both the revenue from sales and the effect of deconsolidation (which was reflected only in the consolidated financial statements) While calculating the ratios, the individual off-balance sheet financial liabilities have been increased by the off-balance sheet liabilities added up to April 22, 2025, as well as by the volume of loans from LLC 'Alma Leasing' and LLC 'Millennium Towers' for which LLC 'Alma' became a co-borrower on April 30, 2025. At the consolidated level, the calculation takes into account the off-balance sheet liabilities added up to April 22, 2025, and the corresponding obligation of LLC 'Millennium Towers'. The pro forma effect does not represent audited data and the presented figures have been prepared in accordance with International Financial Reporting Standards (IFRS).

[1] Audited figures were used for the full years 2023 and 2024; however, certain line items represent aggregated or combined values derived from multiple line items presented in the audited reports.

[2] The following line items are included under Other Income/Expenses: Change in allowance for impairment of financial assets, Reversal of impairment of non-current assets, Profit/(Loss) from disposal of non-current assets (net), Impairment of investments in other companies, Other income (net).

[3] The following are included under Other Non-Operating Income/Expenses: Net foreign exchange profit/loss and dividends received from subsidiaries.

It should be noted that the disposal of A Energy LLC has not been reflected in the pro forma figures due to immateriality. As of 31 December 2024, A Energy LLC's assets totaled GEL 7.3 million, of which GEL 4.3 million was the value of land. Its equity and liabilities mainly comprised loans from Alma LLC and other legal and natural persons, totaling GEL 7.9 million, including GEL 4 million in loans from Alma LLC.

	Company			Group		
Additional Financial Indicators* *(in thousand GEL)*	**2023** **Unaudited**	**2024** **Unaudited**	**2024** **Pro forma**	**2023** **Unaudited**	**2024** **Unaudited**	**2024** **Pro forma**
Gross Profit	34,038	45,576	45,576	34,825	46,183	46,183
EBITDA	37,085	49,194	49,194	37,317	48,771	48,844
EBIT	28,532	38,998	38,998	28,345	38,227	38,306

*For the methodology used in calculating the additional financial indicators, please refer to the section **"Key Financial Indicators"** – **"General Notes on Ratios"**.

	Company			Group		
Statement of Financial Position, Key Indicators *(in thousand GEL)*	**31-Dec-2023** Audited	**31-Dec-2024** Audited	**31-Dec-2024** **Pro forma**	**31-Dec-2023** Audited Restated	**31-Dec-2024** Audited Restated	**31-Dec-2024** **Pro forma**
Assets						
Non-current assets						
Intangible assets	49,376	74,006	74,006	49,379	74,009	74,009
Right-of-use assets	7,117	5,964	5,964	7,117	5,964	5,964
Property, plant and equipment	28,004	33,404	33,404	29,056	39,284	39,284
Investment property	14,662	14,205	14,205	114,796	127,674	50,801
Investments in subsidiaries and joint ventures[4]	70,481	63,352	63,352	39,469	31,855	31,855
Other non-current assets[5]	11,211	16,919	46,252	4,477	9,863	42,784
Total non-current assets	**180,850**	**207,851**	**237,184**	**244,294**	**288,648**	**244,696**
Current assets						
Trade and other receivables	14,300	17,821	17,821	14,760	19,252	18,662
Loans issued	18,263	63,533	63,533	17,808	40,215	64,050
Other current assets[6]	1,648	1,590	1,590	1,794	2,040	2,040
Cash and cash equivalents	579	886	886	1,009	2,482	2,190
Total current assets	**34,791**	**83,830**	**83,830**	**35,372**	**63,988**	**86,942**
Total assets	**215,641**	**291,680**	**321,013**	**279,666**	**352,635**	**331, 639**
Equity and Liabilities						
Charter capital *	1,327	1,327	1,327	1,327	1,327	1,327
Retained earnings	111,934	132,184	161,517	103,958	112,505	135,332
Non-controlling interest	-	-	-	4,083	4,445	4,445
Total equity	**113,261**	**133,511**	**162,844**	**109,368**	**118,276**	**166,456**
Non-current liabilities						

[4] Includes the following line items: Investments in Subsidiaries and Investment in Joint ventures.

[5] Other non-current assets include the following line items: Investments in equity instruments, goodwill, advances paid for non-current assets, and loans issued.

[6] Other current assets include the following line items: Inventories and tax assets.

Lease liabilities	7,089	6,097	6,097	7,089	6,097	6,097
Contract liabilities	9,224	7,417	7,417	9,224	7,417	7,417
Borrowings	18,583	67,765	67,765	71,649	83,716	74,753
Other liabilities [7]	5,479	3,993	3,993	10,042	3,993	3,993
Total non-current liabilities	**40,376**	**85,272**	**85,272**	**98,004**	**101,223**	**92,260**
Current liabilities						
Lease liabilities	831	894	894	831	894	894
Contract liabilities	5,219	5,457	5,457	5,219	5,457	5,457
Borrowings	44,938	54,373	54,373	45,133	109,130	54,373
Trade and other payables	8,436	9,455	9,455	14,580	14,964	9,522
Other liabilities [8]	2,581	2,718	2,718	6,531	2,690	2,676
Total current liabilities	**62,004**	**72,897**	**72,897**	**72,293**	**133,136**	**72,922**
Total liabilities	**102,380**	**158,170**	**158,170**	**170,298**	**234,359**	**165,183**
Total equity and liabilities	**215,642**	**291,680**	**321,013**	**279,666**	**352,635**	**331,639**

** According to the Law of Georgia on Entrepreneurs, the Company does not have an established "charter capital," which is equivalent to the term "placed capital" as defined under the said law. In light of this, the amount indicated under the charter capital line item in the financial statements represents an "additional capital contribution" and, accordingly, does not serve as a protective mechanism and/or buffer within the scope of Article 145 of the Law of Georgia on Entrepreneurs in relation to dividend distribution or capital reduction.For more information, please refer to the subsection "Risks Related to the Legal and Judicial Framework", Risk 3.7.*

[7] Other liabilities include deferred income, trade and other payables, and other liabilities.

[8] Other liabilities include deferred income, tax liabilities, and other obligations.

Key Financial Ratios

The ratios presented below for the years 2023 and 2024 have been calculated using audited figures. However, the ratios themselves are not prepared in accordance with IFRS, have not been audited, and are not considered IFRS-based measures of the Issuer's operating performance.

The Issuer believes that the following indicators provide investors with useful information and will enable them to assess the Company's financial condition and operating results, as well as the quality of its assets and key aspects of its business. It should be noted that the Issuer's methodology for calculating these ratios may differ from the approaches used by other companies when presenting or calculating similar indicators.

		Company			**Group**		
	Financial Leverage and Debt Service Ratios	**2023**	**2024**	**2024 Pro-forma**	**2023**	**2024**	**2024 Pro forma**
1.1	Debt-to-Equity Ratio	1.0x	1.2x	1.2x	1.7x	2.0x	1.2.x
1.2	Debt-to-EBITDA Ratio	3.2x	3.2x	3.9x	4.9x	4.8x	4.0 x
1.3	Net Debt-to-EBITDA Ratio	3.2x	3.2x	3.8x	4.9x	4.8x	4.0 x
1.4	Total Debt Ratio	0.5x	0.5x	0.6x	0.7x	0.7x	0.6x
1.5	Interest Coverage Ratio (ICR)	2.8x	3.5x	n/a	1.8x	2.0x	3.3x
1.6	Debt Service Coverage Ratio (DSCR, PL Based)	2.03x	2.4x	n/a	1.4x	1.6x	1.9x
	Profitability Ratios						
2.1	Return on Assets (ROA)	7.1%	8.0%	n/a	3.2%	2.7%	5.7%
2.2	Return on Equity (ROE)	15.3%	16.4%	n/a	10.2%	7.5%	13.3 %
2.3	Return on Capital Employed (ROCE)	16.3%	20.9%	n/a	13.7%	17.9.%	16.4%
2.4	Gross Profit Margin	67.8%	69.4%	n/a	64.8%	67.2%	67.2%
2.5							
2.5	EBITDA Margin	73.9%	74.9%	n/a	69.5%	71.0%	71.1%
2,6	EBIT Margin	56.8%	59.4%	n/a	52.8%	55.6%	55.8%
2.7	Net Profit Margin	33.8%	30.8%	n/a	17.5%	12.4%	28.3 %
	Liquidity Ratios						
3.1	Liquid Assets / Current Liabilities	0.2x	0.3x	n/a	0.2x	0.2x	0.3x
3.2	Liquid Assets / Total Assets	0.1x	0.1x	n/a	0.1x	0.1x	0.1x
3.3	Current Ratio	0.6x	1.1x	n/a	0.5x	0.5x	1.2x
3.4	Operating Cash Flow Ratio	0.4x	06x	n/a	0.4x	0.4x	0.4x
		-					
	Operating Efficiency Ratios						
4.1	Days Inventory Outstanding (DIO)	33.8	29.4	n/a	31.6	31.1	31.1
4.2	Days Sales Outstanding (DSO)	89.2	89.3	n/a	85.7	90.3	88.8
4.3	Days Payable Outstanding (DPO)	118.6	61.0	n/a	103.6	56.3	56.3
4.4	Cash Conversion Cycle (CCC)	4.4	57.7	n/a	13.7	65.1	63.5
	Bond Covenants						
5.1	Net Debt-to-EBITDA Ratio	3.2x	3.2x	3.8	n.a.	n.a.	n.a.
5.2	Debt Service Coverage Ratio (DSCR, CADS Based)	1.0x	1.9x	n/a	n.a.	n.a.	n.a.

General Notes on Ratios:

The Issuer intends to partially refinance its existing bank liabilities with the proceeds from the Bond issuance. Accordingly, the Issuer does not expect the transaction to have a material impact on the ratios presented in the table.

Unless otherwise indicated, the following terms have the meanings set out below for the purposes of calculating the ratios:

- **EBITDA** – adjusted gross profit less general and administrative expenses, excluding the following components included in general and administrative expenses: (1) depreciation and amortization; and (2) write-off of advances paid for intangible assets, write-off of fixed-assets
- **EBIT –** EBITDA less depreciation and amortization (as included in both cost of sales and general and administrative expenses), and amortization of right-of-use assets.
- **CADS** – EBITDA plus change in working capital, minus payments made for acquisition of property, plant and equipment (used interchangeably with "fixed assets"), intangible assets, and investment property, plus proceeds from the sale of property, plant and equipment and investment property, minus loans issued, minus payments made for dividends or capital reductions, plus proceeds from borrowings, plus capital injections, plus repayments of issued loans, and plus interest income received.
- For the purposes of calculating the ratios, interest expense includes only expenses accrued on borrowings, finance leases recognized under IFRS 16, and actual cash outflows on discounted licenses. Accordingly, such liabilities are treated as interest-bearing liabilities. Other discounted or valuation-based finance costs, such as expenses accrued on contractual obligations or fair value changes of loans, are not considered interest expense.

Note on Selected Ratios:

- In 2024, compared to 2023, leverage ratios based on the Company's standalone financial indicators did not materially change. However, on a consolidated basis, an improvement was observed: the ratio of interest-bearing liabilities to EBITDA decreased from 4.9x in 2023 to 4.8x in 2024. It is notable that a substantial portion of these liabilities were attributable to Kostava Towers LLC, and following the divestment of this entity, the corresponding leverage ratio decreased further to 3.8x.
- In 2023, the ratio of interest-bearing liabilities to equity stood at 1.0x on a standalone basis and 1.7x on a consolidated basis—both lower than in 2022. This reduction is primarily attributable to a decline in total interest-bearing liabilities. Additionally, the ratio of interest-bearing liabilities to EBITDA improved, amounting to 3.2x on a standalone basis and 4.9x on a consolidated basis in 2023. This reflects both a reduction in liabilities and an increase in EBITDA.
- The increase in Days Payable Outstanding (DPO) in 2023 was driven by elevated trade payables as of 2022, which stemmed from the reduction of a debt obligation to the National Agency of State Property related to the purchase of land from Sakeni by Biograpi LLC. This increase is considered a one-off event and does not reflect the Company's usual operating trends.
- As of 31 December 2023, both the Company and the Group had negative working capital. On a standalone basis, this was primarily due to a reduction in loans issued, while on a consolidated basis, it also reflected current liabilities of Group members (including Kostava Towers LLC and Millennium Towers LLC) that, as of 2025, are no longer part of the Group. In 2024, the Company's working capital turned positive on a standalone basis, driven by a significant increase in the current portion of loans issued. However, based on average ratio calculations, the working capital ratio remains negative, both on a standalone and consolidated basis. On a consolidated level, the 2024 pro forma effect reflects an improved position that is sufficient to fund ongoing operations.
- The impact of one-off transactions is not taken into account when calculating profitability ratios, including net profit/(loss) from the disposal of a subsidiary and net income from the sale of a stake in a subsidiary.

Methodology for Calculating Key Ratios

1. **Definitions of Financial Leverage and Debt Service Ratios**

1.1. **Debt-to-Equity Ratio:** The sum of borrowings, issued guarantees, sureties, lease liabilities, and other obligations (including license-related liabilities) as of the end of the period, divided by equity as of the same date.

1.2. **Debt-to-EBITDA Ratio:** The sum of borrowings, issued guarantees, sureties, lease liabilities, and other obligations (including license-related liabilities) as of the end of the period, divided by EBITDA for the period.

1.3. **Net Debt-to-EBITDA Ratio:** The sum of borrowings, issued guarantees, sureties, lease liabilities, and other obligations (including license-related liabilities) as of the end of the period, less unrestricted cash and cash equivalents, divided by EBITDA for the period.

1.4. **Total Debt Ratio:** The sum of borrowings, issued guarantees, sureties, lease liabilities, and other obligations (including license-related liabilities) as of the end of the period, divided by total assets as of the same date.

1.5. **Interest Coverage Ratio (ICR):** EBIT for the period divided by interest expense on borrowings, guarantees, lease liabilities, and other obligations (including license-related liabilities).

1.6. **Debt Service Coverage Ratio (DSCR, PL Based):** EBITDA for the period divided by the sum of principal and interest payments on borrowings, guarantees, leases, and other obligations. For other obligations, changes are taken from the cash flow statement. For the avoidance of doubt, in cases of early repayment of principal and interest, only the portion funded from the Issuer's/Group's operating income is considered for this ratio.

2. **Definitions of Profitability Ratios:**

2.1. **Return on Assets (ROA):** Total comprehensive income for the period divided by the average of total assets as of the last two fiscal year-ends.

2.2. **Return on Equity (ROE):** Total comprehensive income for the period divided by the average equity as of the last two fiscal year-ends.

2.3. **Return on Capital Employed (ROCE):** EBIT for the period divided by the average of total assets less average current liabilities as of the last two fiscal year-ends.

2.4. **Gross Profit Margin:** Gross profit divided by revenue.

2.5. **EBITDA Margin:** EBITDA divided by revenue.

2.6. **EBIT Margin:** EBIT divided by revenue.

2.7. **Net Profit Margin:** Total comprehensive income for the period divided by revenue.

3. **Definitions of Liquidity Ratios:**

3.1. **Liquid Assets to Current Liabilities:** Sum of cash and cash equivalents and trade and other receivables as of the end of the period, divided by current liabilities.

3.2. **Liquid Assets to Total Assets:** Sum of cash and cash equivalents and trade and other receivables as of the end of the period, divided by total assets.

3.3. **Current Ratio:** Current assets as of the end of the period divided by current liabilities.

3.4. **Operating Cash Flow Ratio:** Net cash flow from operating activities during the period divided by the average current liabilities over the last two fiscal years.

4. **Definitions of Operating Efficiency Ratios:**

4.1. **Days Inventory Outstanding (DIO):** Average inventory over the last two fiscal years divided by cost of sales, multiplied by 365.

4.2. **Days Sales Outstanding (DSO):** Average trade and other receivables over the last two fiscal years divided by revenue, multiplied by 365.

4.3. **Days Payables Outstanding (DPO):** Average trade payables over the last two fiscal years divided by cost of sales, multiplied by 365.

4.4. **Cash Conversion Cycle (CCC):** Sum of Days Inventory Outstanding and Days Sales Outstanding, less Days Payable Outstanding.

5. Bond Covenants

5.1 **Net Debt to EBITDA ratio:** the sum of debt outstanding at the end of the period, issued pledges, guarantees, lease obligations, and other liabilities (liabilities related to licenses) minus unrestricted cash, divided by EBITDA.

5.2 **Debt Service Coverage Ratio (DSCR, CADS Based):** the ratio of the period’s CADS to the principal and interest of loans, guarantees, leases, and other liabilities. In the case of other liabilities, the change in other liabilities from the cash flow statement is taken into account

Key Financial Ratios in Line with Credit Rating Agency Methodologies

The Company’s indicators, alongside the target quantitative ranges applied by the rating agency for companies operating in a BB-rated environment (which corresponds to Georgia’s sovereign credit rating), are summarized in the table below:

	Group	**Pro forma Group**	Fitch Ratings Industry Standard			**Group rating by Fitch Rating**	
	2024	2024	B	BB	BBB	**2024**	**Pro forma 2024**
EBITDAR margin	71.0%	71.1%	15.0%	18.0%	>=20%	AA	AA
FFO margin	41.42%	51.1%	7%	10%	>=12%	AA	AA
FCF margin	-34.7%	-27.0%	<-0.5%	1%	>=2.5%	CCC	CCC
EBITDAR Leverage	4.8	3.8	5.5x	3.5x	<=3.0x	B	B
EBITDAR Net Leverage	4.8	3.7	5.0x	3.0x	<=2.5x	B	B
FFO Leverage	5.2	4.1	6.0x	4.0x	<=3.5x	B	B
EBIT margin	55.6%	55.8%	7.0%	10.0%	>=12.0%	AA	AA
(CFO – Capex) / Debt	-0.1	-0.1	2.0x	3.0x	>=4.0x	CCC	CCC
EBITDAR Fixed Charge Coverage	2.9	4.7	2.0x	2.5x	>=4.5x	BB	BBB
Liquidity Ratio	-0.2	-0.3	<1.0x	1.0x	>1.25x	CCC	CCC

General Notes:

- The methodology applied is available at the following link. Sector: Generic;
- The ratio calculations are based on the Fitch Ratings appendix available at the provided link;
- The proceeds from the bond issuance will be fully used to refinance existing liabilities; accordingly, in the Issuer’s assessment, the transaction will not have a material impact on the ratios presented above;
- The ratios established by the credit rating agency are calculated based on the Group’s consolidated financial statements;
- For the purposes of calculating the 2024 ratios, the profit and loss statement and cash flow statement figures were taken for the last 12-month period.
- The negative FCF margin is due to a one-off capital expenditure—specifically, an investment related to the acquisition of an advertising license on municipal territory in Batumi.

Ratio Calculation Methodology:

- **EBITDA Margin:** EBITDA divided by revenue;
- **EBITDAR Leverage:** Total debt divided by EBITDAR;
- **EBITDAR Net Leverage:** Net debt divided by EBITDAR;
- **EBIT Margin:** EBIT divided by revenue;
- **(CFO – CAPEX) / Debt:** Operating cash flow (CFO) less recurring capital expenditures, divided by total debt. Since the Group’s free cash flow (FCF) is negative, this ratio is not interpretable;
- **EBITDAR Fixed Charge Coverage:** EBITDAR divided by interest paid;
- **Liquidity Ratio:** Available cash plus FCF, divided by the current portion of debt.

For purposes of calculating these ratios, the following definitions apply:

- **EBITDA:** Operating profit (excluding depreciation and amortization), excluding income/expenses and exceptional items not related to the company’s core business. Lease expenses are included in EBITDA;
- **Lease Expense:** Defined as the sum of finance lease interest for the period and amortization of the right-of-use asset;
- **EBITDAR:** Operating profit (excluding depreciation and amortization), excluding income/expenses and exceptional items not related to the company’s core business;
- **EBIT:** EBITDA less depreciation and amortization (both cost of sales and G&A), excluding amortization of the right-of-use asset;

- **FFO:** EBITDA less interest and income tax paid;
- **CFO:** Net cash flows from operating activities, according to the audited financial statements.
- **FCF:** CFO less capital expenditures and dividends paid;
- **Debt:** Total secured, unsecured, subordinated borrowings and off-balance sheet items (e.g. guarantees and sureties);
- **Net Debt:** Total debt less unrestricted cash;

The Company's ratios, calculated in accordance with the credit rating agency's methodologies, fall within the range applicable for B and BB-rated entities, as shown in the table above. Notably, profitability and interest coverage indicators significantly exceed the ranges defined under the Generic methodology for a BB credit rating.

The only exception is liquidity indicators, which fall below the thresholds defined as adequate by Fitch. For more information please refer to the section titled **"Statement on Working Capital".**

It is important to note that this analysis may not fully reflect the Group's overall credit rating profile, as it focuses on selected key financial ratios. In addition to quantitative indicators, credit rating agencies also consider factors such as industry structure, market entry barriers, market share, operational efficiency, and others. Therefore, the Group's potential credit rating should not be assessed based solely on this analysis.

Use of Proceeds

In the event of full placement of the issued Bonds, the net proceeds raised will not be less than 98% of the total nominal value of the Bonds. The net cash proceeds from the Bond issuance will be applied toward the refinancing of existing bank loans. For further details, please refer to the section "**Use of Proceeds and Reasons for the Offering**."

Auditor and Third Parties Involved in the Prospectus

Financial Statements Auditor of the Issuer:

The financial statements auditor of the Issuer is **BDO Audit LLC**. Identification Code: 205145403 Address: 34 Chavchavadze Avenue, Vake-Saburtalo District, Tbilisi, Georgia. Email: bdo@bdo.ge

There has been no change to the Issuer's financial auditor during the reporting periods presented in this Prospectus.

Depository of the Issuer: JSC Georgian Central Securities Depository. Identification Code: 204935400, Telephone: (+995 32) 2 50 02 11, Address: 71 Vazha-Pshavela Avenue, Block 10, Tbilisi, Georgia

Bondholders' Representative: LLC Nodia, Urumashvili & Partners, Identification Code: 20484628, Telephone: (+995 32) 220 74 07, Address: 71 Vazha-Pshavela Avenue, Block IV, 4th Floor, Office 28, Saburtalo District, Tbilisi, Georgia. Email: info@nplaw.ge

Legal and Natural Persons Involved in the Offering

Placement Agent 1; Calculation and Paying Agent: JSC Galt & Taggart, Identification Code: 211359206, Address: 3 Pushkin Street, Tbilisi 0105, Georgia, Emails: gt@gt.ge, sales@gt.ge, Website: https://galtandtaggart.com/en, Telephone: (+995 32) 2 401 111

Placement Agent 2: TBC Capital LLC, Identification Code: 204929961, Address: 7 Marjanishvili Street, Tbilisi 0102, Georgia, Email: info@tbccapital.ge, Telephone: (+995 32) 227 27 33

The Company has entered into agreements with JSC Galt & Taggart ("Placement Agent 1") and TBC Capital LLC ("Placement Agent 2"). Pursuant to these agreements, Galt & Taggart and TBC Capital are obligated to underwrite the Bonds on a non-guaranteed basis (Best Efforts basis). The Placement Agents are responsible for preparing the documentation required for the Bond placement (including the Prospectus), performing the functions of placement agents, and providing advisory services to the Company in connection with the issuance, placement, and settlement of the Bonds. As Calculation and Paying Agents, Galt & Taggart and TBC Capital are responsible for the calculation and payment of coupon and principal amounts.

Potential Conflicts of Interest

There is a possibility that JSC Bank of Georgia, one of the major commercial banks operating in Georgia, which is affiliated with Placement Agent 1, might acquire part of the bonds. Specifically, the ultimate parent of both Placement Agent 1 and JSC Bank of Georgia is Lion Finance Group PLC, a company listed on the London Stock Exchange. Furthermore, the head of the Corporate Lending Division of JSC Bank of Georgia (which includes both the issuance of corporate loans and investments in bonds) oversees Placement Agent 1 at the group level. These circumstances may give rise to a conflict of interest between, on one hand, Placement Agent 1 and the Issuer, and on the other hand, Placement Agent 1 and JSC Bank of Georgia. However, the Issuer believes that any potential conflict of interest has been minimized considering the following:

(a) Placement Agent 1 declares and confirms that JSC Bank of Georgia shall be treated as one of the investors on equal and equitable terms;

There is also a possibility that a portion of the Bonds will be acquired by another large commercial bank affiliated with Placement Agent 2 (Placement Agent 2 is a direct subsidiary of JSC TBC Bank). Placement Agent 2 and the Corporate Lending Division of JSC TBC Bank (which is responsible for corporate loans and bond investments) share common management. This could give rise to a conflict of interest between Placement Agent 2 and the Issuer, between Placement Agent 2 and JSC TBC Bank, and also between Placement Agent 2 and other investors. However, the Issuer believes that any potential conflict of interest has been minimized in light of the following:

(a) Placement Agent 2 has declared and confirmed that it will treat JSC TBC Bank as one of the investors, on equal footing and under the same terms as other investors;

(b) if, during the book-building process, the total demand for the Bonds expressed through investor orders exceeds the total offering volume under this Prospectus, and if allocations are made on a pro-rata or other basis, such decisions will be made solely by the Issuer, not by Placement Agent 2.

The Issuer is not aware of any other actual or potential conflicts of interest related to the Offering.

The Issuer, the Placement Agents, the Issuer's auditors, and any third parties or experts involved in the preparation of this Prospectus are not affiliated or related parties, and no conflicts of interest exist among them.

Brief Information on the Issuer's Business and the Material Risk Factors Related to the Offered Securities

<u>Industry and Country Specific Risks</u>

1. Investing in Emerging Markets Such as Georgia Involves Elevated Economic and Political Risks

1.1. Political and governmental instability in Georgia may have a significant adverse effect on the local economy and the Company's operations.

1.2. Additional risk factors are associated with investing in emerging markets such as Georgia.

1.3. The depreciation of the Georgian Lari against the U.S. Dollar and other economically linked foreign currencies may negatively affect the Company's business.

1.4. As the Company operates in Georgia, any changes in the country's economic conditions will directly affect its operations.

2. Risks Related to Neighboring Countries and the Region

2.1. Regional tensions may adversely affect the local economy and the Company's business.

2.2. Economic disruption in neighboring markets may negatively impact Georgia's economy.

3. Risks Related to the Legal and Judicial Framework

3.1. Challenges may arise in connection with the harmonization of Georgian legislation with European Union law, as required under the Deep and Comprehensive Free Trade Area (DCFTA) agreement.

3.2. Ambiguities in Georgia's tax system may lead to adjustments in the Company's tax obligations or result in penalties. In addition, changes to Georgia's tax legislation or policies may occur.

3.3. Uncertainty within the Georgian judicial system — including any arbitrary or inconsistent future actions by the government — could adversely impact the local economy, which in turn may harm the Company's business.

3.4. The Company may be exposed to litigation risk from its customers, suppliers, or regulatory authorities.

3.5. Antitrust regulations may adversely affect the Company's operations.

3.6. Following the Bond issuance and public offering, the Company will become an accountable enterprise and will be subject to additional legal and reporting requirements.

3.7. The Company's stated capital is not fixed and is not subject to statutory restrictions, including those related to dividend distributions or capital reductions.

4. Risks Related to the Regulatory Framework

4.1. New regulations in this or related industries may adversely affect the Company's business.

4.2. If the Company fails to comply with applicable anti-money laundering or counter-terrorism financing regulations in the future, or if it becomes associated with such violations, this may negatively affect the Company.

<u>Risks Related to the Issuer's Business Activities</u>

5. Market and Operating Risks

5.1. The Company's business operations and revenues are significantly dependent on the regulatory framework of Georgia and restrictions in the outdoor advertising market.

5.2. The outdoor advertising market is influenced by the country's economic conditions, which directly affect the Issuer's operations.

5.3. Demographic and urban developments, as well as shifts in consumer preferences, may adversely affect the outdoor advertising market and the Company's operational performance.

5.4. Technological advancements may have a negative impact on the Company's operations.

5.5. Since the Company is already present in the capital as well as other major cities and regions, its potential for further expansion may be limited.

5.6. The Company's revenues are to some extent concentrated among key clients.

5.7. The Company primarily enters into short-term contracts with its clients, which may negatively affect its future operational results.

5.8. Termination of agreements related to the placement of outdoor advertisements may result in material losses to the Company.

5.9. Under certain permit agreements, the Company is obligated to incur capital expenditures.

5.10. The Company has entered into a long-term service contract for which it has already received advance payment.

5.11. There is a risk related to the geographical concentration of the Company's revenues.

6. Risks Related to Subsidiaries

6.1. The real estate market is dependent on the country's economic conditions, which may adversely affect the operations of the Issuer's subsidiaries.

6.2. Increased competition in the real estate market may have a negative impact on the operations of the Issuer's subsidiaries.

6.3. Negative operational results of the Issuer's subsidiaries and affiliates may adversely affect the Company's individual and consolidated net profit.

6.4. The Issuer's subsidiaries and affiliates may face risks during the construction process, including cost overruns, quality issues related to building materials, and contractor-related challenges.

6.5. Clients may fail to make full payments to the Issuer's subsidiaries and affiliates.

6.6. There are risks associated with obtaining construction permits and project approvals.

6.7. The unprofitable disposal of a subsidiary's shares by the Company may negatively impact its net profit.

6.8. If Alma Lisi fails to fulfill its obligations before the City Hall, the agreement related to the land transfer may be terminated.

7. Risks *Related to Investments and Liquidity*

*7.1. The Group's investments are **not readily liquid**, which may adversely affect its operating results and financial position.*

7.2. The Company has issued loans to related parties, which may expose it to the risk of non-recovery.

7.3. The Group has received a loan from related parties that is repayable on demand.

7.4. The Group may be unable to recover amounts due under trade and other receivables.

7.5. Foreign exchange rate fluctuations have had and may continue to have an adverse impact on the Group.

8. Risks Related to Banking Liabilities

*8.1. In the event of the Company's insolvency, **secured creditors will have priority over bondholders**.*

8.2. The Company is exposed to interest rate risk, which may materially impact its finance expenses and, as a result, its operating performance.

8.3. The Group may breach financial or non-financial covenants under its loan agreements.

8.4. The Company acts as a guarantor for banking liabilities incurred by related parties.

8.5. Certain assets of the Company and other Group entities are pledged in favor of other companies within the Wissol Group.

9. Risks Related to Financial Accounting and Reporting

9.1. If the Company/Group fails to maintain an effective internal control system, it may compromise the accuracy of its financial accounting and reporting.

9.2. Qualitative risk associated with the financial reporting.

10. Human Resources Risks

10.1. A shortage of qualified personnel in the labor market may impede the development and efficient operation of the Company and the Group.

10.2. Labor disputes and employee strikes may disrupt the Company's operations and adversely affect its operating results.

11. Risks Related to Force Majeure Events

11.1. Unforeseen events — such as natural disasters, states of emergency, pandemics, or other similar occurrences — may have a significant adverse impact on the outdoor advertising and real estate markets, as well as on the Group.

11.2. Inadequate insurance coverage of assets owned by the Company/Group may materially affect the Company's/Group's solvency.

<u>**Risks Specific to the Offered Securities**</u>

12. Risks Related to the Market Price, Liquidity, and Yield of the Bonds:

12.1. The market price of the Bonds may fluctuate significantly.

12.2. There may be no active trading market for the Bonds.

12.3. Investors whose financial activities are denominated in a currency other than the currency of the Bonds may receive less interest or principal than expected, due to exchange rate fluctuations or foreign currency regulations.

13. Risks Related to the Bondholders' Rights:

13.1. The Bonds constitute unsecured, unsubordinated, and pari passu obligations of the Company.

13.2. There is a risk that the Company may fail to pay interest or repay principal on the Bonds.

13.3. The Bonds are unsecured obligations of the Company.

13.4. The Bonds bear interest at a fixed interest rate.

13.5. The transfer of the Bonds may be restricted by territorial or jurisdictional limitations imposed on certain categories of investors.

13.6. Certain financial covenants set forth in the loan agreement and the terms of the Bonds may not be complied with.

13.7. The financial covenants applicable to the Bonds may prove insufficient to protect investors.

13.8. In the future, the terms of the Bonds may be amended, or rights arising from a breach of such terms may be waived;

13.9. The bonds are subject to an early redemption (call) option, which may pose certain risks to investors;

14. Risks Related to the Legal and Regulatory Framework Governing the Bonds and Their Ownership:

14.1. Any future changes in Georgian legislation may materially adversely affect the Bonds, including their registration on the Georgian Stock Exchange and the taxation of income derived from their ownership.

14.2. Investors will rely on the operational procedures of the Depository, the paying agent, and, where applicable, the bond account manager.

14.3. Investment in the Bonds requires the investor to ensure the legal permissibility of such investment.

14.4. Applications to purchase the Bonds may be only partially fulfilled

Risk Factors

Investing in Bonds implies certain risks. Before deciding on the investment, potential buyers of Bonds must read this Prospectus attentively. Apart from other information provided in the Prospectus, potential investors must, before investing in the Bonds, thoroughly study, in the light of their own financial condition and investment goals, the risks described below. Any of the risks described below may have a material adverse effect on the Company's activity, financial condition and results of operation. Should any of these risks arise, it may adversely affect the market value of the Bonds. Moreover, factors that are important for the assessment of bond-related market risks are described below too. Although the Company believes that the risk factors described below are the main risks related to investing in the Bonds, there may emerge additional risks and uncertainties which the Company does not consider significant or is unaware of and any of such risks and uncertainties may have an effect similar to that described below. The Company does not therefore claim that the statements about the risks of Bondholding described below are exhaustive.

Industry and Country Specific Risks

1. Investing in Emerging Markets Such as Georgia Involves Elevated Economic and Political Risks

1.1. Political and governmental instability in Georgia may have a significant adverse impact on the local economy and the Company's business

Since regaining independence in 1991, Georgia has undergone a significant political transformation—from a former Soviet republic to an independent, sovereign democracy.

Currently, the country faces several challenges, including ongoing tensions with Russia and the continued need for economic and political reforms. There is no guarantee that reform efforts—whether political, economic, or business- and investor-friendly—will continue or be successful. Furthermore, such reforms and economic growth could be hindered by government changes or by a refusal on the part of the President, Parliament, or other institutions to implement reform-oriented policies.

In the parliamentary elections held on October 26, 2024, the ruling party "Georgian Dream" secured 89 out of 150 seats. The remaining 61 seats were won by four opposition parties: "Coalition for Change: Gvaramia, Melia, Girchi, Droa" (19 seats), "Unity–United National Movement" (16 seats), "Strong Georgia–Lelo, For the People, For Freedom" (14 seats), and "For Georgia (Gakharia)" (12 seats). The opposition parties refused to recognize the election results or enter Parliament, and instead adopted a protest stance. Moreover, the first three opposition parties formally requested the Central Election Commission to revoke their parliamentary mandates. The Commission proceeded to deregister all three political groups accordingly.

Additionally, recent global developments have seen an increasing use of financial and other sanctions imposed by jurisdictions whose policies have a significant impact on international financial markets. The regional geopolitical environment elevates the risk of sanctions being introduced. If sanctions are imposed on the Issuer, its beneficial owner(s), or its counterparties, this could adversely affect the Issuer's operations. Moreover, the comprehensive and far-reaching nature of sanctions regimes could make it difficult or even impossible for the Issuer to meet its obligations under the bonds issued pursuant to this Prospectus (including payment of principal and/or interest (coupon)), or to otherwise transact with respect to the bonds during the applicable sanction period.

At present, political uncertainty remains a material risk, and any further political instability could adversely affect Georgia's economic development, including the investment climate and private sector activity. Political instability or failure to implement economic reforms could have a material adverse effect on Georgia's economy, and consequently, on the Company's business, financial condition, results of operations, and development prospects.

1.2. Additional Risk Factors Related to Investing in Emerging Markets Such as Georgia

Emerging markets are typically characterized by greater volatility, limited liquidity, smaller export bases, and heightened susceptibility to frequent changes in political, economic, social, legal, and regulatory conditions compared to developed markets. Emerging markets are rapidly evolving and are particularly vulnerable to changes in market conditions and to economic crises occurring anywhere in the world.

Moreover, international investor reactions to developments in one emerging market often result in a *"contagion effect"*, where investors withdraw from an entire region or asset class. Should such a contagion effect occur, Georgia's economy may be adversely impacted by adverse economic or financial developments in other emerging markets. Georgia has previously experienced such contagion effects, including following the 1998 Russian financial crisis and the later global financial crisis, and may again be subject to similar adverse impacts in the future.

In addition, financial and political instability could adversely affect Georgia's economy. In such a scenario, capital outflows may occur, potentially leading to significant disruption to the financial system and, ultimately, causing economic stagnation.

Georgia currently holds the following credit ratings from international rating agencies:

- Fitch Ratings – BB (Negative Outlook) - February, 2025;
- Moody's – Ba2 (Negative Outlook) - March, 2025;
- S&P Global Ratings – BB (Stable Outlook) - February, 2025.

1.3. The Company's business may be adversely affected by the depreciation of the Georgian Lari against the U.S. Dollar and other currencies of economically connected countries.

Although the lari is a fully convertible currency, there is no foreign exchange market for converting it outside of Georgia. While there is a market for converting the lari into other currencies within Georgia, it remains relatively limited in size. In general, the official exchange rate in Georgia is formed against the U.S. dollar, while the lari/euro exchange rate is influenced by both the lari/U.S. dollar and the euro/U.S. dollar movements.

According to the National Bank of Georgia, as of March 31, 2025, the country's international reserves stood at USD 4.3 billion, reflecting a 9.8% year-on-year decrease. This reserve level is assessed as being below the adequate threshold by the International Monetary Fund. As such, strengthening the reserves remains a key objective for the National Bank of Georgia, as the level of reserves is closely monitored by investors, credit institutions, and other stakeholders to assess the country's capacity to absorb external shocks, including potential one-off pressures on the exchange rate.

Over the years, the exchange rate of the lari against the U.S. dollar has been highly volatile due to both external shocks and seasonal factors. During periods of global crises, the euro has also weakened against the U.S. dollar. Notable examples include: the global oil and industrial commodity price shock of 2015, during which the lari depreciated more than the euro did against the U.S. dollar, resulting in a depreciation of the lari against the euro as well, although to a lesser extent; the COVID-19 pandemic in 2020, during which the lari reached a historical low of 3.48 against the U.S. dollar. The euro initially weakened against the dollar, later strengthened, and ultimately led to significant depreciation of the lari against the euro; the Russian invasion of Ukraine in 2022, which initially triggered a sudden depreciation of the lari along with other regional currencies. Between February 24 and March 10, 2022, the lari depreciated by 12.8% against the U.S. dollar, reaching 3.40. However, the euro also weakened significantly during this time, resulting in limited depreciation of the lari against the euro. In the following months of 2022, Georgia’s economy demonstrated resilience to regional shocks, maintaining capital inflows and domestic economic activity. Consequently, the lari began to appreciate, and by December 31, 2022, it had strengthened by 12.8% against the U.S. dollar. The euro, however, remained weak against the dollar, positively impacting the lari/euro rate. Throughout 2023, the lari slightly depreciated against the euro, mainly due to the euro’s strengthening against the U.S. dollar. However, the lari remained stable against the dollar, supported by high capital inflows and tight monetary policy from the National Bank of Georgia, which maintained the refinancing rate at 11.0% through 2022. Amid increased foreign exchange inflows, the National Bank replenished reserves—its net foreign currency purchases totaled USD 564.5 million in 2022. This trend continued into 2023, during which the Bank purchased USD 1,474 million and sold USD 194.9 million, raising its international reserves by 2.2% year-on-year to USD 5.0 billion. In 2024, despite stable FX inflows, the lari experienced downward pressure in May–June and September-October due to political uncertainties. Notably, in October 2024, the National Bank intervened by selling USD 591.1 million to ease depreciation pressure. In total, it sold USD 917.4 million and purchased USD 482.6 million over the year. The pressure on the lari continued into January 2025, but by February, appreciation resumed as FX inflows remained strong and political uncertainty started to subside. As of end-March 2025, the lari traded around 2.77 per U.S. dollar - up 3.8% from January - and depreciated 0.4% against the euro, primarily due to euro appreciation.

It is important to note that the lari/euro rate is not determined solely by the lari/dollar exchange rate, making fluctuations in the latter especially significant. Overall lari volatility depends on numerous political and economic factors, including inflation control by the National Bank of Georgia.

According to GeoStat, Georgia’s national statistics office, average annual consumer price inflation was 4.9% in 2019, 5.2% in 2020, 9.6% in 2021, 11.9% in 2022, and 2.5% in 2023. Inflation pressure rose significantly from spring 2021, driven by global food and energy price increases, peaking at 11.9% in July 2021. In response, the National Bank raised the monetary policy rate four times between March and December 2021, totaling 250 basis points to 10.5%. In early 2022, inflation continued rising due to base effects and further price shocks caused by the war in Ukraine. Additionally, from spring 2022, rising rents fueled inflation, largely due to increased demand for housing from migrants. Average annual inflation remained at 11.9% in 2022. To counter persistent inflation, the refinancing rate was raised again in March 2022 to 11.0%, where it remained until May 2023. While inflation was often driven by external factors, the tight monetary policy helped contain inflationary pressures. Once domestic factors played a more prominent role, the tightened stance further contributed to bringing inflation back toward target. Starting in March 2023, inflation began to decelerate sharply, falling below the 3.0% target in May and reaching just 0.4% by December. The low-inflation environment continued into 2024, with an average of 1.1%, supported by falling global food and oil prices, reduced international shipping costs, lari appreciation, tight monetary policy, and fiscal consolidation. As inflation fell below the target, the National Bank began easing policy, reducing the refinancing rate by a total of 300 basis points to 8.00% between May 2023 and May 2024. However, inflation began accelerating in early 2025, reaching 3.5% in March, mainly driven by increased prices for domestically produced goods and services. Maintaining inflation around the target is crucial for economic stability. High inflation can cause FX and financial market volatility, reduce consumer purchasing power and confidence, and ultimately weaken key economic indicators and the Company's clients - adversely affecting the Company’s operations.

In addition, in October 2023, the Israel-Palestine conflict escalated. Should the conflict evolve into a broader war, it may trigger global food and oil price increases, disrupt shipping, slow global trade, and potentially tip many economies into recession. Georgia’s economy could be adversely impacted directly or indirectly, through higher inflation, lari depreciation, deteriorating fiscal and financial indicators, and slower growth.

Other risks that may affect Georgia’s political and economic stability include:

I. Deterioration of relations between Georgia and Russia, including over border or territorial disputes;

II. Changes in Georgia’s role as a transit country for energy resources;

III. Reduction in international aid or barriers to Georgian producers accessing global export markets;

IV. Significant deterioration in regional political relations;

V. Deteriorating economic and financial conditions in neighboring countries.

1.4. As the Company operates in Georgia, changes in the Georgian economic environment will affect the Company’s performance

The Company’s revenues are entirely dependent on the Georgian market.

Accordingly, the Company’s operational results are significantly influenced by financial and economic developments occurring in or related to Georgia - particularly the overall level of economic activity - and this influence is expected to persist. Factors such as GDP growth, inflation, interest rates, exchange rate fluctuations, unemployment, household income, and corporate financial health all have a material impact on consumer demand for the Company’s products and services.

The crisis caused by the COVID-19 pandemic had a significantly negative impact on Georgia’s economy, particularly affecting the tourism sector, which holds a considerable share in the country's economic structure. According to data from the National Statistics Office of Georgia (“Geostat”), the Georgian economy contracted by 6.3% in 2020 compared to 2019.

However, following the gradual lifting of pandemic-related restrictions, the economy began to recover starting in March 2021. Georgia's economy grew by 10.6% in 2021 compared to 2020, and by 3.7% relative to 2019. In early 2022, the Russia-Ukraine war increased uncertainty, disrupted trade flows, and drove up raw material prices—adversely affecting the region. The anticipated adverse effects on the Georgian economy led to a deterioration in growth expectations. Nevertheless, once the economy demonstrated resilience to regional shocks and maintained stable capital inflows and economic activity, growth expectations improved.

Tourism began to recover steadily, alongside rising exports, supported by higher commodity prices and increasing re-export activity. Domestic aggregate demand remained solid, supported by healthy growth in the total credit portfolio and fiscal spending. Based on Geostat data, real GDP growth reached 11.0% in 2022, primarily driven by record-high foreign currency inflows. A portion of these inflows was related to capital relocation from migrants arriving in the region—including Georgia—following the onset of the war in Ukraine. Amid ongoing stable external inflows and rapidly declining inflation, high economic growth continued into 2023 and 2024. Georgia's economy grew by 7.8% in 2023 and by 9.4% in 2024. For context, economic growth in Georgia was 5.4% in 2019, 6.1% in 2018, 5.2% in 2017, and 3.4% in both 2015 and 2016.

Despite the strong recent performance, Georgia's economic growth prospects remain subject to considerable risks, including exchange rate volatility, weakening financial stability, inflationary pressure, fiscal execution risks, and potential capital outflows. In addition, frequent political instability continues to pose challenges to attracting foreign investment. Any market downturn or macroeconomic deterioration may lead to reduced consumer spending and have a materially adverse impact on the liquidity and financial standing of the Company's customers in Georgia. Furthermore, global economic instability may trigger significant political and macroeconomic shifts worldwide, which could in turn have a substantial negative effect on the Georgian economy—and, consequently, adversely affect the Company's business, financial condition, and operating results.

2. Risks Related to Neighboring Countries and the Region:

2.1. Regional tensions may negatively impact the local economy and the Company's business

Georgia borders Russia, Azerbaijan, Armenia, and Turkey, and political tensions either within its own territory or in neighboring countries may adversely affect the country. Since gaining independence in 1991, Georgia has experienced conflicts with the separatist regions of Abkhazia and Tskhinvali/South Ossetia, as well as with Russia. In August 2008, tensions escalated into a military conflict in the Tskhinvali region/South Ossetia, with Georgian armed forces engaging in combat with local militias and the Russian army, prompting Georgia to declare state of war. Tensions remain unresolved, as the Russian army continues to occupy both Abkhazia and the Tskhinvali region/South Ossetia and has recognized their independence. Although the Georgian government has taken certain steps toward improving relations with Russia, these efforts have not yet resulted in any official or legal changes in the status of bilateral relations.

On 8 July 2019, Russia imposed a ban on direct flights to Georgia, which adversely impacted the country's tourism sector. The decline in inbound tourism from Russia also had a material effect on the foreign exchange market. According to estimates by the National Bank of Georgia, the flight ban resulted in approximately USD 300 million in lost tourism revenues relative to expectations. Nonetheless, despite this external shock, Georgia's external position improved in 2019 compared to 2018.

Additionally, the war between Armenia and Azerbaijan during September–October 2020 adversely affected regional economic stability. Although a ceasefire agreement was signed in Moscow on 10 October 2020, both sides reported renewed hostilities as early as 11 October. Azerbaijan accused Armenia of launching overnight attacks on major cities, in violation of the agreement. Ultimately, a lasting ceasefire was reached on 10 November 2020. However, a new escalation occurred on 12 September 2022. A ceasefire was again brokered on 14 September with the mediation of the Council of Europe. While the current situation is stable and negotiations on border delimitation are underway, the risk of renewed conflict remains, albeit reduced at this stage.

Russia's invasion of Ukraine in February 2022 may also have a materially adverse impact on Georgia's economy. The ongoing war has already triggered a humanitarian crisis and caused substantial economic damage not only to the warring countries but also to the wider region and the global economy. From the outset, the United States and the European Union imposed multiple sanctions on Russia aimed at increasing pressure to halt hostilities. It is expected that this large-scale military conflict will continue to disrupt regional and global markets through raw material supply chains, trade, and financial channels. Fuel and food prices have risen sharply since the start of the war, further intensifying already elevated inflation. In response to mounting price pressures, central banks in Western countries increased interest rates through the end of 2023, thereby tightening global financial conditions. Any further escalation of the Russia-Ukraine conflict, additional sanctions on Russia, heightened geopolitical uncertainty, or increased political and economic instability in the region - and any deterioration in Georgia-Russia relations - could negatively affect Georgia's political and economic stability.

Furthermore, the resurgence of the Israel–Palestine conflict in October 2023 could escalate into a broader regional war in the Middle East. Such a scenario could result in increased global prices for food, oil, and other commodities, disruptions in freight and shipping, a slowdown in global trade, and potential recessions across major economies. These developments could have significant direct and indirect negative effects on Georgia's economy, including accelerated inflation, depreciation of the Georgian Lari, deterioration in fiscal and financial indicators, and a decline in overall economic growth.

Additional events that could adversely impact Georgia's political and economic stability include:

- Further deterioration in Georgia–Russia relations, particularly in connection with border and territorial disputes;
- A reduction in Georgia's importance as a transit corridor for energy resources;
- A decline in foreign assistance to Georgia or reduced access to export markets for Georgian producers;
- Escalation of tensions between countries in the region;
- Economic and financial deterioration in neighboring countries.

2.2. Disruptions in neighboring markets may adversely affect Georgia's economy.

Georgia's economy is closely linked to the economies of its neighboring countries—Azerbaijan, Armenia, Russia, and Turkey. Historically, Azerbaijan and Armenia have been two of the largest export markets for Georgia. According to Geostat, in 2019, their respective shares in Georgia's total goods exports were 13.4% and 11.4%. In the post-pandemic period, Azerbaijan's share decreased slightly, while Armenia's share declined significantly, reaching 12.5% and 6.0% in 2021, respectively. In 2022, Azerbaijan's share further decreased, while Armenia's share rose considerably, to 12.0% and 10.5%, respectively. In 2023, both countries saw an increase in their respective shares of total exports—14.2% for Azerbaijan and 12.9% for Armenia. In 2024, exports to Azerbaijan and Armenia accounted for 11.0% and 9.4% of Georgia’s total exports, respectively. For the period January–March 2025, Georgia’s exports to Azerbaijan and Armenia accounted for 10.0% and 8.1%, respectively, of total exports. Russia is also among Georgia’s largest export destinations. According to Geostat, Russia's share in Georgia’s total goods exports was 13.1% in 2019, 13.2% in 2020, 14.4% in 2021, 11.5% in 2022, 10.8% in 2023, 10.4% in 2024, and 9.3% in the first quarter of 2025. Turkey is Georgia’s leading source of imports. According to Geostat, Turkey’s share in Georgia’s total imports amounted to 17.0% in 2019, 17.5% in 2020, 18.1% in 2021, 17.5% in 2022, 16.5% in 2023, 16.4% in 2024, and 13.9% in the first quarter of 2025. Ukraine is also an important trade partner. In 2021, Ukraine accounted for 7.2% of Georgia’s exports and 4.5% of its imports. Since the onset of the Russia–Ukraine war, trade turnover between Georgia and Ukraine has declined significantly. Georgia’s exports to Ukraine fell to 4.2% of total exports in 2022, 1.7% in 2023, and 1.6% in 2024. Georgia’s substantial reliance on trade with regional countries means that political or economic challenges in any of these countries could hinder future economic growth. In 2022, Georgia’s economic dependence on Russia significantly increased in the areas of tourism and remittances, largely due to the influx of Russian migrants following the onset of the Russia–Ukraine war. While income from Russian tourism and remittances represented 3.0% of Georgia’s GDP in 2021, this figure surged to 11.8% in 2022, then declined to 8.0% in 2023 and 4.1% in 2024—still remaining relatively high. This degree of reliance on a single country poses significant risk. Any disruption to these flows could severely affect the Georgian economy, which in turn would have a materially adverse impact on the business, financial condition, and operating results of the Company. Any future economic downturn or crisis in Georgia’s neighboring countries could have a significant negative impact on Georgia’s economy.

3. Risks Related to the Legal and Judicial Framework

3.1. Challenges may arise in connection with the harmonization of Georgian legislation with European Union law, as required under the Deep and Comprehensive Free Trade Agreement (DCFTA)

On 27 June 2014, Georgia signed the Association Agreement with the European Union (the “Association Agreement”), establishing a Deep and Comprehensive Free Trade Area (“DCFTA”) with the EU. This agreement envisions the liberalization of bilateral trade with the EU and is expected to generate new business opportunities. However, it may also pose challenges for enterprises, households, and the government. Implementation of the Association Agreement and the DCFTA requires Georgia to harmonize its legislation with EU trade and sectoral regulations, which presents various challenges—particularly in areas such as environmental protection and consumer safety, including product and information safety.

In light of this, significant legislative changes have already occurred or may occur in areas relevant to the Issuer’s operations, including corporate law and securities market regulation:

- **Georgian Law on Entrepreneurs:** On 2 August 2021, the Parliament of Georgia adopted a new version of the Law of Georgia on Entrepreneurs, which came into effect on 1 January 2022. The revised legislation has had a substantial impact on regulatory matters related to company registration, constitutional documents, corporate governance, and more. It also introduces modern corporate governance principles regarding company management. The law distinguishes between different types of capital, introduces the concept of a business letter, and clarifies the legal nature of the relationship between a company and its director.

- **Securities Market Legislation:** As part of the Association Agreement, Georgian legislation on securities is being aligned with EU standards. For example, in 2020, several amendments to the regulatory framework governing securities came into force, aimed at harmonization. These included regulations approved by the National Bank of Georgia prohibiting insider trading, market manipulation, and improper disclosure of inside information. The transparency framework for public securities issuers was also enhanced, including requirements for submitting and publishing annual and semi-annual reports and other information in line with Georgian legislation.

In addition, since joining the World Trade Organization (WTO) in 2000, Georgia has gradually aligned its trade legislation with EU norms and practices. For instance, amendments to the Labour Code in 2013 mandated employer compensation for overtime work, severance payments (equivalent to one or two months’ salary) upon dismissal, and introduced employee rights to challenge dismissal lacking clear justification in court—creating basic guaranteed working conditions.

Furthermore, there may be changes in government policy, including revisions to previously announced initiatives or shifts in their implementation. The implementation of the Association Agreement may place a significant burden on regulatory authorities, potentially diverting resources away from ongoing reforms and reducing institutional efficiency.

To comply with harmonization requirements or other implemented or anticipated legislative changes, the Company may be required to modify its policies and procedures to align with updated laws and regulations. For example, the Company has amended its employment agreements to reflect the aforementioned changes to the Labour Code. While the Company expects additional legal changes to occur, it cannot predict the impact of such changes or its ability to remain fully compliant.

3.2. Ambiguities in the Georgian tax system may lead to future adjustments in the Company’s tax liabilities or the imposition of fines. Changes to tax legislation and policy in Georgia are also possible.

Compared to countries with more developed market economies, Georgia has a relatively short history of comprehensive tax legislation. This poses challenges in the application of tax laws, as the legislation may be ambiguous or open to differing interpretations. Consequently, companies face the risk that their efforts to comply with tax laws may nonetheless be questioned by tax authorities.

Moreover, Georgian tax legislation undergoes frequent amendments and additions, which can create substantial complexities for companies and their operations. The current Tax Code came into force on 1 January 2011. Diverging interpretations of various provisions of the Tax Code persist not only among different ministries and state agencies but also within the tax authorities themselves, leading to uncertainty, inconsistency, and conflicts in interpretation.

The Tax Code allows for the issuance of advance tax rulings by the Georgian tax authorities in response to specific queries raised by taxpayers. Although the Company believes it is currently in compliance with applicable tax legislation, there is a risk that the competent authorities may adopt a different interpretation of certain provisions, which could result in tax reassessments or penalties. Furthermore, the Company may be subject to additional fines or late payment interest as a result of routine tax audits.

In addition, both tax legislation and government tax policy may change in the future, including as a result of changes in government. Such changes may include the introduction of new taxes or increases in existing tax rates applied to the Company or its customers, which could have a material adverse effect on the Company’s business.

As of May 2016, amendments were enacted concerning corporate income taxation. Under the new regime, only distributed profits are subject to taxation - defined as monetary or non-monetary dividends distributed to individuals or non-resident legal entities—while reinvested profits are no longer taxable. Notably, this reform does not apply to companies in the financial sector, which remain subject to the previous regime (20% tax on taxable profit). All significant amendments to the Tax Code came into effect on 1 January 2017.

3.3. Uncertainty in Georgia's judicial system, including any arbitrary or inconsistent actions by the state in the future, may negatively affect the local economy, which, in turn, could harm the Company's business.

In Georgia, the legal and judicial framework necessary for the proper functioning of a market economy is still in the process of development. In recent years, fundamental areas of law - including civil, tax, administrative, and other core legislation - have either been newly introduced or significantly revised. The novelty of this legislation, combined with the rapid evolution of the legal system, has led to concerns regarding the quality and enforceability of laws, as well as uncertainty and inconsistency in their application.

In addition, the Georgian judicial system faces a shortage of qualified personnel and professionals and is undergoing significant reforms. Compared to other countries—particularly the United States and EU member states—Georgian judges and courts generally have less experience in the areas of business and corporate law. These institutional challenges and uncertainties may adversely impact the broader economy, which, in turn, could have a material adverse effect on the Company's business, financial condition, and operating results.

3.4. The Company May Be Exposed to Litigation Risk from Customers, Suppliers, or Regulators

The Company interacts with a broad range of stakeholders, including regulatory authorities, the state, customers, and suppliers. If the Company fails to fulfill its contractual obligations, it may be subject to litigation, which could adversely impact its reputation and operational activities. As of the date of this Prospectus, the Company is not involved in any legal proceedings that could materially affect its financial condition or reputation (for details regarding ongoing legal proceedings, please refer to the section titled **"Legal Disputes"**). However, there can be no assurance that such litigation will not arise in the future.

3.5. Antitrust Regulations May Adversely Affect the Company's Operations

As a developing country and in light of the Association Agreement between Georgia and the European Union, further amendments to the country's antitrust legislation are expected. Notably, in March 2014, substantial amendments were introduced to the Georgian Law on Competition (the "Competition Law").

In April 2014, the Competition Agency was established pursuant to the Competition Law. The Agency is authorized to monitor compliance with antitrust laws by private organizations and impose penalties for violations. Amendments to antitrust regulations and the unpredictable enforcement practices of the Agency may adversely affect the Company's business.

3.6. Following the Bond Issuance and Public Offering, the Company Will Become an Accountable Enterprise Subject to Additional Legal and Reporting *Requirements*

Upon the public offering of bonds, the Company will be deemed an "accountable enterprise" under the Georgian Law on Securities Market. As such, it will become subject to legal requirements related to transparency, periodic and insider information disclosure, corporate governance, and other related obligations. These requirements may impose an additional burden on the Company and, in certain cases, it may be unable to fully comply. For more detailed informationplease refer to the **"Regulatory Framework"** section, under the subheading **"Accountable Enterprise**".

3.7. ***The Company's charter capital is not fixed and is not subject to legislative restrictions, including those related to dividend distribution or capital reduction***

Under the Georgian Law on Entrepreneurs, the Company does not have "charter capital" as defined by the Law, which corresponds to the concept of "placed capital" under the updated legislation. Accordingly, the amount indicated as "charter capital" in the financial statements reflects an "additional capital contribution" and does not serve as a protective buffer or safeguard under Article 145 of the Law on Entrepreneurs in relation to dividend distribution or capital reduction.

Specifically, the Company is not subject to the following statutory restrictions that apply to entities with placed capital:

1. A six-month restriction on dividend distribution in an amount equivalent to the reduction of placed capital;

2. A prohibition on dividend distribution if it results in the company's assets being insufficient to cover its liabilities and the amount of its placed capital;

3. The requirement that placed capital may only be reduced after at least six months from the publication of the capital reduction decision, provided that the company has satisfied or secured creditor claims arising before such publication, or a court has denied such claims.

Nevertheless, the terms of the bond issuance establish certain restrictions on dividend payments—whether in cash or otherwise—and other forms of capital distribution (for details please refer to Section 2.6.2.(l) of the **"Terms and Conditions of the Bonds"** – **"Prohibited Payments"**).

Therefore, while the bond issuance terms provide certain protections for bondholders, the absence of defined placed capital means that bondholders will not benefit from the additional legal protections set forth in the Law on Entrepreneurs regarding capital reduction and dividend distribution based on capital structure.

4. Risks Related to the Regulatory Framework

4.1. New regulations in this and other industries may adversely affect the Company's operations

The Company is subject to laws and regulations governing real estate ownership and leasing, employment standards, environmental matters, taxation, and other issues. Future changes to applicable regional, territorial, or local laws and regulations—or to their enforcement or interpretation—could result in changes to the legal obligations that apply to the Company. In addition, Georgia's ongoing reforms, driven by its plans to align more closely with the European Union, may have a negative impact on the Company's business operations.

It is impossible to predict whether the regulatory regimes applicable to the Company will change in the future, and it is difficult to quantify the potential financial impact of such changes. However, new regulations related to real estate ownership, leasing, or other matters may adversely affect the Company's investments. For further details please refer to the subsection: **"Regulatory Framework"**.

4.2. Failure to comply with anti-money laundering or anti-terrorist financing regulations in the future, or any association with such activities, may adversely affect the Company

Although the Company currently complies with all applicable laws aimed at preventing its use as a vehicle for money laundering, there is no guarantee that these measures will be fully effective. If the Company fails in the future to comply with timely reporting requirements or other anti-money laundering regulations—or if it becomes associated with money laundering or terrorist financing—this may have a material adverse effect on the Company. Furthermore, involvement in such activities could result in regulatory fines and sanctions.

Risks Related to the Issuer's Business Activities

5. Market and Operating Risks

5.1. The Company's business operations and revenues are significantly dependent on legislative regulations in Georgia and restrictions within the outdoor advertising market

Under Georgian law, specifically the Law on Advertising, there are restrictions and prohibitions on advertising certain products, such as tobacco products, tobacco-use devices, gambling, betting, and more. Changes to legislation or the introduction of new restrictions may adversely affect the Company's operational results. For example, the Company may lose potential clients, which could lead to reduced revenue and profitability. Furthermore, if the Company's advertising activities do not comply with new regulations, it could face legal penalties or proceedings and/or risk termination of certain licensing agreements due to prohibited advertising content.

Historically, the Company has suffered losses in certain years due to restrictions on advertisements related to alcoholic beverages, gambling, and tobacco products. For instance, in 2017, a ban on cigarette advertising was implemented - at a time when this sector had previously generated a significant portion of the Company's revenue. This was followed in 2020 by the voluntary halt of outdoor advertising by online casinos (prior to legislative restrictions), compounded by the effects of the pandemic, leading to a 40% decrease in revenue compared to 2019.

5.2. The outdoor advertising market is dependent on the country's economic conditions, which directly affect the Issuer's operations

The outdoor advertising market is typically cyclical in nature - demand for advertising is tied to consumer purchasing power and businesses' ability to spend on marketing. Therefore, any negative macroeconomic developments (such as a recession or financial crisis) may adversely impact the Company's operations.

An example of this risk materializing was during the COVID-19 pandemic, which significantly altered the outdoor advertising landscape. During this period, the Company's revenue dropped by 40%, while the overall advertising market decline was only 13%. This 40% decrease was not entirely due to the pandemic - online casinos' withdrawal from advertising and subsequent legislative restrictions also contributed significantly to the revenue drop. For more information, please refer to **"Industry Overview"**.

5.3. Demographic and urban changes, as well as shifts in consumer preferences, may adversely affect the outdoor advertising market and the Company's operations

Urbanization trends are changing the geographic distribution of the population, requiring the Company to reassess and adjust its strategic advertising locations to maintain effectiveness. At the same time, demographic changes - such as shifts in age distribution and lifestyle - may necessitate operational adjustments.

Additionally, the growing dominance of social media and digital platforms in daily life is prompting many companies to redirect their advertising budgets toward digital channels. If consumer preferences, market trends, and technologies change significantly, demand for outdoor advertising could decline, adversely impacting the Company's business and operations.

It is worth noting that such trends typically unfold over the long term, giving the Company sufficient time and resources to implement strategic adjustments as needed.

5.4. Technological advancement may have a negative impact on the Company's operations

Technological development presents both opportunities and challenges for the outdoor advertising market, including:

- **Decline in the effectiveness of traditional advertising channels**: If the Company fails to adapt to evolving technologies or to adopt the latest innovations, demand for its services could decrease. New technologies enable personalized, interactive, and measurable advertising solutions, potentially making traditional formats less attractive.

- **High capital expenditures**: Embracing new technology requires significant investment, such as purchasing digital monitors, implementing new software systems, and upgrading infrastructure. Frequent changes in the tech landscape may lead to even greater capital expenditure. If these investments do not yield proportional returns, this might negatively impact the Company's financial position.

- **Adaptation challenges**: Implementing new technologies requires changes to internal processes, organizational structure, and staff qualifications. This can be a complex and long-term process.

  The Company's strategy includes the effective integration of technology into its operations. Examples include the rollout of operational systems and licensed lightbox installations—one of the Company's newer services. For additional details please refer to the section: **"Principal Activities"**.

5.5. Since the Company is already established in the capital and other major cities and regions, it may have limited growth potential

The Company holds outdoor advertising permits in municipal areas of Tbilisi and Batumi, in the metro and public transport, at bus stops, in the airports of Tbilisi and Batumi, and on various regional properties. These permits already cover the majority of strategic locations across Georgia, which may limit the Company's opportunities for growth and expansion.

Nevertheless, the Company has undertaken strategic projects to increase revenue within its existing permit zones. For example, in 2023, it implemented a project to dismantle billboards in less favorable locations and install new ones in more prestigious areas. This project significantly contributed to revenue growth—by 31% in

2024 and 22% in 2023. Additionally, in 2024 the Company won a Batumi municipal auction and acquired the right to place advertisements in the city, further expanding its geographic footprint in a key location.

Moreover, beyond municipal areas, billboards are also placed on privately owned buildings and locations, which may offer additional opportunities for the Company's growth and development.

5.6. The Company's revenue is to some extent concentrated among key clients

The Issuer's primary source of revenue is compensation received from various corporations in exchange for advertising placement. The Issuer's standalone revenue is to some extent concentrated among major clients. The share of key clients in the Company's standalone revenue is presented below.

	2023	2024
Top 1	4.2%	5.9%
Top 3	11.4%	15.7%
Top 5	16.8%	20.4%
Top 10	26.2%	28.7%

As of 2024, 28.7% of the Issuer's standalone revenue was generated from services provided to its top 10 clients. Notably, four of these top ten clients are advertising agencies that serve multiple different companies. The Issuer has no information indicating any direct or indirect relationship among these key clients.

5.7. Short-Term Contracts May Adversely affect Future Operating Results

The Company generally enters into short-term contracts with its clients—typically with durations of less than one year. This provides the Company with flexibility in managing its financial resources. However, this practice also exposes the Company to the risk of non-renewal of current contracts or delays in attracting new clients. Although the Company's sales team engages in proactive advance booking of advertising projects, the short-term nature of the contracts may adversely affect the stability of the Company's operating performance.

Moreover, even if demand for the Company's services decreases, the Company would still be obligated to pay for permits and lease fees, unless such fees have been prepaid. This could adversely impact the Company's operating profitability.

5.8. Termination of Advertising Placement Contracts May Cause Material Damage

Advertising placement contracts are awarded through auctions conducted by relevant governmental entities on a city-by-city basis. Separate agreements are also entered into with airport management companies for placements in airports.

Each contract includes specific terms and conditions and operates independently. While the expiry dates of these contracts extend beyond the maturity date of the Bonds (and therefore do not pose an immediate risk of expiration), the risk of termination due to breach still exists. If the Company violates its contractual obligations, the relevant licensor may initiate termination procedures, potentially causing substantial operational harm.

Typical grounds for termination include:

- Failure to utilize the granted exclusive advertising rights;
- Causing material damage to property;
- Placement of advertisements in violation of Georgian law.

It is important to note that the Company's exclusive rights to place advertisements throughout Tbilisi are not tied to a single contract. Rather, separate contracts cover different segments such as the right and left banks of the city, bus stops, pedestrian bridges, etc. This diversification significantly reduces dependency on any single contract.

However, a material portion of the Company's contracts are signed with the LEPL Tbilisi Property Management Agency, under Tbilisi City Hall. This increases the Company's exposure to public sector counterparty risks.

5.9. Certain Permit Agreements Require Capital Expenditures

The Company has been granted exclusive rights to place outdoor advertisements in Batumi and on pedestrian bridges in Tbilisi. Under the Tbilisi pedestrian bridge agreement, the Company is obligated to construct the bridges in exchange for exclusive rights, rather than paying periodic license fees. As of 31 December 2024, the remaining investment under this contract amounted to GEL 1,500 thousand.

In Batumi, while there is no obligation to construct bridges, the Company plans to build the necessary advertising structures, amounting to GEL 2,000 thousand as of 31 December 2024.

These anticipated capital expenditures could affect the Company's liquidity and its ability to service the Bonds. Furthermore, similar obligations could arise in future contracts granting exclusive rights, beyond those currently mentioned.

Failure to fulfill these capital investment obligations may result in the loss of exclusive rights to certain advertising locations, potentially reducing future revenues.

For more detailed information, please refer to the subsection **"Material Contracts of the Issuer"**.

5.10. Long-Term Prepaid Service Contract

The Company has entered into 3-year and 10-year service contracts with JSC TBC Bank (as of the date of this Prospectus, the 3-year contract is no longer active). Under these contracts, the Company has received advance payments for providing advertising services.

The advance payments are recorded as "contract liabilities" on the Company's balance sheet and are recognized as revenue gradually over time, as services are rendered. As of 31 December 2024, the contract liability balance stood at GEL 12,875 thousand.

If the Company fails to fulfill its service obligations under the contract—such as delivering the agreed-upon advertisements—it may be required to refund the advance payments. This could materially affect the Company's liquidity and solvency.

For further details please refer to **"Standalone Operating and Financial Review" – "Contract Liabilities"**.

5.11. Geographic Concentration Risk

A substantial portion of the Company's revenue is generated from operations in Tbilisi—approximately 87% as of 31 December 2024. The Company's key advertising assets (billboards, bus stops, and pedestrian bridges) are mainly located in Tbilisi under exclusive agreements entered with local municipal authorities.

Such geographic concentration increases dependency on the Tbilisi region. Any policy, regulatory, or economic changes affecting the municipality—including permitting processes, infrastructure projects, or the local economy—could materially impact the Company's financial performance.

6. Risks Related to Subsidieries

6.1. Economic Downturns May Adversely Affect the Issuer's Real Estate Subsidiaries

The Issuer's subsidiaries and affiliated enterprises are primarily engaged in development and construction activities.

Both the residential and commercial real estate markets are cyclical in nature, with demand closely tied to periods of economic growth or decline. Accordingly, adverse macroeconomic developments may materially impact the operational results of the subsidiaries.

A historical example is the period of 2020–2021, when the COVID-19 pandemic significantly affected nearly all sectors of the economy, including real estate. Government-imposed restrictions, the widespread adoption of remote work practices, and a decline in consumer purchasing power all had a substantial impact on the sector. For further detailplease refer to the sections **"Industry Overview" – "Residential Real Estate Market Overview"** and **"Construction Market Overview"**.

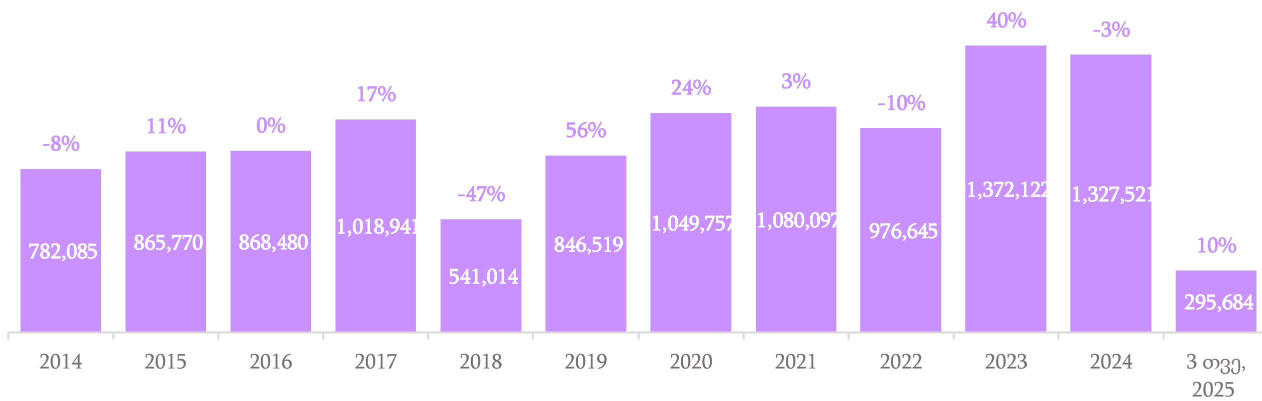
As such, a deterioration in the economic environment may lead to reduced demand for real estate and decreased investment activity in the country, which could result in delays or suspension of development projects. These factors may negatively affect revenue and profitability, as well as the financial and operational condition of the Issuer's subsidiaries and affiliates.

6.2. Heightened Competition in Real Estate Market May Impact Subsidiary Operations

The Company's subsidiaries and affiliated enterprises are primarily engaged in development/construction activities.

In 2023, the total permitted construction area reached a historic high, and the figure for 2024 remains elevated. This indicates continued high competition in the sector.

Chart 1. Construction Permits Issued in Tbilisi ('000 sq.m) and YoY Change (%)



Source: Tbilisi Architecture Service, TBC Capital

Rising competition and increased supply of residential and office space in the capital may lead to oversupply, potentially depressing sale and rental prices. In turn, this may adversely impact the Group's financial position. For further details, please refer to **"Industry Overview" – "Residential Real Estate Market Overview"** and **"Construction Market Overview"**.

6.3. Negative operating results of the Issuer's subsidiaries and affiliated enterprises may adversely affect the Company's standalone and consolidated profit

The Company's subsidiaries and affiliated enterprises are primarily engaged in development/construction activities. Most development projects are in the growth phase and therefore do not generate operating income, while current expenses are reflected as losses. For more details on these companiesplease refer to the subsections of **"Operating and Financial Review"**: **"Joint Ventures"** and **"Subsidiaries of the Issuer"**.

If affiliated enterprises operate unprofitably, the Company's share of profit or loss from equity-accounted investees may decline substantially. This, in turn, could jeopardize the Company's consolidated operating performance and net profit.

If the subsidiaries continue to operate at a loss, this could endanger the Company's consolidated operating and net profit.

6.4. The Issuer's subsidiaries and affiliated enterprises may encounter risks during the construction process, including rising costs, material quality issues, and contractor reliability

Construction-related risks may arise in the following areas:

- **Cost overruns** – The prices of key construction materials may rise. Additionally, the cost estimates in the bill of quantities may be based on subjective assumptions and may change over time, leading to cost overruns;
- **Incomplete construction** – It may not be possible to deliver the property to customers on time. In such cases, the company would be obligated to pay contractual penalties;
- **Quality issues** – Construction materials and/or the workmanship may not meet quality standards, increasing total project costs due to required corrections;
- **Contractual risks** – If advance payments are not guaranteed, the general contractor may misuse the funds;
- **Subcontractor risks** – Subcontractors may fail to complete the project on time and/or fail to meet quality standards.

6.5. Customers may not be able to fulfill all payment obligations to the Issuer's subsidiaries and affiliated enterprises

The Issuer's subsidiaries and affiliated companies may face the risk of buyer insolvency. In the case of real estate purchased via installment plans, the customer may default on payment obligations to the company.

These companies do not assess the credit rating of customers prior to approving installment plans. Therefore, there is a risk that a customer may fail to make payments on schedule; there is also a risk that after the installment period expires, the customer may not be able to obtain a bank loan to cover the remaining amount.

Under contract terms, if a buyer fails to meet their obligations and does not make timely payments, the company may terminate the agreement, after which the parties revert to their original positions, with ownership of the property reverting to the company. Some agreements also allow the company to retain part or all of the amounts already paid by the buyer in the event of buyer default.

6.6. There is a risk related to construction permits and project approvals

The Company may encounter delays in obtaining necessary approvals and permits. This could result in postponed project commencement or partial/full delay in completion. Additionally, government authorities may reject the project in its current form, potentially affecting project profitability. For more details please refer to the prospectus subsection **"Regulatory Framework**" – "**Overview of Regulatory Acts Related to the Construction Sector**".

6.7. An unprofitable disposal of a subsidiary by the Company may adversely impact its net profit

If the Company disposes of a subsidiary at a loss and the received cash or other assets do not outweigh the effect of derecognizing the subsidiary's assets, the Company will incur a loss from the sale, which will adversely impact its net profit.

A historical example is the 2023 disposal of a 50% stake in Sakeni by Biograpi LLC, which resulted in an standalone loss of GEL 14,280 thousand for the Company. For further details, please refer to the **"Standalone Operating and Financial Review" – "Profit/(Loss) from Disposal of Subsidiary, Net"**.

As of 31 December 2024, the Company's investments in subsidiaries amounts to GEL 31,498 thousand. If the Company receives less than this amount when disposing of its stakes in subsidiaries, the transaction will be unprofitable, reducing the Company's standalone net profit and adversely affecting retained earnings and equity.

6.8. If "Alma Lisi" fails to fulfill its obligations before the Municipality, the land transfer agreement may be terminated

The land plots in the Lisi area were transferred to the Issuer by both the local municipality and private parties. With this transfer came the obligation to assign the area a "Recreational Zone 3" status, which permits only individual residential housing. This condition is beneficial for "Alma Lisi" since it plans to develop precisely such housing.

To assign the Recreational Zone 3 status, a land use master plan (LUMP) must be approved, which includes an Environmental Impact Assessment (EIA). Approval of the plan takes time, and once finalized, the obligations associated with the land plots will be lifted.

If these obligations are not met, the land transfer agreement may be annulled. It should be noted that "Alma Lisi" has already begun gathering documentation for the LUMP and is in the process of acquiring Recreational Zone 3 status. As of 31 December 2024, the value of the mentioned land plot is GEL 33,571 thousand.

Additionally, the above-mentioned obligation constitutes a non-financial covenant of the Issuer under its loan agreements. Specifically, "Alma" is obligated to ensure the removal of all obligations on the property of "Alma Lisi" by no later than 31 March 2025. If "Alma Lisi" fails to fulfill this obligation by the new deadline, the Issuer may not be able to obtain a release letter, potentially triggering acceleration of Alma's bank loans.

7. Risks Related to Investments and Liquidity

7.1. The Group's investments are illiquid, which may adversely affect its operating results and financial position

The Company standalone owns fixed assets valued at GEL 33,404 thousand (including billboards, advertising structures, and vehicles), as well as investment property valued at GEL 14,205 thousand (comprising buildings and parking lots intended for resale). In addition, the Group's total consolidated investment property amounts to GEL 127,674 thousand (net of GEL 47,776 thousand related to the deconsolidation of Kostava Towers LLC and Millennium Towers LLC) and includes land plots and buildings intended for lease (both commercial and residential) or subsequent sale. For further details on investment property please refer to the sub-sections **"Investment Property"** under **"Standalone Operating and Financial Review"** and **"Consolidated Operating and Financial Review".**

Due to the illiquid nature of real estate, in the event the Company or the Group requires the rapid sale of assets at a reasonable price during an emergency, liquidity issues may arise. This factor could adversely affect the Company's or Group's financial position.

7.2. The Company has issued loans to related parties, which may result in the risk of non-repayment

The Company has issued both current and non-current loans to its subsidiaries and other related parties. These loans are denominated in both GEL and USD.

As of 31 December 2023, 72.1% of the loans issued were classified as current, which increases the urgency of timely repayment to support the Company's cash flow.

There is a risk that some loans may not be repaid due to various factors (including potential forgiveness), which could result in a financial loss to the Company. It should be noted, however, that no late repayments occurred during the historical periods disclosed in this Prospectus. Additionally, the Company will be subject to certain limitations on issuing loans after the bond issuance, which reduces the risk of future financial loss. For more details please refer to **"Standalone Operating and Financial Review**" – **"Loans Issued"** and Section 2.6.2.(l) **"Prohibited Payments"**.

7.3. The Group has loans from related parties that are repayable on demand

The Group has obtained non-subordinated loans from related parties that are repayable upon the lender's request. As of 31 December 2024, the Company's standalone and consolidated liabilities to related and third parties amounted to GEL 2,628 thousand and GEL 12,372 thousand, respectively. For further details, please refer to **"Capitalization and Indebtedness**".

The repayable-on-demand feature of these loans poses risks to the Group's financial stability. If the related or third parties demand repayment exceeding the Group's available resources, it could result in liquidity issues or insolvency, preventing the Group from servicing its financial obligations, including the Bonds, in a timely manner.

Additionally, the unpredictable timing of repayment requests complicates cash flow and liquidity management. This may require the Group to seek alternative financing within a short period, which may not always be feasible or may occur under unfavorable conditions—leading to increased financing costs and further deterioration of its financial position.

7.4. The Group may fail to recover trade and other receivables

The Group generates trade and other receivables for services rendered. As of 31 December 2024, trade and other receivables amounted to GEL 17,821 thousand and GEL 19,252 thousand on an standalone and consolidated basis, respectively. There is a risk that the Company may fail to collect these receivables, which could adversely impact both its liquidity and solvency.

To mitigate this risk, the Group/Company recognizes an allowance for impairment of trade and other receivables, reflecting its best estimate of future losses. Most of this allowance is formed based on an aging analysis of overdue balances. For further informationplease refer to **"Financial Risk Management"** – **"Credit Risk"**.

7.5. Foreign currency fluctuations have had, and may continue to have, an impact on the Group

As of 31 December 2024, the Group had an open currency position both on a consolidated and standalone level. At the Company level, this includes a positive GEL position of GEL 6,598 thousand and a negative USD position of USD 23,333 thousand. At the Group level, there is a negative GEL position of GEL 57,448 thousand and a negative USD position of USD 64,584 thousand. The Company generates most of its revenues in GEL, which exposes it to currency risk.

	Company		**Group**	
(in thousand GEL)	**GEL**	**USD**	**GEL**	**USD**
Financial Assets	33,421	65,432	34,349	35,415
Financial Liabilities	26,823	88,766	91,797	100,009
Open Currency Position	**6,598**	**(23,333)**	**(57,448)**	**(64,594)**

If the exchange rate of the GEL depreciates against the USD, it may result in a financial loss for the Company and the Group. For additional details, including the potential impact of a 20% GEL depreciationplease refer to **"Financial Risk Management"** – **"Currency Risk"**.

8. Risks Related to Banking Liabilities

8.1. In the Event of the Company's Insolvency, Secured Creditors Will Have Priority Over Bondholders

The obligations arising from the Bonds constitute unsecured liabilities of the Company. Accordingly, any claims brought against the Company in connection with the Bonds will be unsecured. As of the date of this Prospectus, certain assets of the Company and the Group - including investment property, intangible assets (such as advertising permits), and shares in Alma and several of its subsidiaries—are encumbered in favor of existing creditors.

Although the Company intends to use a portion of the proceeds from the Bond issuance to partially refinance existing bank debt, it will continue to carry certain outstanding loan obligations following the issuance. As a result, some of the Company's assets will remain pledged in favor of secured creditors.

For further details please refer to the section titled **"Capitalization and Indebtedness."**

Accordingly, in the event of insolvency, any claims by bondholders will be subordinated to statutory priority claims, including preferential tax claims. Moreover, the proceeds from the realization of pledged assets will first be used to satisfy the claims of secured creditors.

8.2. The Company is exposed to interest rate risk, which may significantly impact its finance expenses and operational results

As of the date of this Prospectus, most of the Issuer's loan obligations to commercial banks are denominated in U.S. dollars. Part of these loans bears a floating interest rate linked to SOFR or EURIBOR; others have fixed interest rates with the potential to be converted into floating rates in the future.

Interest rate risk arises from potential changes in market interest rates. If market rates rise, the Company's interest expenses will increase, which may adversely affect its financial position and cash flows. Detailed information on the Group's current loans is provided in the subsection **"Capitalization and Indebtedness."**

Through the issuance of the Bonds, the Company plans to partially refinance its existing bank liabilities, which would significantly reduce interest rate risk.

8.3. The Group may breach financial or non-financial covenants associated with loan agreements

As of 31 December 2024, the Company's bank obligations amount to GEL 119,510 thousand, while the Group's consolidated bank liabilities total GEL 177,846 thousand. These loan agreements include various financial and non-financial covenants (please refer to the **"Registration Document"** subsection **"Overview of Financial Covenants".**)

While the Group has previously obtained waivers from creditors in cases of covenant breaches, there is no guarantee that Alma, Kostava Towers, or other Group companies will not breach covenants in the future or that they will be able to obtain waivers in every such case. Should they fail to do so, the relevant commercial bank may accelerate the repayment of outstanding loans.

It should be noted that on 7 April 2025, the Company sold 100% of its shares in Kostava Towers LLC, which is no longer part of the Group. Accordingly, its assets are no longer pledged within the Group. Even in the event of a potential loan acceleration for other companies, the commercial banks' collateral is limited to the specific companies' assets and does not extend to the perimeter defined for the Bonds, which applies only at the Alma level.

8.4. The Company acts as a guarantor for banking liabilities of affiliated companies

As of the date of this Prospectus, the Company acts as a guarantor for the bank obligations of JSC Smart Retail, Outdoor.ge LLC, and Prime Property Group LLC. As of 31 December 2024, the maximum guarantee liability is capped at GEL 19,727 thousand.

If any of the above companies fail to meet their debt obligations, Alma would be required to service these liabilities, which could jeopardize the bondholders' ability to receive interest and/or principal payments.

It is noteworthy that, for the purpose of calculating the leverage ratios disclosed in the Key Financial Indicators' section, the Company includes the guaranteed obligations in the leverage ratio calculations.

For details please refer to the section **"Key Financial Indicators".**

For more on the guarantees, refer to the section **"Capitalization and Indebtedness."**

8.5. Some of the assets of the Company and other Group entities are pledged in favor of other companies within the Wissol Group

As of 31 December 2024, certain assets of the Company and its subsidiaries are pledged in favor of other companies in the Wissol Group. Specifically, investment property and fixed assets worth GEL 1,103 thousand (standalone level) and GEL 5,379 thousand (consolidated level) are pledged to secure loans of other Wissol Group entities.

If these companies fail to meet their debt obligations or breach covenants without securing waivers, lenders may accelerate those loans and claim ownership of the pledged assets.

It is important to note that Alma's investment property is not essential to its core operations and is intended for eventual resale. If this investment property is transferred to creditors, the Company will no longer be able to generate revenue from non-current asset sales.

Moreover, potential bondholders should consider that any claims against the Company in connection with the Bonds, in the event of insolvency, will be limited to Alma's standalone assets.

For further details, please refer to **"Capitalization and Indebtedness" – "Collateral."**

9. Risks Related to Financial Accounting and Reporting

9.1. If the Company/Group Fails to Ensure an Effective Internal Control System, the Accuracy of Financial Reporting May Be Adversely Affected

To ensure the timely, accurate, and reliable preparation of financial reports, the Company must continuously monitor and evaluate its internal financial and accounting controls and procedures. As a reporting/accountable enterprise under the Law of Georgia on Securities, the Company has established an Audit Committee that oversees the integrity of financial reporting and the effectiveness of internal control systems. Failure to implement and maintain transparent and reliable internal control policies may adversely impact the accuracy of financial accounting and reporting, potentially resulting in material negative effects on the Company's credibility, as well as its financial condition and operational performance.

9.2 Qualitative risk associated with the financial statements

During the audit of the consolidated financial statements for the reporting period ended 31 December 2024, a non-compliance with the requirements of International Financial Reporting Standards (IFRS) was identified. The issue related to a change in the non-controlling interest in a subsidiary during the reporting period of 2023. Based on this, the Company's management made the necessary adjustments, and the Group issued the restated consolidated financial statements as of 31 December 2024 on 16 June 2025. The restated consolidated financial statements replaced the version previously issued on 23 April 2025. For further details, please refer to the section "Consolidated Operational and Financial Review."

10. Human Resources Risks

10.1. A Shortage of Qualified Personnel in the Market May Hinder the Company's and Group's Growth and Operational Effectiveness

The Company's success partially depends on its ability to attract, retain, and motivate qualified and experienced personnel. The Company relies on its management team for both strategic planning and day-to-day operations.

If the Company fails to retain experienced, capable, and reliable staff—especially senior and mid-level managers with relevant professional qualifications—or if it cannot recruit a sufficient number of skilled professionals in line with the Company's growth, this may adversely affect its financial condition, business, operating results, and outlook.

The loss of key senior executives or a significant number of qualified mid-level managers may result in (i) loss of organizational direction, (ii) poor execution of operations and corporate strategy, and/or (iii) reduced capacity to identify and implement strategic initiatives. Such outcomes could reduce potential revenues and weaken the Company's position in the markets where it operates, leading to material adverse effects on its business, financial condition, results of operations, and prospects.

10.2. Labor Disputes or Strikes May Disrupt Operations and Adversely impact Operating Results

As of 31 December 2024, the Company employed 115 individuals, and the Group as a whole employed 220. This workforce includes both management and technical/engineering staff, as well as employees with various specializations. Labor disputes or strikes could disrupt the Company's operations and materially and adversely affect its operating performance and financial condition.

11. Risks Related to Force Majeure Events

11.1. Unforeseen Events Such as Natural Disasters, States of Emergency, or Pandemics May Materially Affect the Outdoor Advertising and Real Estate Markets, and the Group;

Events such as natural disasters, states of emergency, pandemics, and other force majeure circumstances may materially damage the operations of the Company and its subsidiaries, including property damage and a decline in consumers' purchasing power.

The timing, nature, and severity of such events are unpredictable, and the financial losses depend on their scale and intensity. If the Group's investment properties or fixed assets are affected, or if operational restrictions are imposed due to such events, this may materially hinder the Company's business operations and negatively impact operating results.

11.2. Inadequate Insurance Coverage of Company/Group Assets May Materially Adversely Affect Solvency

As of 31 December 2024, the net book value of the Company's/Group's fixed assets amounted to GEL 33,404 thousand and GEL 39,284 thousand, respectively, while investment properties totaled GEL 14,202 thousand and GEL 127,674 thousand, respectively.

It should be noted that neither the Company nor the Group holds insurance coverage for its fixed assets or investment properties. Therefore, in the event of significant damage to assets owned by the Company or its subsidiaries, the business operations of the Issuer and/or its subsidiaries may be at risk, which in turn would adversely affect operating results.

In addition, any damage to such assets may require unplanned capital expenditures by the Company and its subsidiaries, which may adversely impact the Issuer's solvency.

The Company does not insure its fixed assets because it considers the risk to be largely diversified—given the relatively small scale of the assets and the belief that even a complete loss at one location would not cause sufficient financial damage to justify the cost of insurance. However, this diversification does not apply to certain subsidiaries of Almas, where the concentration of risk is higher.

Risks Specific to the Offered Securities

12. Risks Related to the Market Price, Liquidity, and Yield of the Bonds

12.1. The Market Price of the Bonds May Be Volatile

The market price of the Bonds may fluctuate significantly in response to actual or anticipated changes in the Company's operational performance; the performance of competitors; unfavorable business developments; changes in the regulatory environment; revisions of financial assessments by analysts; the sale or anticipated sale of a substantial amount of Bonds; and other factors impacting the Company, including macroeconomic and market conditions in Georgia. Additionally, global financial markets have experienced significant volatility in price and volume in recent years. Similar future developments may adversely affect the market price of the Bonds, regardless of the Company's business performance. If a secondary market develops, there is no assurance that domestic or global developments will not cause volatility or adversely affect the liquidity and price of the Bonds. Bonds may be traded at a discount to their offering price due to prevailing interest rates, comparable bond pricing, macroeconomic conditions, or other factors beyond the Company's control.

12.2. There May Be No Active Trading Market for the Bonds

There is no guarantee that an active trading market for the Bonds will develop or, if developed, be sustained. The absence or lack of an active market may significantly affect the market price and liquidity of the Bonds due to multiple factors, some of which may be outside the Company's control. Even if the Bonds are listed and traded after the initial offering, they may trade at a discount due to market conditions, changes in interest rates, or the Company's financial performance.

Although the secondary market for foreign currency-denominated bonds is more active than for GEL-denominated bonds, an active market for the Bonds cannot be assured, particularly in developing economies such as Georgia.

12.3. Investors Whose Financial Activities Are Denominated in Currencies Other than That of the Bonds May Receive Lower Returns Due to Exchange Rate Fluctuations or Currency Regulations

The Company will pay interest and principal on the Bonds in either euros or U.S. dollars. Investors whose income or financial operations are denominated in a currency different from the Bond currency ("**Investor Currency**") are exposed to currency conversion risks. These include fluctuations in exchange rates (e.g., devaluation of GEL or revaluation of the Investor Currency) and the risk of regulatory restrictions on currency exchange imposed by authorities. If the Investor

Currency appreciates against the Bond currency, the effective return in the Investor Currency will decline in terms of (i) interest income, (ii) principal repayment, and (iii) market value of the Bonds.

In addition, regulatory authorities may impose currency controls that adversely affect exchange rates, potentially reducing returns on interest or principal payments.

13. Risks Related to the Bondholders' Rights

13.1. Bonds are pari passu securities

Subject to the financial covenants set forth in the "Terms of the Bonds," the Company may issue additional securities that rank pari passu with the Bonds. Any such issuance may reduce the amount recoverable by investors in connection with the Bonds, as additional indebtedness may adversely affect the Company's ability to repay the principal and interest on the Bonds. This could have a material adverse effect on the market value of the Bonds in the secondary market.

13.2. Risk of non-payment of principal and interest

There is a risk that the Company may, for various reasons, fail to meet its obligations to pay interest and/or principal on the Bonds in a timely manner upon maturity or may default entirely.

13.3. Bonds are unsecured obligations

The obligations arising from the Bonds constitute unsecured debt of the Company. Therefore, any claims by Bondholders will not be secured. According to the Law of Georgia on Rehabilitation and Collective Satisfaction of Creditors, secured creditors have priority over unsecured creditors with respect to the secured assets. The Company's existing debt obligations fall within the category of secured creditors, whereas Bondholders' claims are classified as unsecured. In the event of the Company's insolvency, the distribution of the insolvency estate shall follow this priority:

a) Costs of the insolvency process, including court proceedings, remuneration of the insolvency administrator, and other related expenses;

b) Claims arising after the declaration of insolvency, including tax liabilities;

c) Preferential claims such as wages and vacation pay for the three months preceding the insolvency application, excluding directors and supervisory board members and their relatives, and compensation due to workplace injuries (up to GEL 1,000 per creditor);

d) Preferential tax claims arising in the last 3 fiscal years before the insolvency filing;

e) Unsecured claims, including Bondholders' claims.

The Company's ability to satisfy such claims depends, among other things, on its liquidity, financial strength, and ability to generate assets.

13.4. Bonds bear fixed interest rates

The Bonds issued under this Prospectus are fixed-rate debt securities, meaning they accrue interest at a fixed annual rate, applied to the nominal value inclusive of statutory taxes, from the issue date until maturity (unless redeemed early under conditions outlined in this Prospectus). Interest is paid periodically—monthly, quarterly, or semi-annually—as defined in the "Final Terms of the Offering." While fixed rates provide stability and help investors forecast future income, they also present certain risks: if market interest rates rise, Bondholders may earn less than they would with variable-rate instruments. Furthermore, they may encounter difficulty reselling the Bonds on the secondary market without incurring a loss, as investors may prefer newly issued, higher-yield instruments.

13.5. Territorial or jurisdictional restrictions on offering and sale

The Bonds are offered and sold only within Georgia, in accordance with Georgian legislation. In certain jurisdictions, the offering and sale of the Bonds may be prohibited or restricted. Accordingly, this Prospectus may not be used for offers or sales in such jurisdictions. Potential investors are responsible for obtaining legal advice on such restrictions and ensuring compliance with applicable securities laws in jurisdictions outside Georgia.

The Bonds have not been and will not be registered under the U.S. Securities Act of 1933 or any U.S. state securities laws. Therefore, they may not be offered or sold in the U.S. unless an exemption from registration applies.

13.6. Risk of breaching financial covenants under credit or bond agreements

The Company or its subsidiaries may fail to comply with financial or non-financial covenants under credit agreements or this Prospectus. There is no guarantee that the Company will obtain waivers or avoid penalties, which may include loan repayment acceleration, penalties, or refusal to extend credit. Such consequences may have a material adverse effect on the Company's financial position and operations.

13.7. Existing financial covenants may not adequately protect investors

The financial covenants and limitations in place may not be sufficient to safeguard investors. As a result, Bondholders may not recover the expected principal or interest in full. For details please refer to the **Terms of the Bonds** section of the Prospectus.

13.8. Bond terms may be amended or rights waived in the future

The terms of the Bonds allow for Bondholders' meetings to consider changes that may affect investors. A qualified majority of Bondholders may pass decisions binding even on dissenting or non-attending Bondholders. (Please refer to the Terms of the Bonds, 2.6.8: **"Meeting of Bondholders"**)

13.9. The bonds are subject to an early redemption (call) option, which may pose certain risks to investors

The bonds are subject to a call option, meaning that the issuer has the right to redeem the bonds before maturity at a price defined under the terms of the prospectus (Clause 2.6.4 – Early Redemption). This redemption price may be lower than the total amount bondholders would receive if they held the bonds until maturity. There is a risk that the issuer may choose to exercise this option if market interest rates decline. In such a case, bondholders may be forced to reinvest the proceeds at lower interest rates, potentially resulting in lower overall returns than if the bonds had been held to maturity.

Furthermore, the issuer may also exercise the call option if a bondholders' meeting, convened to approve a "special resolution" for the disposal of more than 10% of the issuer's total assets, fails to adopt the resolution (Clause 2.6.2). This scenario also introduces additional risk for investors.

14. Risks Related to the Legal and Regulatory Framework Governing the Bonds and their Ownership

14.1. Changes in Georgian law may adversely affect the Bonds

This Prospectus is based on Georgian legislation in force at the time of its approval. There is no guarantee that future legislative, administrative, or judicial changes will not adversely affect future bond issuances, listings, trading and settlement procedures on the Georgian Stock Exchange, whether on primary and/or secondary market, or the taxation of bond returns. Changes in tax treatment of interest income could reduce investors' net returns.

14.2. Investors must rely on procedures of the depository, payment agent, and Account older

All payments related to the Bonds will be made to the Bondholders or their Account Operators through the placement agent and brokerage accounts. Investors must rely on the procedures of the depository and, if applicable, the Account Operator acting as "payment and calculation agent." The Company bears no responsibility for the accuracy of records or errors by third parties during settlement.

14.3. Investment in the Bonds must comply with investor-specific legal considerations

Each investor's participation is subject to applicable legal and regulatory constraints, including supervisory authority requirements. Prospective investors should consult legal advisors to determine the legality, use as collateral, or other restrictions related to acquiring or pledging Bonds. Financial institutions should consult their legal teams or regulators regarding how Bonds are classified for regulatory purposes such as minimum reserve requirements.

14.4. A bond purchase application may be partially satisfied.

In the event that, during the final interest rate formation process (book-building), the aggregate demand expressed by potential investors through purchase orders exceeds the volume of bonds contemplated under this Prospectus, the submitted orders shall be satisfied partially, either on a pro rata basis or otherwise, at the discretion of the Issuer. Moreover, if a potential investor's order is only partially satisfied, the investor shall have the right to either withdraw or continue participation in the bond purchase process. Detailed information is provided in the subsection "Terms and Conditions of the B ond."

Use of Proceeds and Reasons for the Offering

The Issuer plans to issue bonds with an aggregate nominal value of up to USD 40 million (or the equivalent in EUR) through two or more separate tranches. The net proceeds from each issuance will be used for the refinancing of existing bank loans.

For exact details related to each issuance, please refer to the relevant “Terms and Conditions of the Bonds” and “Term Sheet”. In total, the net proceeds from the bonds are expected to amount to no less than 98% of the gross proceeds, based on the Company’s estimates.

Detailed information on the Company’s capitalization and indebtedness is provided in the section titled **“Capitalization and Indebtedness”**.

Following the refinancing of the loans, the Company anticipates a modest variation in interest expense, as the coupon rate of the bonds may differ from the prevailing rates applicable to the refinanced loans. However, the extent of this impact cannot be reliably assessed of the date of this Prospectus.

Registration document

Person Responsible for the Preparation of the Document

Alma LLC (ID No. 204873388)

Declaration of the Responsible Person

The responsible person declares that:

"All material facts known to them have been included in the Prospectus and no information has been omitted that would affect the content of the Prospectus."

The responsible person further declares that:

"Where information provided by a third party is used, the source is indicated and a note is included stating that such information has been accurately reproduced. To the best of their knowledge, no material facts have been omitted in a manner that would render the information inaccurate or misleading."

Auditor of the Issuer

The issuer's auditor is LLC *BDO Audit*. Identification number: 205145403. Address: Vake-Saburtalo District, 34 Chavchavadze Avenue, Tbilisi, Georgia. Email: bdo@bdo.ge

There were no changes in the issuer's auditor during the reporting periods presented in this Prospectus.

Bondholders' Representative

LLC *Nodia, Urumashvili & Partners* (ID No. 20484628); Phone: +995 322 20 74 07; Address: Vaja-Pshavela Avenue No. 71, Block IV, 4th Floor, Office 28, Saburtalo District, Tbilisi, Georgia; Email: info@nplaw.ge

Credit Rating Agency

Neither the Company nor the bonds offered under this Prospectus have been assigned a credit rating.

Depository of the Issuer

JSC *Georgian Central Securities Depository* (ID No. 204935400); Address: Vaja-Pshavela Avenue No. 71, Office No. 7, 7th Floor, Block 10, Saburtalo District, Tbilisi, Georgia; Phone: +995 32 250 02 11; Email: info@gcsd.ge

(The Issuer will ensure the execution of the Agreement entered with the Depository prior to the placement of the Bonds.)

Placement Agent 1, Calculation and Paying Agent

JSC *Galt & Taggart* (ID No. 211359206); Address: 3 Pushkin Street, 0105, Tbilisi, Georgia; Email: gt@gt.ge; sales@gt.ge; Website: https://galtandtaggart.com/en; Phone: +995 32 240 11 11

Placement Agent 2

TBC Capital LLC (ID No. 204929961); Address: 7 Marjanishvili Street, 0102, Tbilisi, Georgia; Email: info@tbccapital.ge; Phone: +995 32 227 27 33

Possible Taxes Imposed on Investors

All expenses related to the placement of the Bonds shall be fully covered by the Issuer. Investors will not bear any additional fees related to the Bond placement within the scope of the offering.

Potential Conflicts of Interest

The Issuer and Placement Agent 1 (JSC *Galt & Taggart*), the Issuer's auditors, and other third parties or experts involved in the preparation of the Prospectus are not related parties and no conflict of interest exists among them.

There is a possibility that a portion of the Bonds may be acquired by JSC *Bank of Georgia*, one of the largest commercial banks in Georgia, affiliated with Placement Agent 1. Specifically, both Placement Agent 1 and JSC *Bank of Georgia* are ultimately owned by *Bank of Georgia Group PLC*, a company listed on the London Stock Exchange. Furthermore, the head of the corporate lending division of JSC *Bank of Georgia* (which includes both loan issuance and investment in bonds) also oversees Placement Agent 1 at the group level. These circumstances may give rise to a conflict of interest between Placement Agent 1 and the Issuer, as well as between Placement Agent 1 and JSC *Bank of Georgia*. However, the Issuer believes that any potential conflict of interest is minimized considering the following:

(a) Placement Agent 1 has declared and confirmed that JSC *Bank of Georgia* will be treated as any other investor, on equal and non-preferential terms.

There is also a possibility that a portion of the Bonds may be acquired by another major commercial bank affiliated with Placement Agent 2 (Placement Agent 2 is a wholly-owned subsidiary of JSC *TBC Bank*). In addition, Placement Agent 2 and JSC *TBC Bank* share a common management team overseeing the corporate lending division (including both corporate lending and bond investment). These circumstances may give rise to a conflict of interest between Placement Agent 2 and the Issuer, as well as between Placement Agent 2 and JSC *TBC Bank*, and also between Placement Agent 2 and the investors. However, the Issuer believes that any potential conflict of interest is minimized considering the following:

(a) Placement Agent 2 has declared and confirmed that JSC *TBC Bank* will be treated as any other investor, on equal and non-preferential terms;

(b) In the event that, during the book-building process, demand for Bonds exceeds the offering amount presented in this Prospectus and partial allocation is necessary, such allocation (whether pro rata or otherwise) will be determined by the Issuer and not by Placement Agent 2.

The Issuer is not aware of any other existing or potential conflicts of interest related to the offering.

Company Overview

Overview and History of the Company

The Issuer is *Alma LLC* (Identification Number: 204873388)**; Legal address**: 6 Vani Street, Didube District, **Actual address**: 64b Ilia Chavchavadze Avenue, Tbilisi, Georgia. **Country of incorporation**: Georgia. **Governing legislation**: Legislation of Georgia.

Contact Information of the Company

Email: info@alma.ge

Website: https://alma.ge

Phone: (+995 32) 2 225 225

The Company was incorporated on 17 November 1995 under the name Alma Plus LLC by DGM Media Ltd LLC. In 2013, it was acquired by Global Investors Limited in partnership with Eurasia Invest Group LLC (ID: 1791050, British Virgin Islands), each holding a 50% equity interest. In 2014, the Company expanded its operations by acquiring the advertising assets of VELLAGIO LLC, a business active in the outdoor advertising lease sector. Later that year, Global Investors Limited acquired the remaining 50% stake from its partner, becoming the sole shareholder of Alma LLC. As of the date of this Prospectus, Global Investors Limited remains the 100% owner of the Issuer.

Until 2021, outdoor advertising licenses in Tbilisi were granted by the Municipal Government to two companies: Outdoor.ge LLC and SMOD Advertising LLC. In 2017, Alma, together with its related parties, acquired Outdoor.ge LLC. In 2021, the Tbilisi Municipality launched a new tender process for awarding outdoor advertising rights on public property throughout the city, which was successfully won by Alma.

Principal Activities

Alma LLC is a leading company in the Georgian outdoor advertising market, with over 30 years of experience. The Company holds permits and licenses for placing advertisements on billboards, digital monitors, airports, public transport, and other publicly owned areas.

The Issuer typically obtains permits for periods ranging from 10 to 59 years from relevant municipalities, paying either a one-time or annual fee. These permits apply to various municipal locations. Upon receiving a permit, the Company constructs the advertising infrastructure and, upon completion, leases these assets to clients.

The Company offers over 10 types of advertising platforms throughout the country, including:

- **Billboards** – Alma offers traditional billboard placements as well as advertisements on bridges, building facades, rooftops, and other proprietary structures.
- **Digital Monitors** – The Company provides space for video content on digital screens, including video clips, static ads, GIFs, and slideshows.
- **Airports** – Advertising services in Tbilisi and Batumi international airports, covering both departure and arrival zones, with formats including billboards, lightboxes, and LED screens.
- **Lightboxes** – Smaller-scale structures installed in groups, allowing advertisers to retain exclusive visibility in specific areas for a given period.
- **Bus Stops** – Advertising can be placed on standard or interactive displays at bus stops, particularly in areas lacking other outdoor formats, such as Old Tbilisi.
- **Metro** – Alma holds exclusive rights for advertising across Tbilisi Metro, including vestibules, platforms, and train interiors.
- **Buses** – Advertising services are available on Tbilisi and Batumi buses.
- **Printing and Installation** – In addition to leasing, Alma owns a print shop equipped with large-format printers and technical equipment, offering printing and installation services to its clients. (As of 2024, revenue from printing and installation services accounted for 13.9% of the Company's total revenue (31 December 2023: 11.6%)).

Breakdown of the Company's revenue by service type is provided below.

In GEL '000	2022 Unaudited	2023 Unaudited	2024 Unaudited
Billboards	15,607	17,720	22,791
Monitors	5,906	7,084	10,213
Airports	6,467	8,622	8,695
Printing/Installation	4,960	5,833	9,127
Lightboxes	2,116	2,769	3,839
Bus Stops	1,933	2,600	3,564
Metro	2,150	3,392	3,855
Buses	1,922	2,098	3,575
Other	94	98	-

Total:	41,155	50,215	65,658

The primary customers of the Company's advertising service are entities seeking to increase awareness of their services through various advertising channels. The breakdown of the Company's revenue by customer segments is presented below:

in GEL '000	2022 Unaudited	2023 Unaudited	2024 Unaudited
Retail and Online	9,012	11,490	12,669
Agency / International Organization	6,825	9,836	11,838
Development	8,442	9,035	11,357
Government Entity / Embassy	1,388	2,421	11,086
Finance	6,261	3,751	5,515
Casino / Gambling	2,898	4,507	2,711
Medicine and Pharmaceuticals	2,491	2,579	2,659
Food & Beverage	1,722	1,782	2,258
Related	449	999	2,216
Other Services	1,667	3,816	3,348
Total:	**41,155**	**50,215**	**65,658**

In 2024, revenue received from government agencies and embassies increased by a factor of 4.6 and amounted to GEL 11,086 thousand. The main driver of this increase was the heightened demand for the Company's services following the elections.

The percentage distribution of the Company's revenue by customer segments is presented below:

	2022 Unaudited	2023 Unaudited	2024 Unaudited
Retail and Online	21.9%	22.9%	19.3%
Agency / International Organization	16.6%	19.6%	18.0%
Development	20.5%	18.0%	17.3%
Government Entity / Embassy	3.4%	4.8%	16.9%
Finance	15.2%	7.5%	8.4%
Casino / Gambling	7.0%	9.0%	4.1%
Medicine and Pharmaceuticals	6.1%	5.1%	4.1%
Food & Beverage	4.2%	3.5%	3.4%
Related	1.1%	2.0%	3.4%
Other Services	4.1%	7.6%	5.1%
Total:	**100.0%**	**100.0%**	**100.0%**

A significant portion of the Company's advertisement revenue is generated from advertising materials located in Tbilisi and Batumi. The distribution of advertising materials by region as of 31 December 2024 is provided in the table below:

	Tbilisi	Batumi	Regions
Billboards	750	107	430
Billboards (sq.m.)	22,870	3,595	8,955
Bus Stops	754	110	284
Buses	900	150	-
Monitors	28	3	3
Lightboxes	750	30	

The decrease in the number of billboards in Tbilisi in 2023 and 2024 was due to the Issuer's decision to dismantle many banners located in less urbanized areas. However, in return, the Company began placing banners in more popular and urbanized locations.

The distribution of advertising materials by region as of 31 December 2023 is provided in the table below:

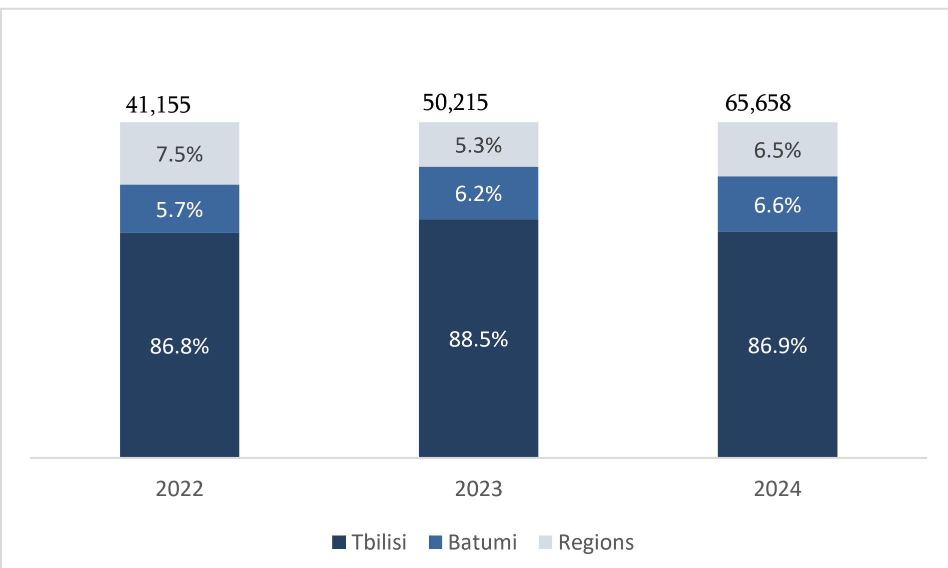
	Tbilisi	Batumi	Regions
Billboards	800	-	450
Billboards (sq.m.)	24,500	-	9,000
Bus Stops	730	120	284
Buses	850	150	-
Monitors	28	3	3
Lightboxes	653	-	-

In August 2024, the Issuer won a public tender for the right to place advertising media on municipal land in Batumi.

As of December 31, 2022:

	Tbilisi	Batumi	Regions
Billboards	950	29	413
Billboards (sq.m.)	25,765	700	10,200
Bus Stops	749	128	273
Buses	770	150	-
Monitors	27	3	3
Lightboxes	377	-	-

Chart 2. Company Revenue Breakdown by Region[9] (in GEL '000) [10]:



Seasonality of Business

[9] Revenue by Region includes 11 major cities of Georgia, specifically: Rustavi, Kutaisi, Zugdidi, Gori, Marneuli, etc.

[10] The data does not include revenue generated from printing/installation services.

The Company's core operations are not characterized by strong seasonality. However, activity tends to increase during the New Year period, driven by the Company's clients launching holiday marketing campaigns through various advertising channels. Additionally, the Company's workload increases during election years due to higher demand for outdoor advertising from political parties.

Subsidiaries of the Issuer

Name	*ID No.*	*% as of the date of preparing the Prospectus*	*Incorporation Date*	*Ownership*	*Line of Business*
JSC Laguna	248435493	100%	March 9, 2009	Direct	Non active company
Lomsia LLC	424253220	100%	December 26, 2017	Direct	Hotel management in Akhaltsikhe
Geo Tech LLC	204542888	100%	November 12, 2007	Direct	Non active company
Startup Studio LLC	404635999	100%	April 19, 2022	Direct	Non active company
Muza Digital LLC	405722491	50%	August 13, 2024	Direct	Outdoor Advertising
Alma Lisi LLC	404656528	75%	November 21, 2022	Direct	Residential and non-residential construction
Krakeni 8 LLC	405075859	75%	December 17, 2014	Direct	Advertising products and services (creative agency)
W-media LLC	445403037	50%	November 8, 2011	Direct	Non active company
Hisni by Biograpi LLC	404614681	50%	April 20, 2021	Direct	Residential and non-residential construction
Sakeni by Biograpi LLC	404651015	50%	September 29, 2022	Direct	Residential and non-residential construction
Matiani by Biograpi LLC	404614707	50%	April 20, 2021	Direct	Residential and non-residential construction

** As of 18 December 2024, three subsidiaries of Alma LLC — JSC Winthrop Center (ID No: 405646243), Therapeutic-Prophylactic Center LLC (ID No: 204909581), and Basis Asset Management LLC (ID No: 205288428) — were merged with Millennium Towers LLC (ID No: 405645137). Prior to the merger, the Issuer was the 100% direct owner of JSC Winthrop Center, which in turn owned Millennium Towers LLC. Millennium Towers LLC was the 100% owner of both Basis Asset Management LLC and Therapeutic-Prophylactic Center LLC.*

** In January 2025, the Issuer sold 100% of its shares in its subsidiary, Millennium Towers LLC (ID No: 405645137), to related parties. Specifically, 80% of the company's shares were acquired by VELLAGIO LLC (ID No: 204469413), and 20% were acquired by Belmond Capital LLC (ID No: 405730197). VELLAGIO LLC is a subsidiary of Global Investors Limited (C38646), the 100% owner of the Issuer. Belmond Capital LLC is 100% owned by Mr. Vasil Pkhakadze (ID No: 01008027919).*

** In April 2025, the Issuer sold 100% of its shares in its subsidiary, Kostava Towers LLC (ID No: 404649298), to a related party. Specifically, 100% of the shares were acquired by VELLAGIO LLC (ID No: 204469413).*

**In May 2025, the Issuer sold 100% of the shares in its wholly owned subsidiary A Energy LLC (ID: 405668923) to multiple parties. Specifically, VELLAGIO LLC (ID: 204469413) acquired 50%, Tengiz Tsulaia (ID: 37001018394) acquired 25%, JSC Gravity Investments (ID: 404669649) acquired 16.6%, and JSC Letteren (ID: 405607543) acquired the remaining 8.4%.*

Description of the Active Subsidiaries of the Issuer

Real Estate Sector

Lomsia LLC
The company operates Hotel *Lomsia* in Akhaltsikhe and employs an average of 35–40 people (the number varies seasonally depending on hotel occupancy).
Hotel Lomsia opened in 2012 and is located at 10 Kostava Street, Akhaltsikhe. The hotel has 63 rooms and can accommodate up to 117 guests. It offers restaurant services, a conference hall, and a car wash that also serves external customers.

Hisni by Biograpi LLC
Hisni by Biograpi is a development project located on Queen Ketevan Avenue in the Isani district. The project comprises construction of four distinct blocks. Currently,

Phase I is underway, covering the construction of Blocks I and II, which are scheduled for completion in September 2028. As of the date of this Prospectus, the estimated start and completion dates for Blocks III and IV are not yet known.

The project offers residential, commercial, and office space, along with an 8,000 sq.m. recreational area with a children's play zone. The first block, a 36-story building, is currently under construction. The first five floors will be allocated to commercial and office use, while floors 6 to 36 will house a total of 510 residential apartments. As of the date of this Prospectus, 53% of apartments in the first block have been sold.

Sakeni by Biograpi LLC
Sakeni by Biograpi is a development project located on Vazha-Pshavela Avenue. It is expected to be completed by October 2026 and includes a 36-story building featuring commercial, office, and residential areas. The first seven floors will host commercial and office spaces, and the remaining floors will accommodate residential units.

The project offers buyers a 2,000 sq.m. landscaped courtyard, cafes and restaurants, a padel court, concierge services in the lobby, five-level parking, a fitness center, and a 25-meter swimming pool with a green terrace. As of the date of this Prospectus, 70% of the residential units have been sold.

Matiani by Biograpi LLC
Matiani is a development project located at 45 Akaki Tsereteli Avenue. It is scheduled for completion in March 2027 and will feature a 31-story building with commercial, office, and residential spaces. The project includes a green terrace with a children's area, a padel court, fitness center, a 25-meter swimming pool with a landscaped terrace, cafes and restaurants, and four levels of parking.

Commercial and office space will be developed on the first six floors, while floors 7 to 31 will be allocated to residential use. As of the date of this Prospectus, 56% of the apartments have been sold.

Alma Lisi LLC
The company owns a land plot of 270,215 sq.m. near Lisi Lake. In the future, the land will be subdivided into smaller plots for sale. At present, the company is actively working on LUMP, which is expected to be approved in 2025. Following LUMP approval, the land will be subdivided, and infrastructure works will begin, including the construction of access roads, landscaping of streets and public squares, and the installation of engineering infrastructure (electricity, gas, water supply systems, etc.) across the entire area.

Advertising Sector

Krakeni 8 LLC
Krakeni 8 LLC is a creative agency founded in 2014. It offers services including social media management, branding, video production, advertising campaign planning, marketing communication strategy development, and more.
Kraken has worked with well-known companies such as *Biograpi Living*, *Silk Hospitality*, *Amboli*, *Wissol Petroleum*, *Symmetry*, among others.

Significant Events in the Development of the Issuer's Business Activities

1995	The Company was founded under the name *Alma Plus LLC* by *DGM Media ltd LLC*
2013	The Company was acquired by *GLOBAL INVESTORS LIMITED* in partnership with another shareholder
2014	The Company acquired the advertising assets of *Vellagio LLC, including advertising placement rights at the Batumi and Tbilisi airports*
	GLOBAL INVESTORS LIMITED acquired 100% of the Company's equity and became its sole shareholder
2015	The Company won a tender for advertising rights on certain municipal areas in Zugdidi, and the advertising permits at the Tbilisi and Batumi airports were extended until 2027
2016	The Company obtained the right to place advertisements on bus stops in Tbilisi and acquired *Fortuna Media* LLC and *Color Media* LLC
2017	The Group acquired Outdoor.ge, which was the leading company in the outdoor advertising market at the time.
2019	The Company obtained advertising rights in Tbilisi public transport (metro and buses)
2020	The Company obtained advertising placement rights on Batumi buses
	Alma obtained permits for the construction of bridges in Tbilisi and for the installation of advertising infrastructure on them
2021	The Company won a tender for advertising rights along the right and left embankments in Tbilisi
2024	The Company obtained advertising placement rights in Batumi

Future Strategy and Objectives

Alma is a leading company in the field of outdoor advertising and holds over 90% of the Tbilisi market. The company has obtained exclusive permits for advertising assets on municipal territories in Tbilisi and Batumi, which solidifies its position as a market leader in these cities. The company plans to maintain its leadership position in the largest cities of Georgia and to enhance and upgrade its existing assets. In 2023, Alma incurred significant capital expenditures aimed at improving and renewing its existing advertising infrastructure.

In addition, the company is implementing - and aims to complete - two major projects in the near future:

- **Construction of pedestrian bridges at 15 different locations in Tbilisi, along with installation of advertising structures on them.** As of the date of the prospectus, construction of 3 bridges has been completed, and 1 bridge has been put into operation (exploitation). The company expects to finalize all bridge-related construction activities by the end of 2026. The license term for each bridge is 25 years, starting from the date of start of operation (exploitation). The company anticipates additional capital expenditures of GEL 5–6 million related to the Tbilisi bridges project.

- **Deployment of advertising assets on municipal territories in Batumi.** In August 2024, the company was awarded a permit to install advertising infrastructure on Batumi's municipal territory. Project-related works are already in an active phase, and the company has begun leasing a portion of the advertising assets. Full deployment of assets is expected to be completed by the second half of 2025. The company anticipates additional capital expenditures of GEL 2.5–3 million for this project.

The company plans to finance the above-mentioned capital expenditures through internal funds; however, it also has an approved and undrawn credit facility available, which it may utilize if necessary.

Information on Key Patents, Licenses, and Resources Used in Business Operations

The company holds various permits and licenses to place advertising media in multiple cities and territories, including municipal properties such as metro stations, buses, and bus stops.

The duration of these permits ranges from 10 to 59 years.

For additional information on the key terms of the permit agreementsplease refer to the section **"Material Contracts of the Issuer."**

As of the date of the prospectus, the company holds the following material licenses:

Territory / Asset Covered by the License	Description	Term (Years)	Year of License Acquisition	Expiration Year
Batumi and Tbilisi Airports	<u>**Advertising Placement is Permitted in the Following Areas:**</u> *** Departure Zones:** Registration hall, passport control, and areas adjacent to duty-free zones. **Arrival Zones:** Jet bridges / bus exits, passport control, baggage claim, greeters' area, parking lot, and surrounding territory.	17	2014	2031
Zugdidi	The Company has won all auctions announced by the city, and accordingly, the Issuer holds the right to place advertisements on 100% of the billboards located on municipal property and offered through public auctions.	15	2015	2030
Zugdidi Bus Stops		30	2016	2046
Tbilisi Bus Stops		20	2016	2036
Batumi Buses		30	2020	2050
Tbilisi Public Transport	<u>**In the Metro, advertising may be placed in the following areas:**</u> ***Upper Vestibule:** Advertising can be placed on banners, card readers, and monitors. ***Lower Vestibule:** Banners are mainly placed on platforms; however, non-standard formats or digital screens may also be used. ***Train Cars:** Advertising can be placed on windows, stickers above doors, and panels near handrails.	20	2021	2041
Tbilisi	The Company holds exclusive rights to place advertisements (banners, monitors, lightboxes, etc.) on outdoor advertising media located on municipal property throughout the city.	15	2021	2036

Batumi	It grants exclusive rights to place advertisements (banners, monitors, lightboxes, etc.) on advertising media located on municipal property within the city.	10	2024	2034
Kutaisi	The Company holds an approximate 60% market share in Kutaisi. The remaining 40% is divided among 5–6 competitors.	15	2014	2029
Kutaisi Bus Stops		59	2010	2069
Batumi Bus Stops		21	2014	2035
Bridges across Tbilisi	The Company has obtained permission to construct 15 different bridges across Tbilisi and to place advertising assets on them. The license term for each bridge is 25 years, commencing from the date the bridge is put into operation.	25		

The auctions announced in Tbilisi and Batumi grant exclusive rights to place advertisements across all municipal territories of the respective cities. In contrast, auctions in Kutaisi and Zugdidi were conducted separately, covering the right to place advertisements on various territories.

The Company also holds licenses to place bus stops ads, billboards, and other advertising media on municipal territories in other cities across the country, specifically: the Company has obtained permits for placement in Rustavi, Gori, Marneuli, Akhaltsikhe, Ambrolauri, Ozurgeti, Kobuleti, and others.

Information Regarding Resources Used in the Issuer's Operations

Resources Required for Outdoor Advertising Activities

In order to create various advertising media, the Company requires advertising constructions and materials, which are primarily sourced from China and Turkey, from the following key suppliers:

- Zhejiang Ganglong New Material Co., Ltd – a China-based company that supplies the Issuer with banners of various sizes and related minor materials;
- LYDIA REKLAM ORGANIZASYON TURIZM SANAYI TICARET LIMITED ŞIRKETI – a Turkey-based company that supplies materials for bus advertising and disassembled lightboxes;
- Parya Metal Form – a Turkey-based company that primarily supplies the Issuer with lightboxes for bus stops.

In addition, the Company also procures necessary materials for various advertising channels from both other foreign and local suppliers.

Resources Required for Printing Operations

The primary supplies needed for the printing segment include banners, fabrics, and films (materials used on advertising structures), which the Company procures from China (Zhejiang Ganglong New Material Co., Ltd). The Company maintains a warehouse for print materials and stores several months' worth of inventory.

The Issuer purchases printing machinery and inks required for the machines from the local company Aidy Tech.

The prices of resources necessary for the Company's operations do not fluctuate significantly; however, as the Issuer sources a significant portion of its materials from foreign suppliers and in foreign currency, exchange rate fluctuations affect the costs of such materials.

Technological Resources

To streamline internal operational processes, the Company has developed an internal portal at portal.almasales.ge, which allows sales managers to continuously view the inventory of advertising assets, their statuses (leased, reserved), locations, resolutions, and visuals. The portal also allows for proposal generation in Excel or PDF format, visibility of structure pricing, generation of draft agreements, registration of printing details (which are automatically sent to the printing division), and more. This system has significantly improved the efficiency and work process of the sales team.

Human Resources

The Company has dedicated technical teams responsible for placement, servicing, repair, and monitoring of advertising media across different regions, in proportion to the number of advertising structures in each area.

Alma's technical team provides services in the following areas:

- Construction and material placement – the Company prints materials at its print house and installs them across various advertising channels with the help of the technical team.
- Monitoring and control – Alma conducts monitoring both during the day and at night. Daytime monitoring checks the quality of material placement on structures, while nighttime monitoring verifies lighting quality using electric lighting.
- Maintenance, installation, and dismantling – upon detecting any damage, Alma is obligated to carry out the necessary repairs promptly. The technical team is also responsible for installation and dismantling activities.

In Tbilisi, the Company operates 3 monitoring teams, using company-owned vehicles day and night, as well as 3 power supply and repair teams equipped with special equipment and proper gear.

In Eastern Georgia, the Company operates 2 monitoring and 2 power supply and repair teams; in Western Georgia - 3 monitoring and 2 power supply and repair teams.

Technical team breakdown by advertising channel:

- Billboards – 7 teams
- Bus stops / lightboxes – 3 teams
- Digital monitors – 2 teams
- Airports – 2 teams
- Metro – 2 teams
- Buses – 3 teams

Business Process and Quality Control Procedures

The Company implements quality control through client satisfaction surveys. Specifically, the Customer Relationship Management (CRM) department conducts various surveys: organizing weekly phone calls with clients, sending questionnaires several times per year, conducting year-end summary interviews, etc. Based on the processed data, the Company identifies key areas of client satisfaction or dissatisfaction and develops an action plan for resolving issues.

For advertising assets, the Company operates a monitoring department that documents, labels, and films advertising structures daily. Photo/video materials are sent to clients to inform them about the condition of the advertising asset and the visibility of the advertisement.

Description of the Company's Marketing Program

To increase brand awareness and strengthen its image, the Company engages in a wide range of marketing activities, including modern digital media such as digital marketing and social networks. It also conducts public awareness and corporate social responsibility (CSR) campaigns. For example, the Company developed the "Metro Rules" campaign, where safety rules for public transport use were displayed on banners placed in metro stations.

In addition, Alma cooperates with consulting companies IPM and ACT, which assist the Issuer in assessing the visibility of its advertising assets. This enables the Company to design advertising solutions tailored to client needs and specific location characteristics.

It is noteworthy that in 2024, Alma LLC won the Ad Black Sea, biggest international creative festival in the region, in the OOH (Out of Home) category.

Key Clients and Suppliers

The Company's client portfolio is diversified, and no single client accounts for more than 10% of total sales. As of 2024, revenue generated from the top 10 clients represented 28.7% of total revenue (31.12.2023 – 26.2%).

With respect to suppliers, the share of material costs associated with the top 10 suppliers, as a percentage of total material expenses, for respective periods is detailed in the following table:

2023	2024
53.3%	61.0%

As of 31 December 2024, more than 10% of total material expenses are related to the two companies listed in the table below:

Supplier	Share in total material-related expenses
Gold 5 LLC (ID No.: 402007234)	17.4%
Construction Service LLC (ID No.: 404935647)	14.6%

In 2024, expenses related to Construction Service LLC were designated for the purchase of materials necessary for the bridge project. Expenses related to Gold 5 LLC covered the development of advertising assets in Batumi and the improvement of existing advertising assets in Tbilisi.

As of 2023, only the expenses associated with LLC Construction Service exceeded 10% of the total material expenses (18.4%). These expenses were also related to the bridge construction project.

Investments

Company's Capital Expenditures

The Company's investments in property, plant and equipment (PPE) by year are presented in the table below:

In GEL '000	2022	2023	2024
Property, plant and equipment (PPE) purchases	3,365	3,136	9,286

Capital expenditures in PPE were mainly related to the acquisition of billboards and advertising structures, vehicles required for technical services, and printing equipment.

In 2024, the Company additionally incurred capital expenditures related to the bridge construction project. For more details regarding the projectplease refer to the section: **"Future Strategy and Objectives."**

The Company plans to make additional investments related to the placement of advertising assets on municipal territory in Batumi and the construction of 14 different bridges in Tbilisi.

The Company's investments in investment property by year are presented in the table below:

In GEL '000	2022	2023	2024
investment property purchases	256	25,782	538

In 2023, the Company acquired land in the Lisi area, which was subsequently contributed to the capital of its subsidiary, Alma Lisi. Capital expenditures in 2024 were related to payments for the land acquired in the Lisi area.

Capital Expenditures of Subsidiaries

Capital expenditures by the Company's subsidiaries in property, plant and equipment (PPE) by year are as follows:

In GEL '000	2022	2023	2024
Property, plant and equipment (PPE) purchases	36	17	4,669

Subsidiary-level PPE expenditures primarily related to the acquisition of office inventory. Additionally, in 2024, GEL 3,166 thousand of capital expenditures related to the acquisition of Kartli Generation LLC.

Capital expenditures by the Company's subsidiaries in investment property by year are as follows:

In GEL '000	2022	2023	2024
investment property purchases	42,315	13,020	21,241

In 2022, Kostava Towers LLC acquired land and buildings located thereon from the LEPL Georgian Public Broadcaster. Payments made in 2022 and 2023, as well as GEL 4,883 thousand of total investments in 2024, were related to this property acquisition.

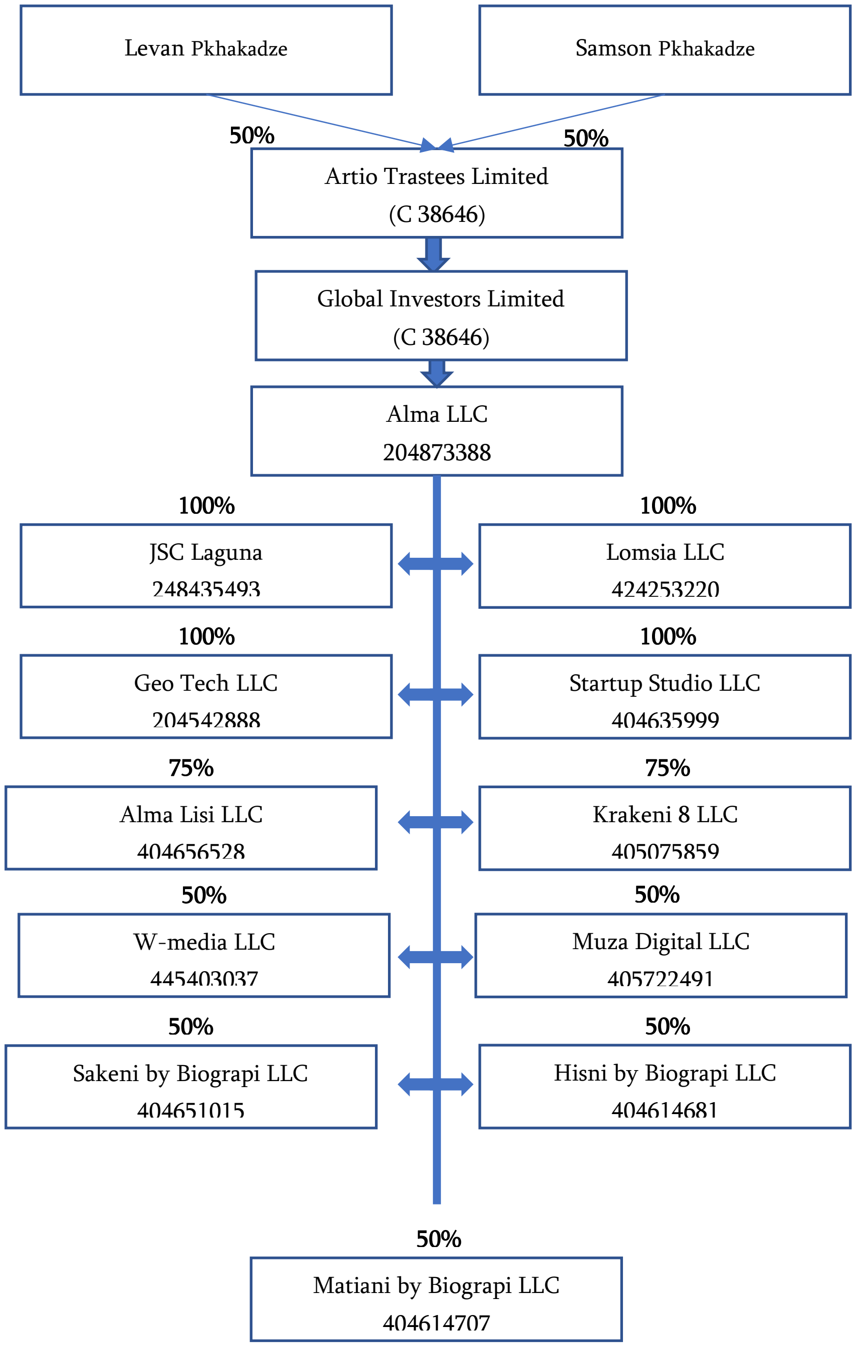
Of the total capital expenditures in 2024, GEL 17,282 thousand were related to the acquisition by Millennium Towers LLC (ID: 405645137) - a subsidiary of the Issuer's 100%-owned subsidiary JSC Winthrop Center (ID: 405646243) - of two subsidiaries of Alma LLC: Medical-Prophylactic Center LLC (ID: 204909581) and Basis Asset Management LLC (ID: 205288428). The acquisition by Millennium Towers LLC was conducted for the purpose of acquiring their investment property.

Notably, as of December 18, 2024, Alma LLC's three subsidiaries - JSC Winthrop Center (ID: 405646243), Medical-Prophylactic Center LLC (ID: 204909581), and Basis Asset Management LLC (ID: 205288428) – merged with Millennium Towers LLC (ID: 405645137).

Organizational Structure

The 100% owner of the Company is Global Investors Limited (C38646, Malta), whose partners are individual entrepreneurs Levan Pkhakadze (ID: 01024008758) and Samson Pkhakadze (ID: 01024006897). Artio Trust Limited (C58395, Malta) (legal address: Constitution Street, Malta) holds (manages) the partnership interests in

Global Investors Limited (C38646, Malta) under fiduciary duties and powers.Structure of the Issuer as of the date of the Prospectus is as follows:



**As of December 18, 2024, a merger was completed between three subsidiaries of Alma LLC - JSC Winthrop Center (ID: 405646243), Medical-Prophylactic Center LLC (ID: 204909581), and Basis Asset Management LLC (ID: 205288428) - and Millennium Towers LLC (ID: 405645137). Prior to the merger, the Issuer was the direct 100% owner of JSC Winthrop Center, which in turn owned 100% of Millennium Towers LLC. The latter was the 100% owner of both Basis Asset Management LLC and Medical-Prophylactic Center LLC.*

**In January 2025, the Issuer sold 100% of the shares in its wholly owned subsidiary Millennium Towers LLC (ID: 405645137) to related parties. Specifically, VELLAGIO LLC (ID: 204469413) acquired 80% of the company, and Belmond Capital LLC (ID: 405730197) acquired the remaining 20%. VELLAGIO LLC is a subsidiary of the Issuer's 100% shareholder, Global Investors Limited (C38646), and 100% of Belmond Capital LLC is owned by Vasil Pkhakadze (ID: 01008027919).*

**In April 2025, the Issuer sold 100% of the shares in its wholly owned subsidiary Kostava Towers LLC (ID: 404649298) to a related party. Specifically, VELLAGIO LLC (ID: 204469413) acquired 100% of the company.*

**In May 2025, the Issuer sold 100% of the shares in its wholly owned subsidiary A Energy LLC (ID: 405668923) to multiple parties. Specifically, VELLAGIO LLC (ID: 204469413) acquired 50%, Tengiz Tsulaia (ID: 37001018394) acquired 25%, JSC Gravity Investments (ID: 404669649) acquired 16.6%, and JSC Letteren (ID: 405607543) acquired the remaining 8.4%.*

Industry Overview

Advertising Market Overview

The advertising and market research sector in Georgia encompasses advertising agencies whose activities include:

- Creating and placing advertisements in newspapers, periodicals, radio, television, the internet, and other media platforms;
- Posting outdoor advertisements in public spaces such as billboards, panels, avenues, transportation, and other public areas;
- Distributing or delivering advertising materials or samples;
- Creating stands and other demonstration tools and display areas;
- Conducting marketing campaigns and other advertising services aimed at attracting and retaining customers (product placement, point-of-sale marketing, direct mail advertising, marketing consulting);
- Aerial advertising.

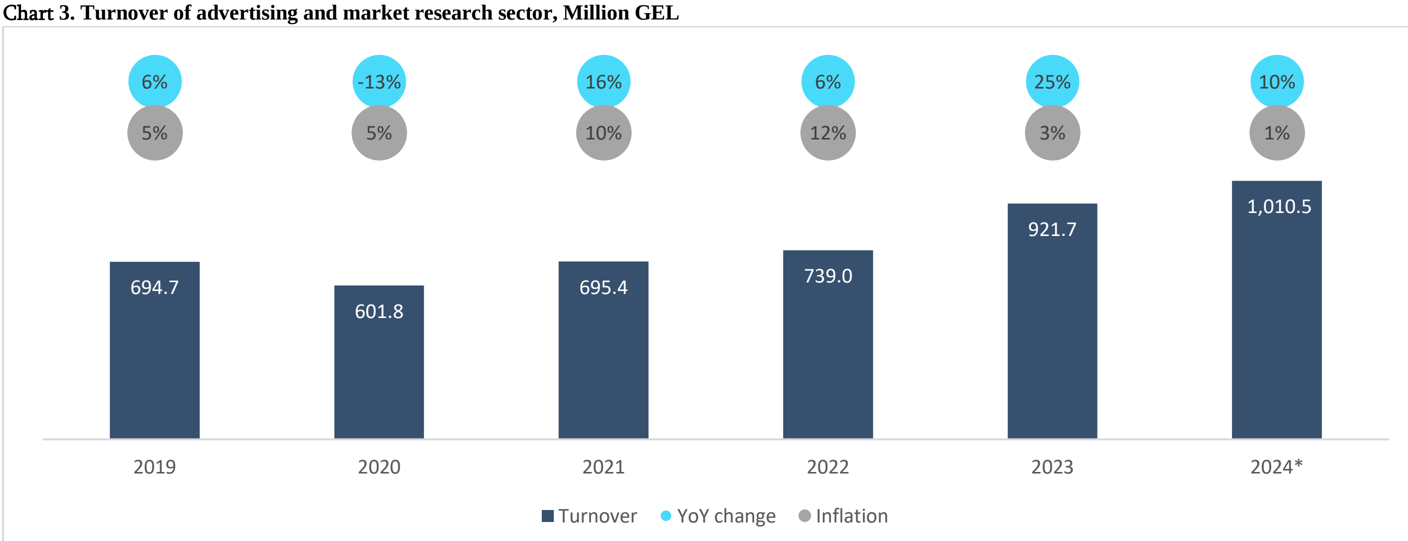
The advertising and market research sector also includes companies generating revenue by representing media (buying/reselling time and space). Additionally, the sector comprises firms that conduct statistical analysis of results to explore market potential, product/service awareness and acceptance, and consumer behavior. These activities aim to refine marketing strategies and optimize business processes.

In recent years, Georgia's advertising and market research sector has demonstrated a consistent growth trend. According to TBC Capital, in 2024, the sector's turnover exceeded GEL 1 billion, reflecting approximately 10% growth compared to 2023. The compound annual growth rate (CAGR) of the sector for 2019–2024 stands at a positive 7.8%.

The advertising sector showed resilience during the pandemic and quickly regained its position. In 2020, the pandemic year, the sector's turnover was GEL 601.8 million, representing only a 13% decline from 2019. This drop was attributed to decreased consumer purchasing power, which in turn reduced demand from both corporate clients and the advertising industry. However, as 2020 was also an election year - a typically lucrative period for the advertising industry - the overall impact of the pandemic on the sector was not overly severe.

In 2021, the sector's turnover reached GEL 695.4 million, a 16% increase compared to 2020, slightly exceeding the pre-pandemic 2019 figure by 0.1%. This rapid recovery highlights the sector's flexibility and growing economic importance.

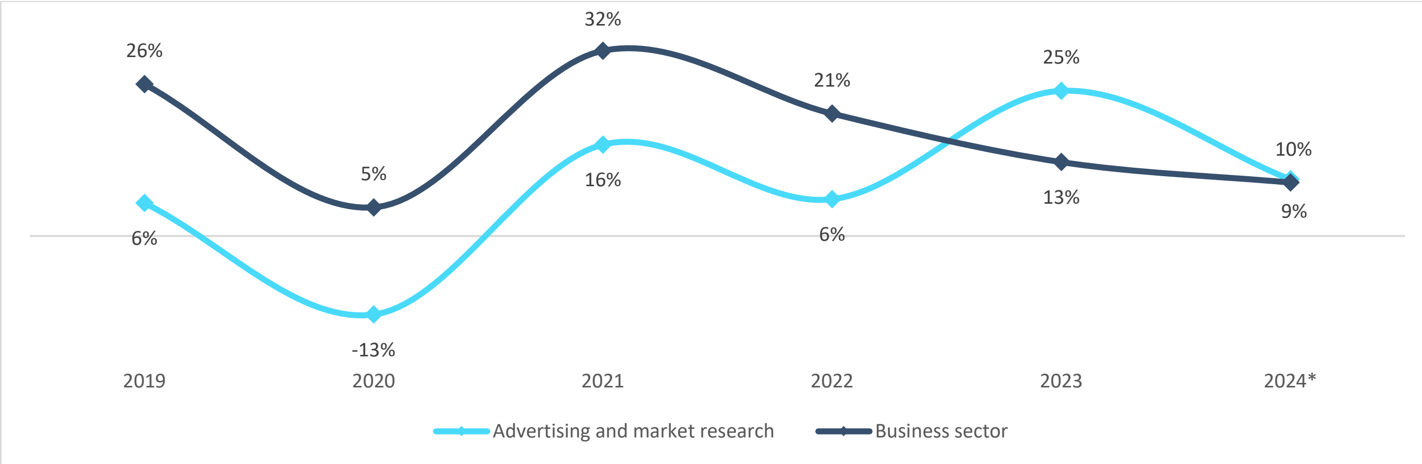
Chart 3. Turnover of advertising and market research sector, Million GEL



*Source: National Statistics Office of Georgia(Requested Information); *Estimate by TBC Capital*

One of the primary drivers of growth in the advertising sector is the overall development of the business sector, which has historically shown correlated growth rates with advertising. However, 2023 was an exception - despite a slowdown in the overall business turnover growth rate, the advertising industry's annual turnover growth accelerated from 6% in 2022 to a double-digit rate of 25%. In 2024, overall business turnover grew by 9%, while the advertising sector's growth rate once again outpaced it, reflecting heightened demand for advertising services.

Chart 4. Annual Change in Turnover of the Advertising Sector and the Overall Business Sector, YoY Change, %



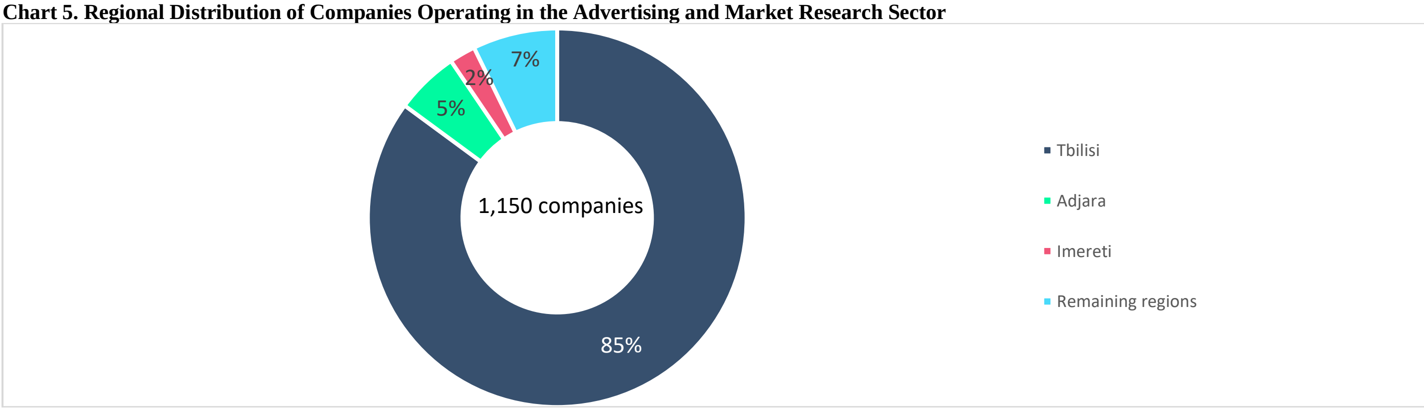
Source: *National Statistics Office of Georgia; TBC Capital estimate in the case of advertising and market research activities*

Despite the sector's high growth rate, advertising still comprises a relatively small share of the total business sector. In 2022, the advertising sector accounted for 0.41% of total business turnover, rising to 0.45% in 2023. This share is expected to remain stable in 2024.

Currently, approximately 1,150 companies are registered with active status in the advertising and market research sector in Georgia. In addition, around 2,000 individual entrepreneurs are engaged in this line of work, though their turnovers are generally minimal and, thus, excluded from the following analysis, which focuses on companies.

The vast majority of companies registered with active status in the advertising business are concentrated in Tbilisi, accounting for 85% of the 1,150 companies. From a geographical standpoint, Adjara and Imereti rank second and third, with shares of 5% and 2%, respectively. The remaining regions collectively account for only 7% of companies registered with active status in the sector.

Chart 5. Regional Distribution of Companies Operating in the Advertising and Market Research Sector



Source: *National Statistics Office of Georgia; TBC Capital*

It is noteworthy that 92% of advertising companies registered in Georgia fall under the category of small enterprises, meaning they employ fewer than 50 people and have an annual turnover not exceeding GEL 12 million, as defined by the classification of the National Statistics Office of Georgia.

To assess the competitive landscape in the advertising sector, it is important to note that of the 1,150 companies registered with active status, only 45 companies fall under categories I, II, and III. Nevertheless, these 45 companies account for 45% of the sector's total turnover. This diversified distribution of revenue and lack of high concentration in the sector suggests the presence of a healthy competitive environment.

Outdoor (out-of-home/OOH) Advertising Market Overview

The outdoor advertising market includes the placement of advertisements on billboards, bus stops, airports, and other public gathering areas across various cities. The structure of this market varies depending on the type of placement location, city, and medium used, allowing for maximum visibility and effectiveness across local and regional markets.

For billboard placement, permits are issued via auctions, with the scope and process varying by city. In major cities such as Tbilisi and Batumi, auctions are announced at the municipal unit level. It is important to note that the winning company in each auction is granted an exclusive right to place advertisements on the corresponding municipal units, providing prioritized access and preferential terms in those areas.

In Tbilisi, Alma holds all exclusive rights to place billboards across municipal units. Any other billboards not placed by Alma are located on private properties, such as buildings and land plots. These privately owned billboard placements are relatively limited in number, and as a result, it is not possible to accurately determine the market share of such placements within the Tbilisi OOH sector.

In Batumi, Alma's main competitor is Pixel Outdoor, which owns 36 advertising units in the outskirts of Batumi. For a comparative overview of Alma and Pixel Outdoor based on key financial and non-financial indicators, please refer to the section **"Competitive Position"**.

In cities such as Rustavi, Gori, Telavi, Zugdidi, and others, auctions are conducted for specific billboard locations.

Auctions for billboard, transport, bus stop shelter, and other public property advertisement placements are organized by the respective public authorities. For example, in Tbilisi, contracts are signed with the Property Management Agency (LEPL) of the Tbilisi Municipality, and in certain cases, additionally with LLC Tbilisi Transport Company. These auctions are decentralized and conducted by each city's respective governing authority.

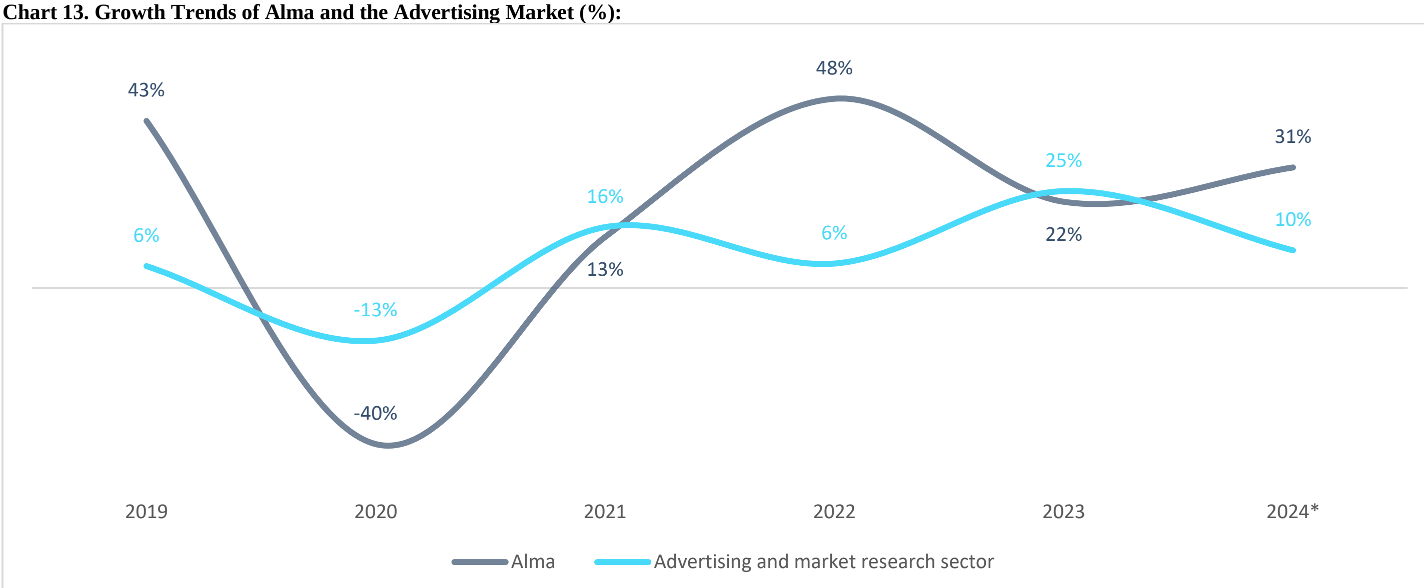
The structure for **airport advertising** is different, as tenders are announced by private companies. Specifically, in Tbilisi International Airport, contracts for advertising placement are concluded with LLC TAV Urban Georgia, and in Batumi International Airport, with LLC Batumi Airport. In both airports, Alma holds exclusive rights to place advertisements. However, at Kutaisi International Airport, Alma does not have advertising rights; instead, advertising at this location is managed solely by its owner United Airports of Georgia LLC, which is state-owned enterprise under the Ministry of Economy and Sustainable Development of Georgia.

For further details regarding the Issuer's operational directions and material contracts, please refer to the section titled **"Material Contracts of the Issuer"**.

The outdoor advertising market is dependent, on one hand, on its immediate clients - corporate and institutional advertisers - and, on the other hand, significantly influenced by end-user behavior, preferences, and demand. Therefore, this sub-sector is subject to certain risks, which are described in more detail in the sub-section titled **"Market and Operating Risks"**.

As of 2024, Alma accounts for 6.5% of Georgia's total advertising and market research sector. It should be noted that this sector includes not only advertising agencies but also media organizations and various market research companies. Additionally, the 2024 sector participation figure is an estimate by TBC Capital, with verified data expected to be available in October 2025.

Chart 13. Growth Trends of Alma and the Advertising Market (%):



Source: *SARAS, National Statistics Office of Georgia; *TBC Capital's estimate in the case of advertising and market research activities.*

The growth trends (turnover increases and decreases) of the overall advertising market and Alma are correlated; however, unlike the broader sector, Alma exhibits more pronounced cyclicality. For example, during the pandemic year 2020, Alma's individual revenues declined by 40% compared to 2019, while the overall advertising market experienced only a 13% decline. It is important to note that Alma's revenue drop in 2020 was due not only to the pandemic but also to the suspension of advertising by online gambling companies. For further details, please refer to the section **"Market and Operating Risks."**

Real Estate Market Overview

The real estate sector—as defined by Geostat (the National Statistics Office of Georgia) - includes imputed rent for owner-occupied dwellings, income from leasing and renting residential and commercial property and land, income from property management, and revenue from real estate transactions. This sector consistently accounts for a significant share of Georgia's economy, supported by internal demand for residential and commercial property stemming from economic growth, as well as the rapid development of tourism and, in recent years, the impact of migration.

Real estate market activity is significantly influenced by factors such as economic growth, exchange rate fluctuations, credit availability, market sentiment, the pandemic, and others. After a slowdown caused by the pandemic, the market experienced substantial growth in 2022–2023. From 2019 to 2024, the sector's average share of Georgia's gross domestic product (GDP) was approximately 10.4%.

Sector Revenues	2019	2020	2021	2022	2023	2024
Real Estate–Related Activities (Sectoral GDP, GEL million)	4,878	4,943	5,189	6,159	7,437	7,912
Annual Growth	11.2%	1.3%	5.0%	18.7%	20.7%	7.3%
Share in Total GDP	11.2%	11.4%	9.8%	9.7%	10.6%	9.9%
GDP, GEL million (at Basic Prices)	43,482	43,453	52,826	63,397	70,329	80,209

The sector's total output followed a similar trend, marked by notably strong growth in 2022–2023.

Business Sector Output	2019	2020	2021	2022	2023	2024
Total Output of the Real Estate Activities Sector, mln GEL	1,522	1,264	1,387	1,720	2,071	2,215
Annual Output Growth	19.1%	-16.9%	9.7%	24.0%	20.4%	6.9%

Due to the high share of imputed rent for owner-occupied dwellings and the overall structure of the real estate sector, employment in the sector has been growing, though it remains relatively modest in scale. As of 2024, 2.4% of total salaried employees in Georgia were employed in this sector. It is noteworthy that since 2022, the average salary in the sector has been slightly below the national average wage for salaried employees.

Employment and Salaries	2019	2020	2021	2022	2023	2024
Number of Employees in the Real Estate Activities Sector	16,727	16,103	16,370	17,617	18,438	17,306
Share in Total Employment	2.4%	2.5%	2.4%	2.4%	2.4%	2.4%
Total Number of Employees	702,015	656,267	688,053	726,231	771,479	733,655
Average Salary in the Real Estate Activities Sector, GEL*	1,193	1,183	1,428	1,487	1,599	1,916
Average Salary of Employees, GEL*	1,129	1,191	1,305	1,543	1,767	2,056

In recent years, the real estate sector has also gained attractiveness for foreign investors. While from 2016 to 2020, the sector accounted for an average of 2.9% of foreign direct investment (FDI), between 2021 and 2024, this share rose to an average of 9.4%.

Foreign Investments	2019	2020	2021	2022	2023	2024
Investments in the Real Estate Activities Sector, USD thousand	-63,631*	53,717	44,324	370,491	111,216	155,250
Annual Growth of Investments	-398.3%	-184.4%	-17.5%	735.9%	-70.0%	39.6%
Share in Total Investments	-4.7%	9.2%	3.6%	16.4%	5.8%	11.6%
Total Foreign Investments, USD thousand	1,367,795	583,088	1,245,915	2,253,368	1,902,189	1,333,818

**Negative investment volume reflects the disposal of investment by a non-resident investor to a resident, write-off of liabilities, and other adjustments.*

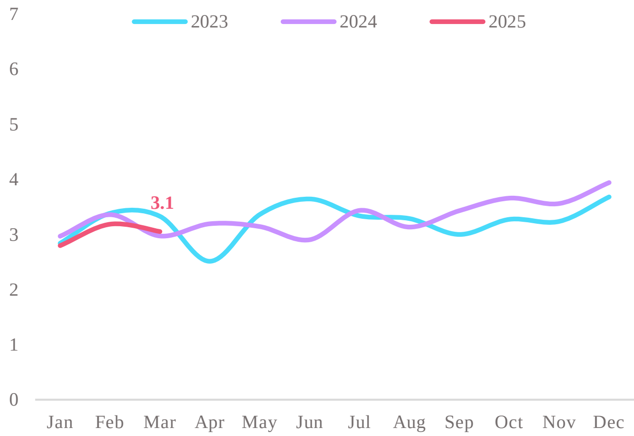
Residential Real Estate Market Overview

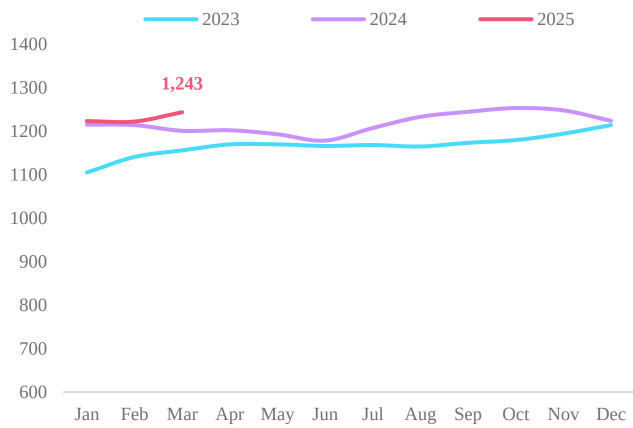
In 2024, 39,690 residential units were sold in Tbilisi, representing a 3% increase compared to the same period of the previous year. In the first quarter of 2025, a total of 9,032 transactions were recorded, which is a 3% decrease compared to the same period of the previous year.

The average sale price in 2024 reached USD 1,217 per square meter, a 4% annual increase. By March 2025, the price had reached USD 1,243, maintaining a 4% year-over-year growth. In terms of market volume, the first quarter of 2025 amounted to USD 733 million, reflecting a modest 1% annual decline.

Chart 6. Number of Apartments Sold (‘000), Tbilisi

Chart 7. Average Weighted Sale Price (USD / sq.m), Tbilisi





Source: *Public Registry, (Requested Information), National Bank of Georgia, TBC Capital*

Following the outbreak of the Russia-Ukraine war in February 2022 and the influx of migrants to Georgia, average rental prices surged exponentially in 2022. Beginning in March 2023, rental prices began a gradual downward trend. In 2024, rental prices stabilized, and this trend continued into 2025. As of March, the average rental price per square meter stood at USD 10.6, remaining essentially unchanged from the previous month, but reflecting a 11.5% annual decrease.

Chart 8. Average Rental Price (USD / sq.m), Tbilisi

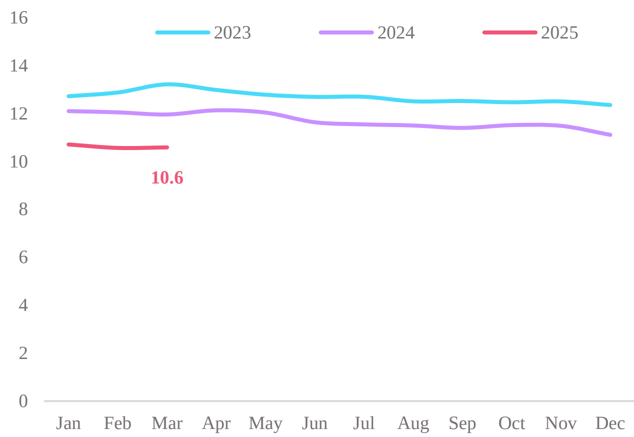
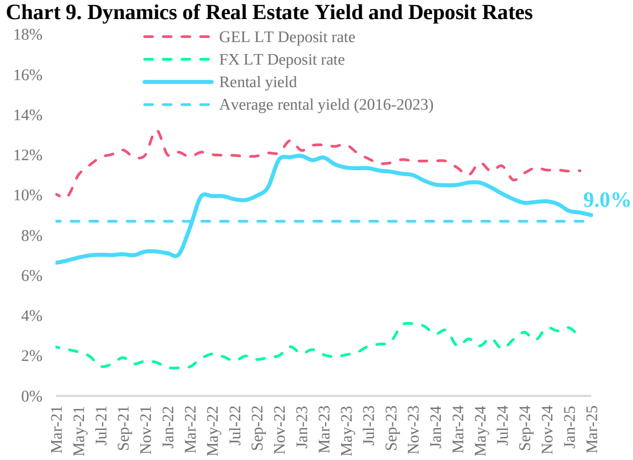


Chart 9. Dynamics of Real Estate Yield and Deposit Rates

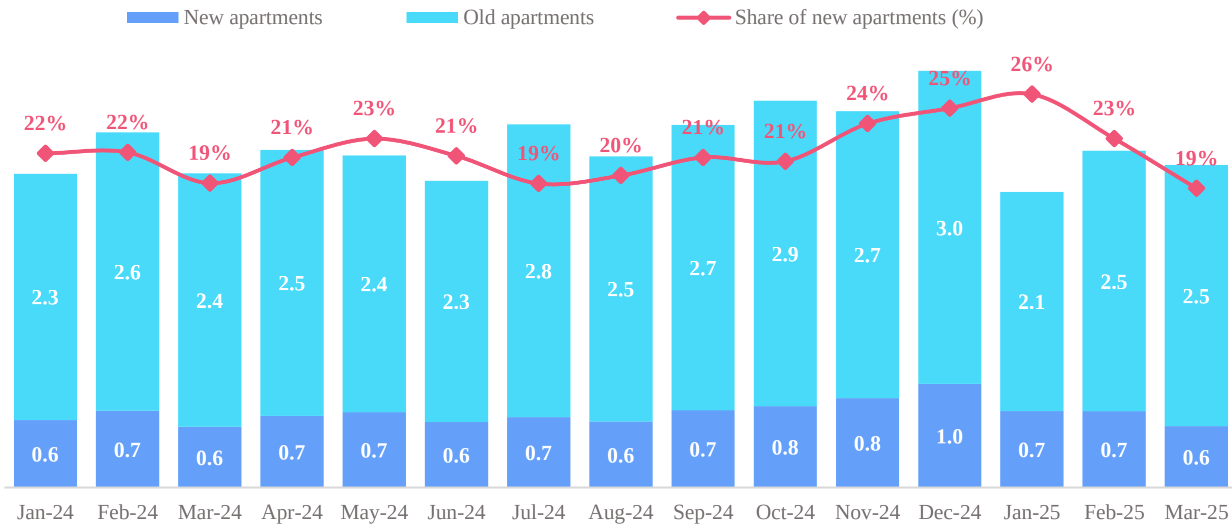


Source: *Public Registry (Requested Information), National Bank of Georgia, TBC Capital*

As expected, with rental prices declining and sale prices remaining high, real estate yields have stabilized, approaching their long-term average. Recent data shows yields at approximately 9.0%, slightly below the 11.22% yield on long-term GEL deposits (as of February), but well above the 2.92% yield on long-term foreign currency deposits, reaffirming real estate as one of the most attractive investment assets in Georgia.

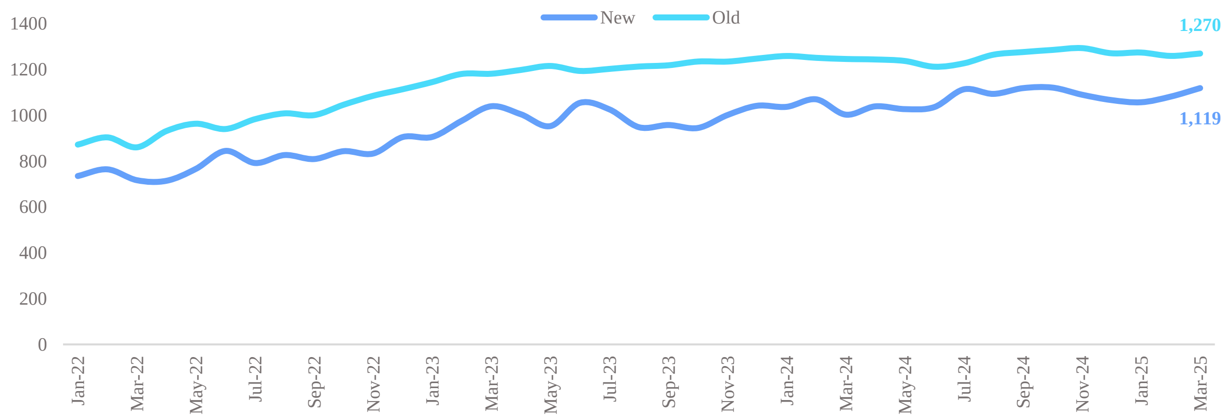
According to our methodology, an apartment is considered "new" if it is sold within 3 years from the date the construction permit was issued. In March 2025, 580 newly built apartments were sold - 1% higher than the same period the previous year. Meanwhile, transactions involving older apartments rose by 3% year-over-year, totaling 2,471 units. The share of new apartments in total sales decreased to 19%.

Chart 10. Number of Apartments Sold, New vs. Old ('000), Tbilisi



Source: *Public Registry (Requested information), TBC Capital*

Chart 11. Average Weighted Sale Price, New vs. Old (USD / sq.m), Tbilisi

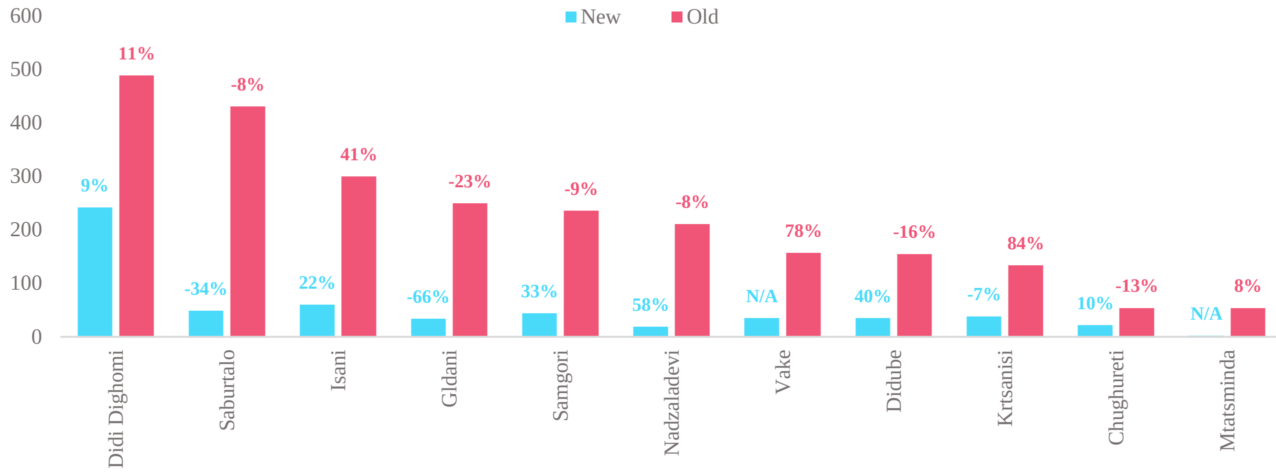


Source: *Public Registry(Requested information) National Bank of Georgia, TBC Capital*

The highest number of new apartment sales in March was recorded in Didi Dighomi, with notable year-over-year growth also observed in Nadzaladevi, Didube, Samgori, and Isani. Didi Dighomi also led in older apartment sales, followed by Saburtalo. In the case of older apartments, Krtsanisi showed strong activity and significant annual growth.

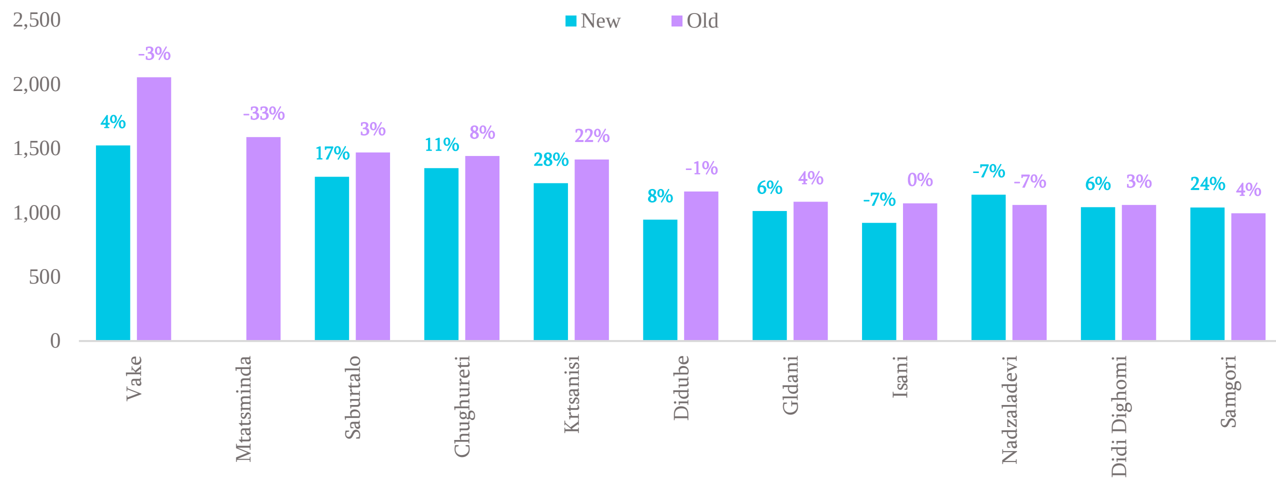
During this period, the highest average sale price per square meter was recorded in Vake, fluctuating around USD 2,000. In Krtsanisi, demand growth led to a notable annual price increase for both new and old apartments.

Chart 12. Number of Apartments Sold and YoY Change (%), New vs. Old, March 2025



Source: Public Registry(Requested information), TBC Capital

Chart 13. Average Weighted Sale Price (USD / sq.m) and YoY Change (%), New vs. Old, March 2025



Source: Public Registry (Requested information), TBC Capital

Construction Market Overview

The construction sector is one of the key contributors to Georgia's economy, accounting for approximately 7–8% of GDP in recent years. As defined by Geostat, this includes not only building construction and infrastructure works but also specialized activities such as installation, finishing, and other related services. Construction activity is significantly influenced by factors such as economic growth, exchange rates, credit availability, market sentiment, the real estate market, government infrastructure projects, and pandemic-related disruptions. Among recent years, 2022 stood out for notable revenue growth, and in the pending year, a significant 26% increase was again recorded.

This growth is also reflected in the sector's gross output (total value of produced construction), which saw marked expansion in 2022. According to Geostat, the majority of this output comes from residential and commercial buildings and road infrastructure development.

Sector Output	2019	2020	2021	2022	2023	2024
Construction of Buildings, mln GEL	4,382	4,572	4,531	5,934	6,759	8,457
Road Infrastructure, mln GEL	2,266	2,379	2,418	3,246	3,479	3,710
Total Sector Output, mln GEL	8,910	9,074	9,119	11,892	13,500	16,039
Annual Growth of Total Output	14.4%	1.8%	0.5%	30.4%	13.5%	18.8%

Despite a gradual decline in the construction sector's share of total salary based employment volume, it remains a major employer in line with its significant role in economic activity. Between 2019 and 2024, the sector employed an average of 64,000 people. Additionally, construction is one of the highest-paying sectors in Georgia. Salaries in construction consistently exceed the national average and have shown a stable upward trend.

Employment and Wages	2019	2020	2021	2022	2023	2024

Number of Employees in Construction (hired)	67,679	64,477	60,851	61,786	65,041	62,012
Share in Total Hired Employment	9.6%	9.8%	8.8%	8.5%	8.4%	8.5%
Total Number of Hired Employees	702,015	656,267	688,053	726,231	771,479	733,655
Average Salary in Construction, GEL	1,642	1,726	1,807	2,040	2,313	3,033
Average Salary of Hired Employees, GEL	1,129	1,191	1,305	1,543	1,767	2,056

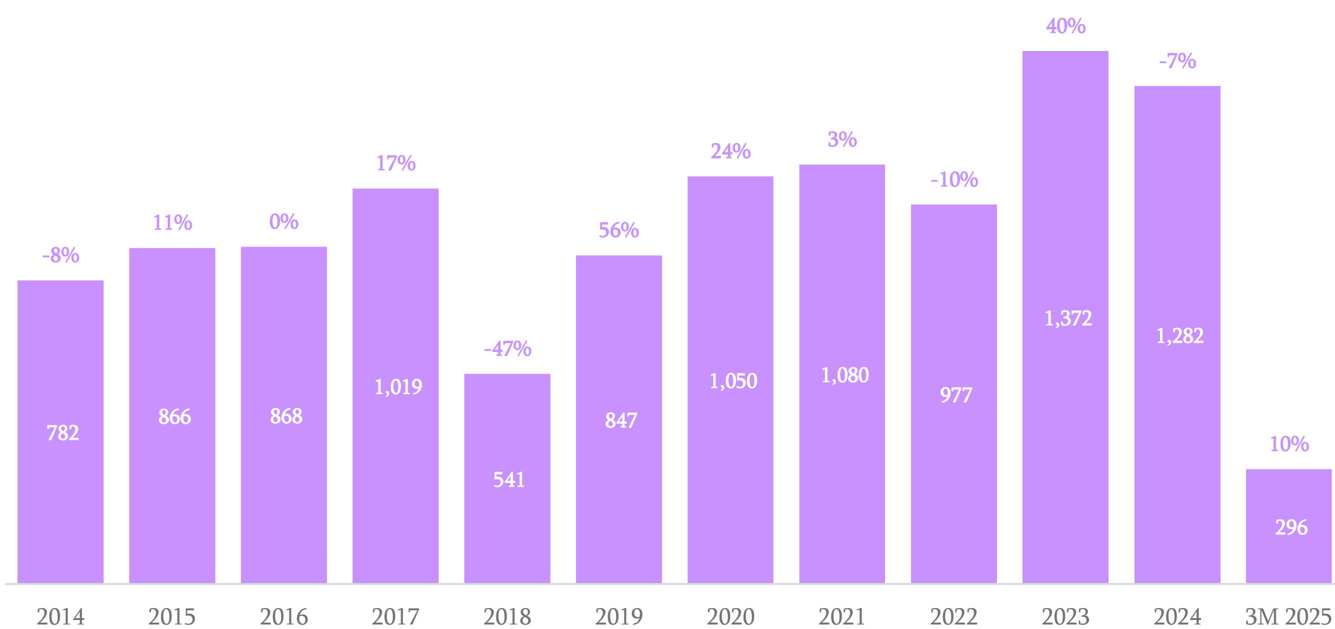
The average FDI share in the construction sector between 2019 and 2024 was only 2.6%, which is attributed to a high proportion of local financing, especially in recent years.

Foreign Investments	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Investments in the Construction Sector, thousand USD	56,482	32,834	-9,298*	39,830	85,891	13,447
Annual Growth of Investments	-69.9%	-41.9%	-128.3%	-528.4%	115.6%	-84.3%
Share in Total Investments	4.1%	5.6%	-0.7%	1.8%	4.5%	1.0%
Total Foreign Investments, thousand USD	1,367,795	583,088	1,245,915	2,253,368	1,902,189	1,333,818

**Negative investment volume reflects disposal of investment by a non-resident investor to a resident, debt write-offs, and other adjustments.*

The number of square meters of issued building permits reached a historic peak in 2023, and high issuance levels continued into 2024, indicating sustained strong competition. In the first quarter of 2025, permits were issued for approximately 296,000 square meters of residential space, a 10% increase over the same period in 2024. Permits were mainly concentrated in Didi Dighomi, Isani, Saburtalo, and Samgori, suggesting that the highest potential supply will emerge in these districts.

Chart 14. Construction Permits Issued in Tbilisi ('000 sq.m) and YoY Change (%)

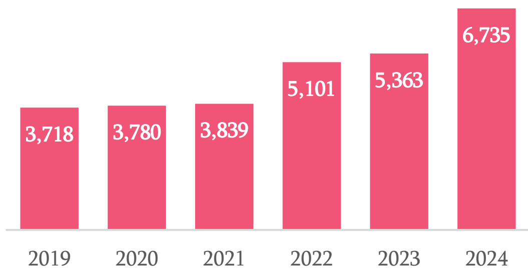


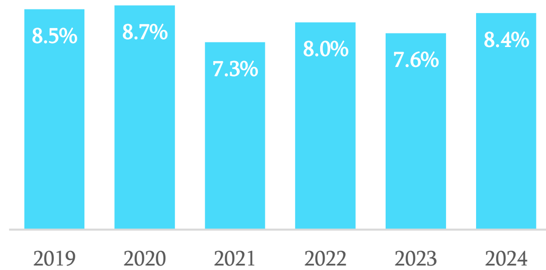
Source: Tbilisi Architecture Service, TBC Capital

The size of the construction sector increased significantly during 2022–2024 and, according to the latest data, amounts to approximately GEL 6.7 billion. Over the past five years, its share in Gross Domestic Product has fluctuated around 8%.

Chart 15. Size of the Construction Sector (mln GEL)

Chart 16. Construction Sector's Share in Gross Domestic Product (%)



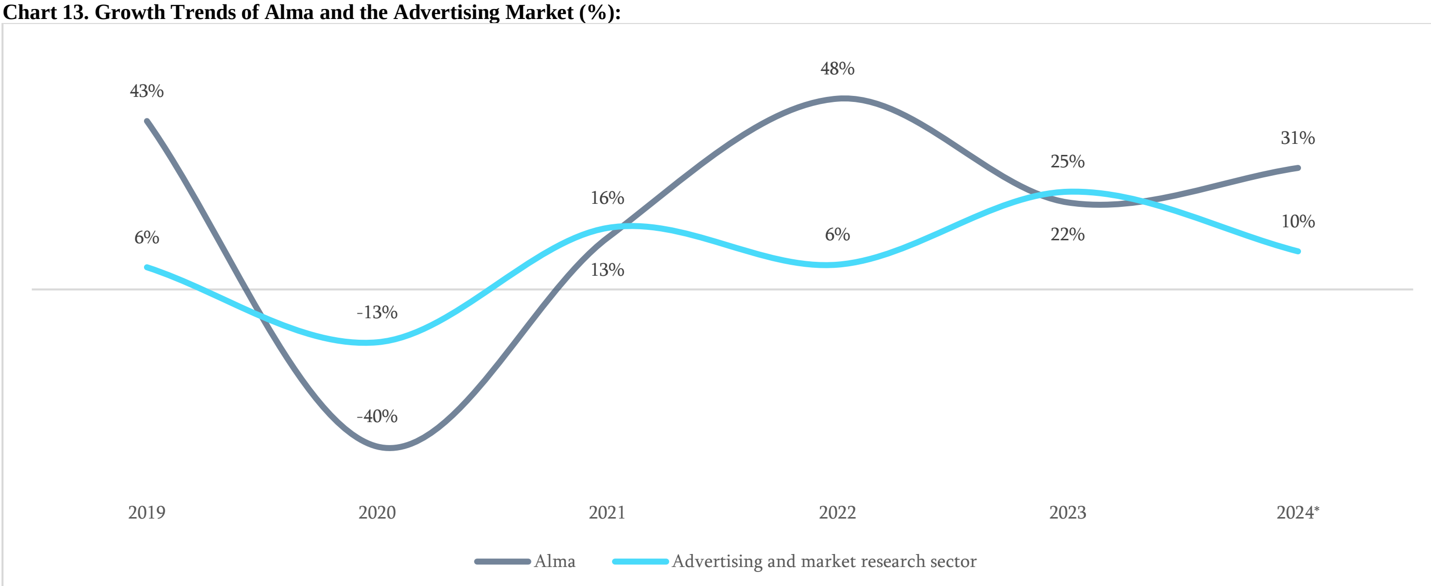


Source: Geostat, TBC Capital

Competitive Position

Within the advertising and market research sector, Alma is one of the largest players, accounting for approximately 6.5% of total sector turnover in 2024. This includes revenues from outdoor advertising, media agencies, and market research companies. For a detailed comparison, please refer to **the Chart on Growth trends of Alma and the Advertising Market**.

Chart 13. Growth Trends of Alma and the Advertising Market (%):



Source: SARAS, National Statistics Office of Georgia; TBC Capital estimates in the case of advertising and market research activities

While Alma's turnover trend generally correlates with the overall market, its operations exhibit higher cyclicality. For example, in 2020, the company's revenues declined by 40%, influenced not only by the pandemic but also by the suspension of advertisements from online gambling companies - a major industry segment. This highlights that Alma's revenues are highly dependent on specific sectors.

In the outdoor advertising segment, Alma is positioned as a dominant market player, primarily due to its exclusive advertising rights in Tbilisi and Batumi, which provide strategic and stable visibility. The only relatively large competitor is Pixel Outdoor LLC, but its scale is significantly smaller. In 2023, Pixel Outdoor's revenue was approximately GEL 1.7 million, representing just 3% of Alma's revenue.

Given this market dominance and lack of comparable competitors, a detailed competitive analysis is not deemed necessary, as there are no players of similar scale or influence operating in the same market.

Operating and Financial Review

Standalone Operating and Financial Review

This section provides an overview and analysis of the Company's standalone financial position and operating results based on its audited financial statements for the full years of 2023 and 2024. Unless otherwise stated, the financial information presented herein has been extracted from the Issuer's standalone financial statements for the respective periods. This section should be read in conjunction with the financial statements and related notes, as well as with other financial information presented elsewhere in this Prospectus.

Unless indicated otherwise, the figures and references in the section titled "Standalone Operating and Financial Review" are derived from the standalone financial statements of Alma LLC and apply specifically to the standalone operations and financial performance reviewed within this section.

Basis of Preparation of Financial Statements

The standalone financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The financial statements have been prepared based on the historical cost. The audit opinions for the annual audited financial statements for 2023 and 2024 are unmodified.

Standalone Statement of Comprehensive Income

(in thousand GEL)	**2023** Audited	**2024** Audited
Revenue	50,215	65,658
Cost of Sales	(16,177)	(20,082)
Gross Profit	**34,038**	**45,576**
General and Administrative Expenses	(5,506)	(6,578)
Change in Allowance for Impairment of Financial Assets	8	(1,778)
Reversal of Impairment of Non-Current Assets	1,036	-
Profit/(Loss) on Disposal of Non-Current Assets, Net	418	(161)
Impairment of Investments in Other Companies	-	-
Other Income, Net	227	737
Profit/(Loss) from Disposal of Subsidiary, Net	(14,280)	-
Income from Sale of Subsidiary Interest, Net	1,412	-
Operating Profit	**17,354**	**37,796**
Finance Income	3,432	3,340
Finance Costs	(11,927)	(12,415)
(Loss)/Gain from Foreign Exchange Differences, Net	(401)	(856)
Share of Profit/(Loss) of Companies Accounted for Using the Equity Method	(4,355)	(7,614)
Dividends Received from Subsidiaries	-	-
Profit Before Tax	**4,104**	**20,250**
Income Tax Expense	-	-
Total Comprehensive Income for the Year	**4,104**	**20,250**

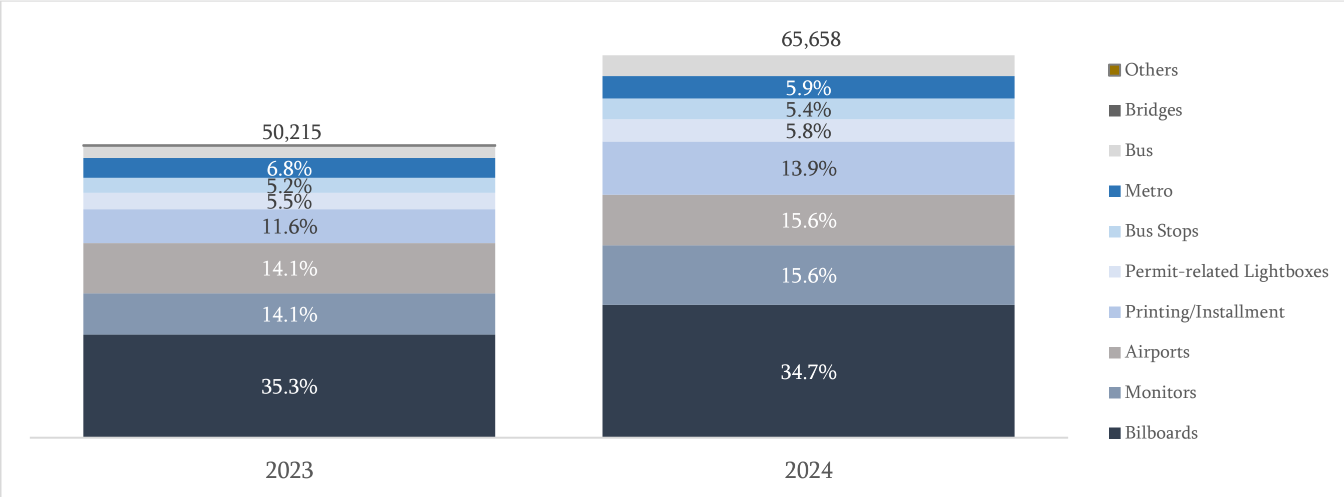
Revenue

The Company's revenue is primarily generated from the provision of advertising services. Its advertising portfolio includes the placement of outdoor advertisements on billboards, bus stops, outdoor monitors, public transport in Tbilisi, buses in Batumi, and advertising spaces within the airports of Tbilisi and Batumi, as well as other high-traffic public areas.

In 2024, the Company's standalone revenue amounted to GEL 65,658 thousand, of which 34.7% was derived from billboard advertising.

In 2023, standalone revenue totaled GEL 50,215 thousand, with billboard advertising accounting for 35.3% of the total. The contribution of various advertising streams to total revenue across the reporting periods is presented below:

Chart 14. Breakdown of the Company's Standalone Revenue [11] by Main Business Lines (in thousand GEL)



Compared to the prior year, revenue increased by 30.8% in 2024, driven by organic growth across several streams, including billboards, monitors, licensed lightboxes, and bus stops. A contributing factor was the election year, which significantly boosted demand for advertising and positively impacted the Company's performance.

Revenue from billboard advertising totaled GEL 22,791 thousand in 2024, representing a 28.6% increase year-on-year. This growth was driven by both an increase in total billboard surface area - from 33,500 sq.m as of 31 December 2023 to 35,420 sq.m as of 31 December 2024 - and higher demand, primarily attributed to the 2024 election period.

Revenue from monitor and bus stop shelter advertising grew by 44.2% and 37.1% year-on-year, respectively, in 2024. Growth in monitor revenue was largely due to increased prices and demand, while the rise in bus stop shelter revenue reflected heightened advertising activity during the election period. Revenue from licensed lightboxes reached GEL 3,839 thousand in 2024, reflecting a 38.7% increase year-on-year, supported by increased demand. In response, the Company expanded the number of lightboxes from 653 units (as of 31 December 2023) to 780 units (as of 31 December 2024).

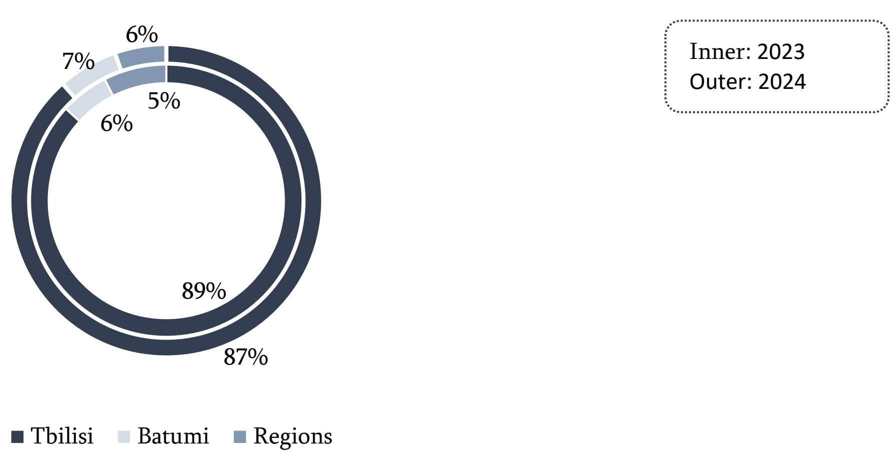
In 2023, revenue increased by 22.0% compared to 2022, primarily due to higher revenue from billboard, monitor, and airport advertising placements.

Billboard advertising revenue amounted to GEL 17,720 thousand in 2023, reflecting a 13.5% year-on-year increase. As of 31 December 2023, the Company's total billboard surface area was 33,500 sq.m, down by 8.6% from 31 December 2022. Despite the decrease in surface area, revenue increased due to strategic adjustments - non-premium and lower-performing billboard locations were dismantled and replaced with larger and more desirable billboards in high-demand areas.

Revenue from airport advertising amounted to GEL 8,622 thousand in 2023, representing a 33.3% increase compared to 2022. Monitor advertising revenue reached GEL 7,084 thousand, up 19.9% year-on-year. These increases were largely driven by adjustments in rental pricing, which contributed to higher revenue generation.

For more detailed information on the Company's main business linesplease refer to the section titled **"Principal Activities"**.

Chart 15. Revenue Distribution by Region Over Time (%)



[11] The data presented in the chart is not based on audited figures.

It is noteworthy that the majority of contracts with the main clients are signed for less than one year period. However, exceptions include two long-term agreements entered into with JSC TBC Bank - one with a term of 3 years and another for 10 years - under which the Company received advance compensation for the provision of long-term advertising services. The table below presents the revenue recognized from these contracts on an accrual basis over the respective reporting periods.

(in thousand GEL)	**2023**	**2024**
	Audited	**Audited**
Amounts Recognized as Revenue from Contract Liabilities During the Reporting Period	3,064	3,769

For detailed information regarding the agreement with JSC TBC Bank, please refer to the section titled **"Contractual Liabilities".**

Demand for the Company's operating business, and consequently its revenue, is not subject to significant seasonality. For more details on seasonality, refer to the subsection **"Business Seasonality"** within the section **"Principal Activities"**.

Cost of Sales

Cost of sales includes expenses such as labor compensation, utility costs, material costs, and other related expenditures.

As of 2024, cost of sales amounted to GEL 20,082 thousand, representing a 24.1% increase compared to the prior year. This growth was primarily driven by a 32.5% increase in labor compensation.

In 2023, cost of sales totaled GEL 16,177 thousand, which marked an 11.9% increase year-on-year. The increase was mainly attributable to a 46.9% rise in labor costs, reflecting a nominal increase of GEL 1,121 thousand. The rise in labor expenses stemmed from heightened demand for outdoor advertising services, which in turn necessitated the hiring of additional staff as well as salary increases for existing employees.

The largest component of cost of sales was depreciation and amortization, accounting for 40.7% of cost of sales in 2024 and 42.8% in 2023.

A detailed breakdown of cost of sales is presented in the table below:

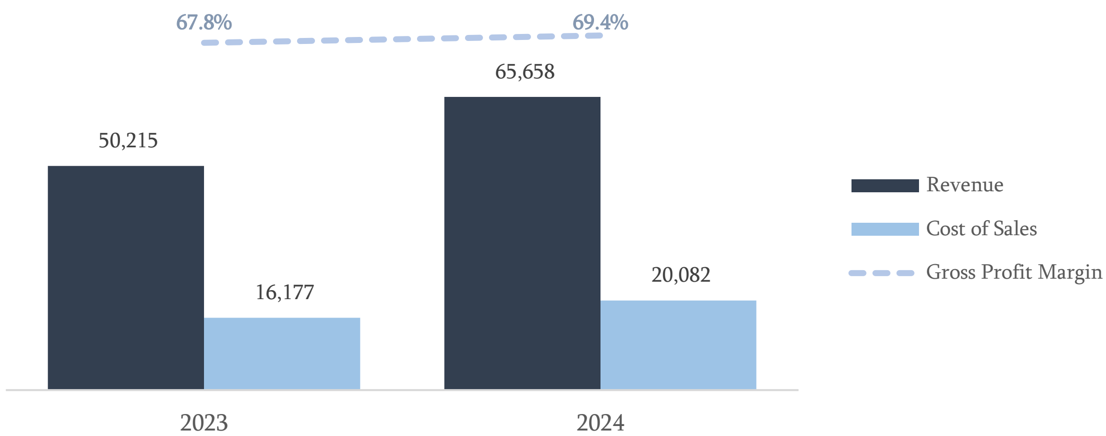
(in thousand GEL)	**2023**	**2024**
	Audited	**Audited**
Depreciation and Amortization	(6,922)	(8,165)
Salaries and Wages	(3,512)	(4,653)
Social Media Services Expense	-	-
Utility Expense	(1,304)	(1,363)
Materials Expense	(1,074)	(1,319)
Lease Expense	(962)	(1,469)
Amortization of Right-of-Use Assets	(920)	(887)
Maintenance Expense	(790)	(1,074)
Other	(692)	(1,151)
Total Cost of Sales	**(16,177)**	**(20,082)**

The breakdown of the cost of sales components as a share of total cost of sales is presented below:

(in thousand GEL)	**2023**	**2024**
	Audited	**Audited**
Depreciation and Amortization	42.8%	40.7%
Salaries and Wages	21.7%	23.2%
Social Media Services Expense	0.0%	0.0%
Utility Expense	8.1%	6.8%
Materials Expense	6.6%	6.6%
Lease Expense	5.9%	7.3%
Amortization of Right-of-Use Assets	5.7%	4.4%
Maintenance Expense	4.9%	5.3%
Other	4.3%	5.7%
Total Cost of Sales	**100%**	**100%**

Gross Profit and Gross Profit Margin

Chart 16. Revenue, Cost of Sales, , Gross Profit Margin ('000 GEL, %)



In 2024, the Company's gross profit totaled GEL 45,576 thousand, representing a significant increase of 33.9% compared to the prior year (2023: GEL 34,038 thousand). This growth was primarily driven by a 30.8% increase in revenue. The gross profit margin also improved, reaching 69.4% in 2024 (2023: 67.8%).

In 2023, the Company's gross profit amounted to GEL 34,038 thousand, reflecting a 27.5% increase compared to the same period of the previous year (2022: GEL 26,696 thousand), largely attributable to a 22.0% increase in revenue. The gross profit margin rose accordingly to 67.8% in 2023 (2022: 64.9%).

General and Administrative Expenses

The Company's general and administrative expenses primarily include costs related to professional services, communication, advertising and other operational overheads.

In 2024, general and administrative expenses totaled GEL 6,578 thousand, reflecting a 19.5% increase compared to the prior year. This growth was mainly driven by a 25% rise in labor-related services, a 16% increase in professional service fees, and the write-off of obsolete fixed assets in the amount of GEL 407 000.

In 2023, general and administrative expenses amounted to GEL 5,506 thousand, representing a 12.0% decrease year-over-year. The decline was primarily attributable to a one-off write-off recorded in 2022 related to an advance payment for an intangible asset. Specifically, in 2022, the Company participated in the "White Taxi" project, which aimed to subsidize the repainting of taxis to white. However, the project was ultimately cancelled, resulting in the write-off of an intangible asset totaling GEL 1,174 thousand. No such event was recorded in 2023.

A breakdown of general and administrative expense components across the reporting periods is presented below:

(in thousand GEL)	**2023**	**2024**
	Audited	**Audited**
Salaries and Wages	(1,420)	(1,770)
Professional Services	(1,649)	(1,917)
Depreciation and Amortization	(618)	(641)
Tax Expenses	(431)	(430)
Inventory Depreciation	(368)	(283)
Communication Expenses	(115)	(24)
Depreciation and Amortization	(93)	(96)
Banking Services	(56)	(62)
Utilities	(31)	(117)
Lease	-	-
Advertising Expenses	(105)	(187)
Write-off of Property, Plant and Equipment	-	(407)
Other	(620)	(644)
Total general and administrative expenses	**(5,506)**	**(6,578)**

The largest component of general and administrative expenses is professional services, which primarily consist of remuneration for senior management.

In 2024, professional service expenses totaled GEL 1,917 thousand, marking a 16% increase compared to the prior year. As a percentage of revenue, professional services accounted for 2.9% in 2024, down by 0.4 percentage points from 3.3% in 2023.

In 2023, professional service expenses amounted to GEL 1,649 thousand, representing a slight decrease of 3.8% year-over-year. The ratio of professional service expenses to revenue in 2023 stood at 3.3%, a decrease of 0.9 percentage points compared to the 2022 level.

Senior management compensation constituted 88.5% of total professional service expenses in 2024 and 83.2% in 2023.

Another significant component of general and administrative expenses is labor costs, which reached GEL 1,770 thousand in 2024 - a 25% increase compared to 2023.

In 2023, labor costs amounted to GEL 1,420 thousand, reflecting a substantial 56.0% increase compared to the previous year. The ratio of labor costs to revenue was 2.8% in 2023 and 2.2% in 2022.

A breakdown of general and administrative expense components as a percentage of revenue is presented below:

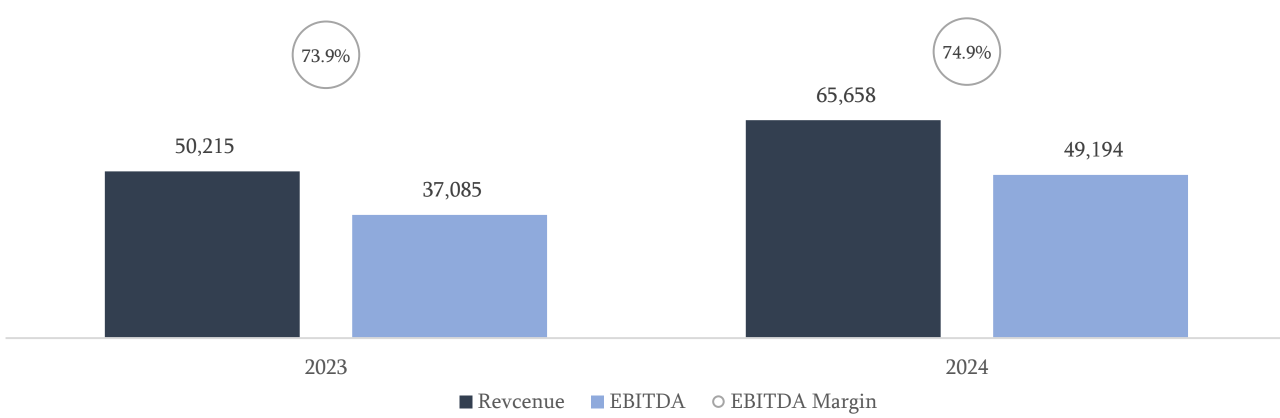
(in thousand GEL)	**2023**	**2024**
	Audited	**Audited**
Salaries and Wages	-2.8%	-2.7%
Professional Services	-3.3%	-2.9%
Depreciation and Amortization	-1.2%	-1.0%
Tax Expenses	-0.9%	-0.7%
Inventory Depreciation	-0.7%	-0.4%
Communication Expenses	-0.2%	0.0%
Depreciation and Amortization *(repeated)*	-0.2%	-0.1%
Banking Services	-0.1%	-0.1%
Utilities	-0.1%	-0.2%
Lease	0.0%	0.0%
Advertising Expenses	-0.2%	-0.3%
Write-off of Advance Paid for Intangible Asset	0.0%	-0.6%
Other	-1.2%	-1.0%
General and administrative expenses	**-11.0%**	**-10.0%**

In 2024, general and administrative expenses accounted for 10.0% of total revenue, representing a decrease of 1.0 percentage point compared to the same period of the previous year.

As of 2023, the ratio of general and administrative expenses to total revenue stood at 11.0%, reflecting a 4.2 percentage point improvement from 15.2% in 2022.

EBITDA[12]

Chart 18. Revenue, EBITDA and EBITDA Margin Over Time ('000 GEL, %)



As of 2024, the Company's EBITDA amounted to GEL 49,194 thousand, representing a 32.7% increase compared to the prior year (2023: GEL 37,085 thousand). This growth was primarily driven by a 30.8% year-over-year increase in revenue. The EBITDA margin also improved, reaching 74.9% in 2024 - up by 1.1 percentage points from the 2023 level.

[12]For the purposes of the financial review, EBITDA is calculated as adjusted gross profit less general and administrative expenses, excluding the following components within general and administrative expenses: (1) depreciation and amortization, and (2) write-off of advances paid for intangible assets. Adjusted gross profit, in turn, is calculated as revenue less cost of sales, excluding the following components within cost of sales: (1) depreciation and amortization, and (2) amortization of right-of-use assets.

In 2023, the Company's EBITDA amounted to GEL 37,085 thousand, reflecting a 26.4% increase compared to the previous year (2022: GEL 29,350 thousand). This growth was primarily driven by a 22.0% increase in revenue; however, the pace of EBITDA growth outstripped that of revenue. This was largely due to improvements in the gross profit margin and the optimization of operating expenses. As a result, the EBITDA margin improved from 71.3% in 2022 to 73.9% in 2023.

Change in Expected Credit Loss Reserve

The Issuer recognizes an impairment allowance for trade receivables based on the number of days past due. Movements in the allowance for expected credit losses over the reporting periods are presented below:

(in thousand GEL)	**2023**	**2024**
	Audited	**Audited**
Change During the Reporting Year	8	(1,778)

In 2024, the increase in the expected credit loss (ECL) reserve was attributable both to the growth in the volume of trade receivables and the recognition of credit risks associated with certain counterparties. The estimate was made using the simplified approach under IFRS 9, based on the lifetime expected credit losses.

For further details regarding trade receivables and impairment provisions, please refer to the section "**Trade and Other Receivables".**

Reversal of Impairment on Non-current Assets

As of 31 December 2023, the Issuer conducted an impairment test. The recoverable amount of investment property was determined based on its fair value, resulting in the reversal of an impairment allowence in the amount of GEL 1,036 thousand in 2023.

As of 31 December 2024, the Company again performed an impairment test. The recoverable amount of the investment property was determined at fair value. Impairment tests are conducted whenever there are indications that assets may be further impaired or that a previously recognized impairment may require reversal. As of 31 December, the carrying amount of the investment property was not materially different from its fair value.

Movements in the reversal of non-current asset impairments over the reporting periods are presented below:

(in thousand GEL)	**2023**	**2024**
	Audited	**Audited**
Reversal of Impairment of Non-Current Assets	1,036	-

Profit/(Loss) from Disposal of Non-current Assets, Net

The Issuer periodically disposes of certain property, plant and equipment, as well as investment property. The carrying amount and proceeds from the disposal of such non-current assets by reporting period are presented below:

(in thousand GEL)	**2023**	**2024**
	Audited	**Audited**
Carrying Value of Disposed Non-Current Assets	**(9,194)**	**(2,746)**
Property, Plant and Equipment	(476)	(1,077)
Investment Property	(8,717)	(1,669)
Proceeds from Disposal of Non-Current Assets	**9,612**	**2,585**
Property, Plant and Equipment	253	966
Investment Property	9,359	1,619
(Loss)/Gain on Disposal of Non-Current Assets, Net	**418**	**(161)**

As of 2024, the carrying amount of disposed non-current assets amounted to GEL 2,746 thousand, which represents a 70.1% decrease compared to the same period of the previous year (2023: GEL 9,194 thousand). The net loss from the disposal of non-current assets in 2024 amounted to GEL 161 thousand, significantly lower than the net gain of GEL 418 thousand recorded in 2023.

As of 2023, the carrying amount of disposed non-current assets was GEL 9,194 thousand, more than triple the amount recorded in the same period of the previous year (2022: GEL 3,006 thousand). The net gain from the disposal of non-current assets in 2023 amounted to GEL 418 thousand, a significant improvement compared to the net loss of GEL 141 thousand in 2022. The gain from the disposal of investment property in 2023 exceeded the loss from the disposal of property, plant and equipment, resulting in overall net profit growth.

Other Income, Net

A breakdown of other income by reporting period is presented below:

(in thousand GEL)	**2023**	**2024**
	Audited	**Audited**
Lease Income from Investment Property	336	91
Penalty Income	-	663
Effect of Lease Modification	-	34
Expenses Related to Use of Investment Property	(204)	(120)

Other Expense, Net	95	70
Other Income, Net	**227**	**737**

As of 2024, net other income amounted to GEL 737 thousand, representing a significant increase compared to the same period of the previous year (2023: GEL 227 thousand). This increase was primarily driven by penalty income received in the amount of GEL 663 thousand.

During 2023, net other income totaled GEL 277 thousand, showing a substantial decrease compared to GEL 34,324 thousand recorded in 2022. The materially higher amount in 2022 was primarily due to the difference between the fair value and the carrying amount of an asset contributed to equity. Specifically, on 29 September 2022, Alma LLC established a subsidiary, Sakeni by Biograpi LLC, and contributed land to its capital at a fair value of GEL 56,969 thousand, resulting in a gain of GEL 34,211 thousand from the transaction. For further details please refer to the section **"Investments in Subsidiary"**.

Profit/(Loss) from Disposal of Subsidiary, Net

As of 2024, there were no disposals of subsidiary companies, and therefore the net profit/(loss) from such transactions was zero.

In 2023, the net loss from the disposal of a subsidiary amounted to GEL 14,280 thousand. This loss was related to the sale of a 50% equity interest in Sakeni by Biograpi LLC, which resulted in the derecognition of investment property and the recognition of a non-controlling interest. It is worth mentioning that the recorded loss is related to the recognition of an asset at fair value on the subsidiary's balance sheet in 2022. The financial impact of this and other related transactions is detailed below:

(in thousand GEL)	**2023** **Audited**	**2024** **Audited**
Cash Inflows	15,559	-
Total Consideration Received	**15,559**	-
Cash Outflows	(1,733)	-
Net Assets Outflows (Excluding Cash):		
Investment Property	(56,986)	-
Inventories	(3)	-
Tax Asset	(4)	-
Loans Issued	(381)	-
Trade and Other Receivables	(8,995)	-
Loans	9,951	-
Trade and Other Payables	4,110	-
Contract Liabilities	2,030	-
Tax Liabilities	242	-
Non-Controlling Interest	22,114	-
	(27,922)	-
Loss on Disposal of Subsidiary	**(12,363)**	-
Result of Disposal of Subsidiary		
Revenue	5	-
General and Administrative Expenses	(143)	-
Other Income, Net	103	-
Finance Income	0	-
Finance Costs	(171)	-
Loss from Foreign Exchange Differences, Net	23	-
	(184)	-
Net Loss from Disposal of Subsidiary Operations	**(14,096)**	-
Total Net Loss from Disposal of Subsidiary Operations	**(14,280)**	-

Net Income from Sale of Subsidiary Interest

On 16 November 2022, Alma LLC established a subsidiary, Alma Lisi LLC. During the 2023 reporting period, Alma LLC sold an 11.84% equity interest in Alma Lisi LLC, resulting in a net gain of GEL 1,412 thousand from the transaction. The profit was recognized based on the difference between the compensation received and the carrying value of the stake.

(in thousand GEL)	**2023** **Audited**	**2023** **Audited**
Net Income from Sale of Subsidiary Interest	1,412	-

For detailed information related to the sale of interest in Alma Lisi LLC, please refer to the section **"Investments in Subsidiary".**

Finance Income

The Company has issued loans to related parties and generates interest income from such arrangements. Interest income recognized over the reporting periods is presented below:

(in thousand GEL)	2023 Audited	2024 Audited
Finance Income	3,432	3,340

As of 2024, the Company's finance income amounted to GEL 3,340 thousand, reflecting a 2.7% decrease compared to the prior year. In 2023, finance income totaled GEL 3,432 thousand, representing a 145.2% increase year-over-year. Although the balance of issued loans declined as of 31 December 2023, it is important to note that the majority of loans outstanding as of 31 December 2022 were issued toward the end of that year, and related interest was earned throughout 2023.

For further details, please refer to the section titled **"Loans Issued".**

Finance Costs

The Company's finance costs for the respective reporting periods are presented below:

(in thousand GEL)	2023 Audited	2024 Audited
Interest expense related to borrowings	(8,324)	(9,691)
Finance cost associated with contract liabilities	(1,407)	(1,242)
Finance lease interest expense	(836)	(753)
Finance expense related to licenses	(827)	(729)
Change in the value of borrowings	(533)	-
Total Finance Costs	**(11,927)**	**(12,415)**

As of 2024, the Company's finance costs amounted to GEL 12,415 thousand, marking a slight increase of 4.1% compared to the previous year. The largest component of finance costs in 2024 was interest expense related to borrowings, which totaled GEL 9,691 thousand and accounted for 78.1% of total standalone finance costs. A detailed breakdown of finance costs, including interest and non-interest components, is provided in the section **"Key Financial Indicators"** under the subheading **"General Notes on Ratios".**

In 2023, the Company's finance costs amounted to GEL 11,927 thousand, representing a marginal increase of 3.9% year-over-year. The largest component of 2023 finance costs was also interest on borrowings, totaling GEL 8,324 thousand and comprising 69.8% of total standalone finance costs.

Finance costs related to contractual obligations reflect service agreements concluded with JSC TBC Bank for 3 and 10-year periods, under which the Company received prepayments for long-term advertising services. For additional details, please refer to the section **"Contractual Liabilities"**.

Alma holds exclusive advertising rights at Tbilisi and Batumi international airports, as well as at the bus stops in Kutaisi, Zugdidi, and Tbilisi. Interest accrued on these licenses is recognized under the item **"Finance Costs Related to Licenses."** For more information on licensesplease refer to the section **"Intangible Assets"**.

Profit/(Loss) from Foreign Exchange Differences, Net

Details related to foreign exchange differences are presented below:

(in thousand GEL)	2023 Audited	2024 Audited
Effect on cash and cash equivalents	(15)	(92)
Effect on other financial instruments	(386)	(765)
Total net gain / (loss) from foreign exchange differences	**(401)**	**(856)**

As of 31 December 2024, the official exchange rate of the US dollar stood at 2.8068 (2023: 2.6894). As a result of this exchange rate fluctuation, the Company recorded a foreign exchange loss of GEL 856 thousand in 2024.

As of 31 December 2023, the US dollar exchange rate stood at 2.6894 (2022: 2.7020). Due to this exchange rate fluctuation, the Company recorded a foreign exchange loss of GEL 401 thousand in 2023, a significant decrease of GEL 7,293 thousand compared to the same period of the previous year.

Share of Profit/(Loss) of Equity-Accounted Investees

The share of profit/(loss) of companies accounted for using the equity method over the periods is presented below:

(in thousand GEL)	2023 Audited	2024 Audited
Hisni by Biograpi LLC	(1,790)	(4,285)
Matiani by Biograpi LLC	(543)	(882)
Sakeni by Biograpi LLC	(2,022)	(2,448)
Total Profit/(Loss)	**(4,355)**	**(7,614)**

As of 2024, the share of profit/(loss) from equity-accounted investees was negative GEL 7,614 thousand, representing a significant deterioration compared to the 2023 result. In 2023, the share of profit/(loss) from equity-accounted investees stood at negative GEL 4,355 thousand, marking a substantial decline from the profit of GEL 1,888 thousand reported in 2022. This downturn primarily reflects the losses incurred by the investee companies in 2023. All three entities are engaged in real estate development projects that remain in the development phase and, as such, do not yet generate sufficient revenue to cover ongoing operating expenses, resulting in net losses. These losses are largely attributed to marketing expenses, third-party sales services, and employee bonuses.

For further details on the development projects, refer to the subsections **“Subsidiaries of the Issuer”** and **“Future Strategy and Objectives”** under the section **“Principal Activities”**.

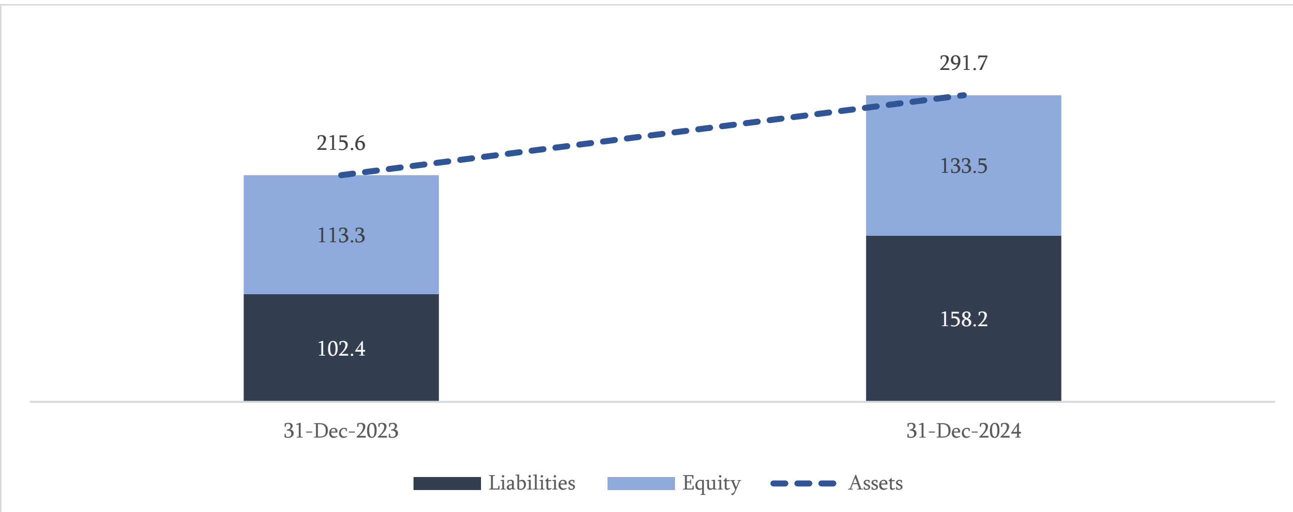
Standalone Statement of Financial Position

(in thousand GEL)	31.12.2023 Audited	31.12.2024 Audited
Assets		
Non-current Assets		
Intangible Assets	49,376	74,006
Right-of-use Assets	7,117	5,964
Property, Plant and Equipment	28,004	33,404
Investment Property	14,662	14,205
Investments in Subsidiaries	31,012	31,498
Investments in Joint Ventures	39,469	31,855
Investments in Equity Instruments	39	39
Goodwill	-	-
Advances Paid for Non-current Assets	4,109	2,847
Loans Issued	7,062	14,033
Total Non-current Assets	**180,850**	**207,851**
Current Assets		
Inventories	1,648	1,590
Tax Asset	-	-
Loans Issued	18,263	63,533
Trade and Other Receivables	14,300	17,821
Cash and Cash Equivalents	579	886
Total Current Assets	**34,791**	**83,830**
Total Assets	**215,641**	**291,680**
Equity and Liabilities		
Charter Capital*	1,327	1,327
Retained Earnings	111,934	132,184
	113,261	**133,511**
Non-controlling Interest	-	-
Total Equity	**113,261**	**133,511**
Non-current Liabilities		
Lease Liabilities	7,089	6,097
Other Liabilities	5,479	3,993
Contract Liabilities	9,224	7,417
Deferred Income	-	-
Borrowings	18,583	67,765
Trade and Other Payables	-	-
Total Non-current Liabilities	**40,376**	**85,272**
Current Liabilities		
Other Liabilities	1,935	2,204
Tax Liabilities	646	515
Lease Liabilities	831	894

Contract Liabilities	5,219	5,457
Deferred Income	-	-
Borrowings	44,938	54,373
Trade and Other Payables	8,436	9,455
Total Current Liabilities	**62,004**	**72,897**
Total Equity and Liabilities	**215,641**	**291,680**

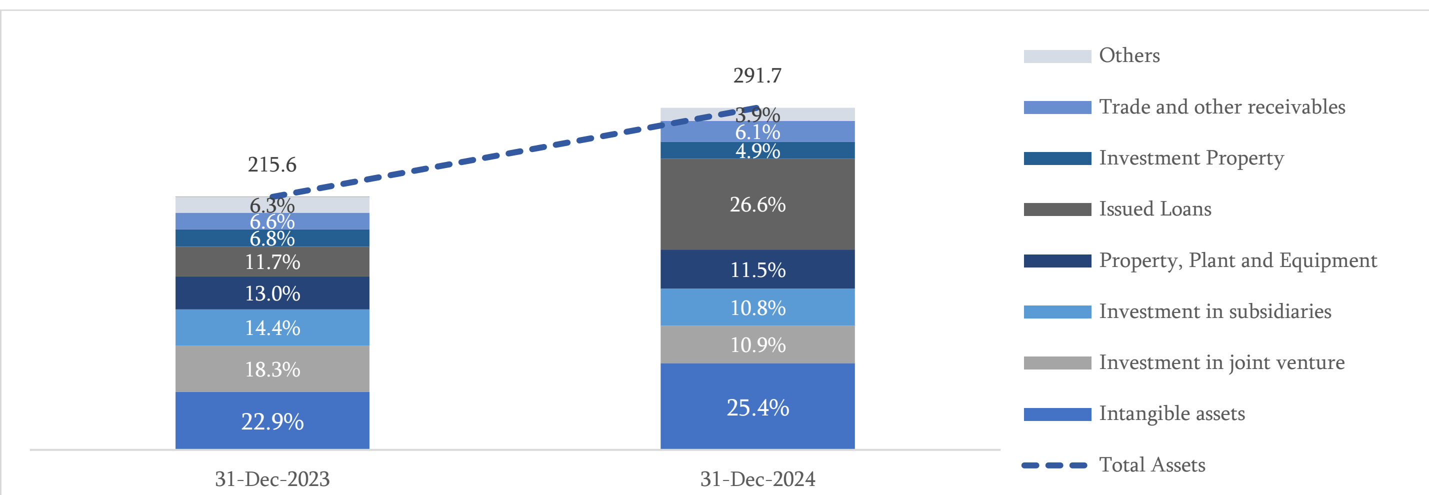
** According to the Law of Georgia on Entrepreneurs, the Company does not have an established "charter capital," which is equivalent to the term "placed capital" as defined under the said law. In light of this, the amount indicated under the charter capital line item in the financial statements represents an "additional capital contribution" and, accordingly, does not serve as a protective mechanism and/or buffer within the scope of Article 145 of the Law of Georgia on Entrepreneurs in relation to dividend distribution or capital reduction.For more information, please refer to the subsection "Risks Related to the Legal and Judicial Framework", Risk 3.7.*

Chart 19: Dynamics of Assets, Liabilities, and Equity (in thousand GEL):



Assets

Chart 20. Company Assets (in thousand GEL)



As of 31 December 2024, the Company's total assets amounted to GEL 291,680 thousand, representing a 35.3% increase compared to 31 December 2023. This growth was primarily driven by a 206.3% increase in loans issued. As of year-end 2024, current assets accounted for 28.7% of total assets, while non-current assets represented 71.3%.

As of 31 December 2023, the Company's total assets stood at GEL 215,641 thousand, a decrease of 17.1% compared to 31 December 2022 (a nominal value decrease of GEL 44,422 thousand). This decline was largely attributable to the sale of a 50% equity interest in Sakeni by Biograpi LLC. For further information on this transactionplease refer to "**Profit/(Loss) from Disposal of Subsidiary, Net**". As of year-end 2023, current assets represented 16.1% of total assets, and non-current assets accounted for 83.9%.

Intangible Assets

The Company's intangible assets primarily consist of licenses related to its operations.

Licenses that require periodic payments under contractual arrangements - such as those related to advertising rights at the Tbilisi and Batumi International Airports and at bus stops in Kutaisi, Zugdidi, and Tbilisi—are recognized as both intangible assets and liabilities, with corresponding amortization and interest expenses accrued over time.

For further details on these licenses, refer to the subsections **"Material Contracts of the Issuer"** and **"Other Liabilities".**

As of 31 December 2024, the Company's intangible assets totaled GEL 74,006 thousand, a 50% increase compared to 31 December 2023. This growth was primarily due to the recognition of a new 10-year permit for advertising on municipal territory in Batumi, with a carrying value of GEL 29,630 thousand.

As of 31 December 2023, the Company's intangible assets amounted to GEL 49,376 thousand, reflecting a 7.5% or GEL 4,013 thousand decrease year-over-year, mainly due to amortization.

The historical movement of intangible assets is presented below:

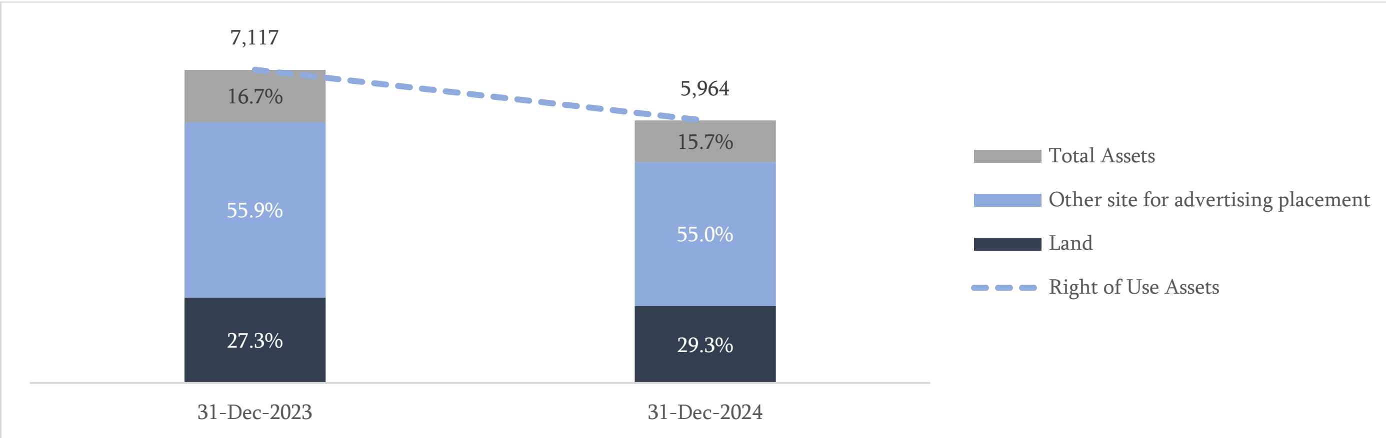
(in thousand GEL)	Licenses	Other Intangible Assets	Total
Historical Cost			
31 December 2022	**67,045**	**247**	**67,291**
Inflow	5	130	135
Write-off	(177)	(17)	(194)
31 December 2023	**66,873**	**360**	**67,233**
Inflow	29,630	129	29,759
31 December 2024	**96,503**	**489**	**96,992**
Depreciation			
31 December 2022	**(13,810)**	**(93)**	**(13,903)**
Depreciation Expense for the Period	(4,092)	(56)	(4,148)
Write-off	177	17	194
31 December 2023	**(17,725)**	**(132)**	**(17,857)**
Depreciation Expense for the Period	(5,049)	(80)	(5,129)
31 December 2024	**(22,774)**	**(212)**	**(22,986)**
Net carrying amount			
31 December 2023	**49,148**	**228**	**49,376**
31 December 2024	**73,729**	**277**	**74,006**

It is noteworthy that as of 31 December 2024, intangible assets - permits for outdoor advertising - with a carrying value of GEL 40,498 thousand have been pledged in favor of a loan taken by Alma.

Right-of-Use Assets

The Company leases small land plots, buildings, and other spaces for the placement of advertising structures under lease agreements. These agreements are concluded with private sector entities, individuals, and municipal authorities.

Chart 21. Right-of-Use Assets (in thousand GEL)



As of 31 December 2024, the Company's total right-of-use assets amounted to GEL 5,964 thousand, marking a 16.2% decline compared to 31 December 2023. The decrease primarily reflects depreciation charges recognized over the reporting period.

As of 31 December 2023, right-of-use assets stood at GEL 7,117 thousand, representing a modest year-on-year decrease of 4.3%, likewise attributable to the amortization of right-of-use assets.

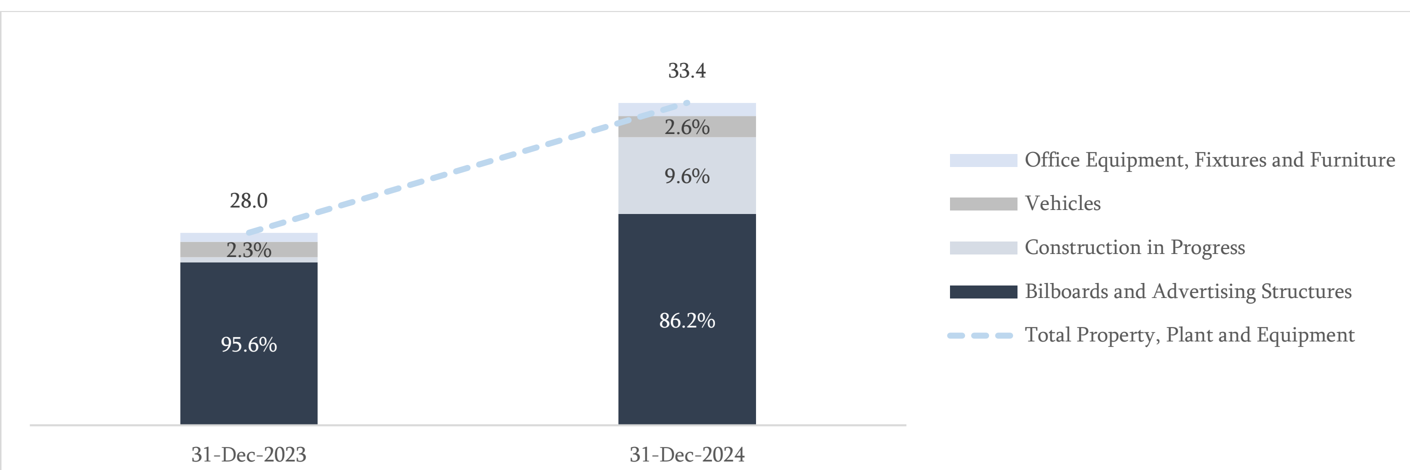
A detailed breakdown of dynamic in right-of-use assets over the respective periods is provided below:

(in thousand GEL)	Land	Other Advertising Locations	Buildings	Total
31 December 2022	**2,152**	**3,717**	**1,571**	**7,440**
Inflow	9	680	-	**689**
Depreciation	(216)	(417)	(379)	**(1,013)**
31 December 2023	**1,946**	**3,980**	**1,192**	**7,117**
Inflow	-	32	-	32
Depreciation	(196)	(405)	(383)	(983)
Modification Effect	(4)	(328)	129	(202)
31 December 2024	**1,746**	**3,279**	**939**	**5,964**

Property, Plant and Equipment

The Company's property, plant and equipment (PPE) include assets such as billboards, advertising structures, construction in progress, and others.

Chart 22. Property, Plant and Equipment (in thousand GEL)



As of 31 December 2024, the Company's fixed assets amounted to GEL 33,404 thousand, marking a 19.3% increase compared to 31 December 2023 and accounting for 11.5% of total assets. The increase was primarily driven by the construction of pedestrian bridges under the permits obtained for Tbilisi and the acquisition of advertising assets. The net change reflected in the balance sheet incorporates new acquisitions, depreciation, and asset disposals.

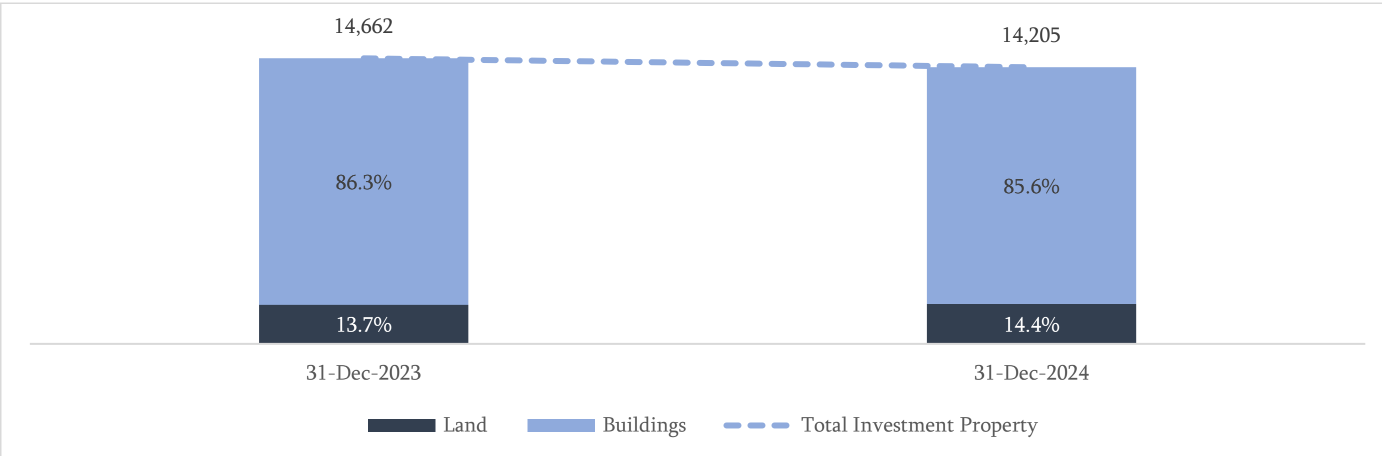
The largest component of property, plant and equipment is billboards and advertising structures. As of 31 December 2024, these assets totaled GEL 28,780 thousand, representing a moderate year-over-year increase of 7.5%. As of 31 December 2024, Billboards and advertising structures accounted for 86.2% of total property, plant and equipment.

As of 31 December 2023, the Company's property, plant and equipment stood at GEL 28,004 thousand (year-over-year growth of 2.0%), representing 13.0% of total assets. Billboards and advertising structures remained the dominant asset category, amounting to GEL 26,774 thousand as of 31 December 2023, up by 3.7% compared to the previous year. This category represented 95.6% of total property, plant and equipment at year-end 2023.

Investment Property

The Company's investment property includes land plots and buildings. The majority of investment property recorded on the balance sheet is held for future sale.

Chart 23. Investment Property (in thousand GEL)



As of 31 December 2024, the Company's investment property amounted to GEL 14,205 thousand, reflecting a slight decrease of 3.1% compared to 31 December 2023. This decline was primarily attributable to depreciation and the disposal of investment properties. As of the said reporting date, land accounted for 14.4% of investment property, while buildings represented the remaining 85.6%.

As of 31 December 2023, the Company's investment property totaled GEL 14,662 thousand, marking a significant decrease of 48.2% year-over-year. The decline was primarily driven by the sale of respective investment properties. For additional information, refer to the section **"Profit/(Loss) from Disposal of Non-current Assets, Net"**. In addition, during 2023, a material increase and subsequent decrease in investment property was associated with the acquisition of land for Alma Lisi LLC and the subsequent transfer of property thereon, which was offset by an increase in Alma Lisi's charter capital. As of 31 December 2023, buildings accounted for 86.3% of investment property, while land made up the remaining 13.7%.

The movements in investment property over the reporting periods are presented below:

(in thousand GEL)	Land	Construction in progress	Buildings	Total
Historical cost				
31 December 2022	**10,298**	**-**	**19,984**	**30,282**
Inflow	26,239	-	1,769	**28,008**
Reversal of impairment	250	-	786	**1,036**
Outflow	(34,780)	-	(8,452)	**(43,232)**
31 December 2023	**2,007**	**-**	**14,087**	**16,094**
Inflow	33	-	1,756	**1,789**
Outflow	-	-	(1,996)	**(1,996)**
31 December 2024	**2,040**	**-**	**13,846**	**15,887**
Accumulated depreciation				
31 December 2022	-	-	(1,997)	(1,997)
31 December 2023	-	-	(1,432)	(1,432)
31 December 2024	-	-	(1,682)	(1,682)
Net carrying amount				
31 December 2022	**10,298**	**-**	**17,987**	**28,286**
31 December 2023	**2,007**	**-**	**12,655**	**14,662**
31 December 2024	**2,040**	**-**	**12,165**	**14,205**

For detailed information on the Company's investment property, including its fair value and carrying amount, please refer to *Note 18 – Investment Property* in the Company's audited financial statements.

As of 31 December 2024, investment property with a carrying value of GEL 2,496 thousand was pledged as collateral in favor of Alma's loan obligations, while investment property with a carrying value of GEL 9,350 thousand was pledged in favor of related parties. For further details, refer to the section **"Capitalization and Indebtedness" – "Collateral"**.

Investments in Subsidiaries

Investments in Subsidiaries as of the end of the respective reporting periods are presented below:

(in thousand GEL)	31.12.2023 Audited	31.12.2024 Audited
JSC Laguna	907	907
Krakeni 8 LLC	390	390
Startup Studio LLC	119	179
A Energy LLC	-	50
Muza Digital LLC	-	376
Alma Lisi LLC	29,595	29,595
Total investments in Subsidiaries	**31,012**	**31,498**

As of 31 December 2024, the Company's investments in Subsidiaries amounted to GEL 31,498 thousand, representing an increase of GEL 486 thousand compared to 31 December 2023. The increase primarily relates to investments made in *A Energy LLC* and *Muza Digital LLC*.

As of 31 December 2023, the Company's investments in Subsidiaries amounted to GEL 31,012 thousand, reflecting a 46.9% decrease compared to the prior year. This decrease is attributable, on the one hand, to the sale of a 50% equity stake in *Sakeni by Biograpi LLC*, and on the other hand, to the establishment of *Alma Lisi LLC*, as detailed below:

- *Alma LLC* contributed a plot of land, valued at GEL 56,986 thousand, to the capital of *Sakeni by Biograpi LLC*. During the 2023 reporting period, the Company sold a 50% equity stake in *Sakeni by Biograpi LLC*, with the remaining stake subsequently classified as an investment in a joint venture. For further details, refer to the section **"Investment in Joint Ventures"**.

- On 16 November 2022, *Alma LLC* established *Alma Lisi LLC* and contributed land with a carrying value of GEL 33,571 thousand to its capital. During 2023, the Company sold an 11.84% equity interest in *Alma Lisi LLC* to an individual, Mr. Roman Itchvaidze. Following this transaction, the Company's remaining investment in *Alma Lisi LLC* stood at GEL 29,595 thousand. It is noteworthy that, under the terms of the executed agreement, as recorded in the Entrepreneurial Register, Mr. Roman Itchvaidze holds a 25% ownership interest in *Alma Lisi LLC*. The value of this ownership stake has been determined by the auditor based on the proportion of the actual consideration paid, thereby ensuring the accuracy of the financial statements and adherence to the principle of independence. After Alma Lisi receives the development regulation plan of the land, the individual is obligated to pay the remaining portion of the amount. If the individual fails to pay the agreed amount or the issuer fails to fulfill its obligations under the agreement, the individual's share will remain at 11.84%.

Investments in Joint Ventures

Investments in Joint Ventures as of the end of the respective reporting periods are presented below:

(in thousand GEL)	31.12.2023 Audited	31.12.2024 Audited
Sakeni by Biograpi LLC	20,092	17,644
Matiani by Biograpi LLC	12,554	11,672
Hisni by Biograpi LLC	6,823	2,539
Total Investments in Joint Ventures	**39,469**	**31,855**

As of 31 December 2024, the Company's investment in joint ventures amounted to GEL 31,855 thousand, representing a 19.3% decrease compared to 31 December 2023. The decline primarily reflects the losses generated by the investee ventures.

As of 31 December 2023, the Company's investment in joint ventures amounted to GEL 39,469 thousand, an 81.8% increase year-over-year. This increase was mainly driven by the sale of a 50% equity stake in *Sakeni by Biograpi LLC*, which resulted in its reclassification as an associate. The Company's remaining 50% stake has been accounted for as an investment in a joint venture in the respective amount.

Advances Paid for Non-Current Assets

Advances paid for non-current assets as of the end of the respective reporting periods are presented below:

(in thousand GEL)	31.12.2023 Audited	31.12.2024 Audited
Advances paid for non-current assets	3,981	2,720
Advances paid for intangible assets	128	128
Total Advances Paid for Non-Current Assets	**4,109**	**2,847**

As of 31 December 2024, advances paid by the Company for non-current assets amounted to GEL 2,847 thousand, reflecting a 30.7% decrease compared to 31 December 2023. The decrease primarily relates to a reduction in advances paid for the acquisition of property, plant and equipment.

As of 31 December 2023, advances paid for non-current assets amounted to GEL 4,109 thousand, marking a 153.9% increase compared to the prior year. This increase was mainly attributable to a significant rise in advances related to the acquisition of fixed assets. Specifically, in 2023, the Company launched a large-scale project involving the dismantling of old billboards and the installation of new, modern advertising structures and/or the expansion of existing billboard surfaces at strategically advantageous locations.

Loans Issued

The Company has issued loans to its subsidiaries, associates, and entities under common control. The loans were issued under market conditions, in accordance with the arm's length principle and all such loans are unsecured.

The non-current portion of the loans issued is presented below:

(in thousand GEL)	Maturity date	Currency	Interest rate	31.12.2023 Audited	31.12.2024 Audited
VELLAGIO LLC	3/26/2029	USD	11.4%	-	6,579
Millennium Towers LLC	3/25/2026	USD	9.4%	-	3,588
A Energy LLC	12/31/2033	USD	9.5%	-	3,008
A Energy LLC	12/31/2033	USD	9.5%	-	570
A Energy LLC	12/31/2033	USD	10.0%	-	288
Kostava Towers LLC	9/26/2025	USD	11.0%	7,062	-
Total non-current loans issued				**7,062**	**14,033**

The current portion of the loans issued is presented below:

(in thousand GEL)	Maturity date	Currency	Interest rate	31.12.2023 Audited	31.12.2024 Audited
VELLAGIO LLC	12/31/2025	GEL	12%	12,915	18,211
Idea LLC	12/31/2025	USD	10%	-	14,461
Millennium Towers LLC	12/31/2025	USD	10%	-	9,542
Kostava Towers LLC	9/26/2025	USD	11%	-	8,233
Millennium Towers LLC	6/27/2025	USD	9%	-	5,878
Global Investors Limited	12/31/2025	USD	12%	4,589	5,151
MP Development LLC	12/23/2025	GEL	12%	-	951
Alma Lisi LLC	12/31/2025	GEL	14%	93	407
JSC Laguna	12/31/2025	GEL	12%	248	300
Prime Property Group LLC	12/31/2025	GEL	13%	213	218
A Energy LLC	12/31/2025	USD	10%	-	93
Lomsia LLC	12/31/2025	GEL	13%	58	69
Millennium Towers LLC	12/28/2025	GEL	13%	1	11
Wissol Group LLC	12/31/2025	GEL	12%	-	4
Wissol Group LLC	12/31/2025	GEL	12%	-	3
VELLAGIO LLC	12/31/2024	USD	7%	91	-
Startup Studio LLC	12/31/2024	GEL	14%	56	-
Total current loans issued				**18,263**	**63,533**

With the exception of Vellagio LLC, Prime Property Group LLC, Ideas LLC, Wissol Group LLC, and MP Development LLC, the companies to which the Group has issued loans are entities under common control.

In the Company's assessment, the credit risk of the loans issued has not significantly increased since initial recognition, although IFRS 9 requires the recognition of a 12-month expected credit loss, based on the analysis conducted by the Company, it was determined that the loss is insignificant and not considered material for reporting purposes.

As of 31 December 2024, total loans issued by the Company amounted to GEL 77,566 thousand, representing a 206.3% increase compared to 31 December 2023. This increase was primarily driven by additional loans issued. As of the same date, 81.9% of the Company's loans were classified as non-current, while the remaining 18.1% were current.

As of 31 December 2023, total loans issued by the Company stood at GEL 25,325 thousand, reflecting a 47.8% decrease compared to the prior year (31 December 2022: GEL 48,547 thousand). The decrease was mainly due to the repayment of loans by related companies. As of 31 December 2023, 27.9% of the loans were non-current and 72.1% were current.

Inventories

Inventories include raw materials and printing materials, as well as spare parts for billboards and machinery.

As of 31 December 2024, inventories amounted to GEL 1,590 thousand, reflecting a 3.5% decrease compared to 31 December 2023. As a result, the inventory turnover days decreased to 29.4 days (2023: 33.8 days).

As of 31 December 2023, inventories totaled GEL 1,648 thousand, representing a 22.0% increase compared to the prior year. The increase was mainly driven by the higher value of spare parts for billboards and machinery, which rose from GEL 454 thousand to GEL 947 thousand. Inventory turnover days improved significantly in 2023 to 33.8 days, compared to 42.5 days in 2022.

(in thousand GEL)	**31.12.2023**	**31.12.2024**
	Audited	**Audited**
Inventories	1,648	1,590

Trade and Other Receivables

As of 31 December 2024, trade and other receivables amounted to GEL 17,821 thousand, reflecting a 24.6% increase compared to 31 December 2023. Despite the increase in revenues, trade receivables turnover days slightly increased, totaling 89.3 days (2023: 89.2 days).

As of 31 December 2023, trade and other receivables stood at GEL 14,300 thousand, representing a 39.6% increase compared to the same date of the previous year. This growth was primarily driven by the increase in the Company's revenues. Despite the increase in trade and other receivables, the turnover days of accounts receivable improved significantly in 2023, amounting to 89.2 days, compared to 141.1 days in 2022.

(in thousand GEL)	**31.12.2023**	**31.12.2024**
	Audited	**Audited**
Trade and other receivables	14,300	17,821

The expected credit loss (ECL) rates are based on the Company's credit loss experience over the past three years, ensuring more accurate assessment of credit risk. The increase in reserves in 2024 was driven by the growth in the volume of trade receivables as well as the recognition of credit risks associated with several counterparties. The assessment was conducted using the simplified approach under IFRS 9, taking into account the full lifetime of the receivables. The changes in impairment allowance for trade receivables over the reporting periods are presented below.

(in thousand GEL)	**2023**	**2024**
	Audited	**Audited**
Opening balance of allowance for impairment of trade receivables	**1,906**	**1,857**
Change during the reporting year	(8)	1,778
Recovery of receivables written off in prior period	-	-
Receivables written off during the reporting period	(41)	(698)
Change in allowance for impairment	(48)	1,080
Closing balance of allowance for impairment of trade receivables	**1,857**	**2,937**

Cash and Cash Equivalents

The Company's cash and cash equivalents include balances held with resident banks, in both local and foreign currencies. The distribution of cash and cash equivalents as of the end of the relevant reporting periods is presented below:

(in thousand GEL)	**31.12.2023**	**31.12.2024**
	Audited	**Audited**
Local currency in resident banks	527	743
Foreign currency in resident banks	52	143
Total cash and cash equivalents	**579**	**886**

As of 31 December 2024, cash and cash equivalents amounted to GEL 886 thousand, reflecting a 52.9% increase compared to 31 December 2023.

As of 31 December 2023, cash and cash equivalents stood at GEL 579 thousand, representing a 63.2% decrease compared to the same date in the previous year.

Equity

As of 31 December 2024, the Company's total equity amounted to GEL 133,511 thousand, marking a 17.9% increase (nominal value increase of GEL 20,250 thousand) compared to 31 December 2023. This growth was primarily attributable to an increase in retained earnings as a result of net profit of GEL 20,250 thousand generated in 2024.

As of 31 December 2023, the Company's total equity amounted to GEL 113,261 thousand, reflecting a 3.8% increase (nominal value increase of GEL 4,104 thousand) compared to 31 December 2022. This growth was likewise driven by an increase in retained earnings resulting from the net profit of GEL 4,104 thousand recorded during the reporting period.

Further details are presented below:

(in thousand GEL)	31.12.2023 Audited	31.12.2024 Audited
Charter Capital*	1,327	1,327
Retained Earnings	111,934	132,184
Total Equity	**113,261**	**133,511**

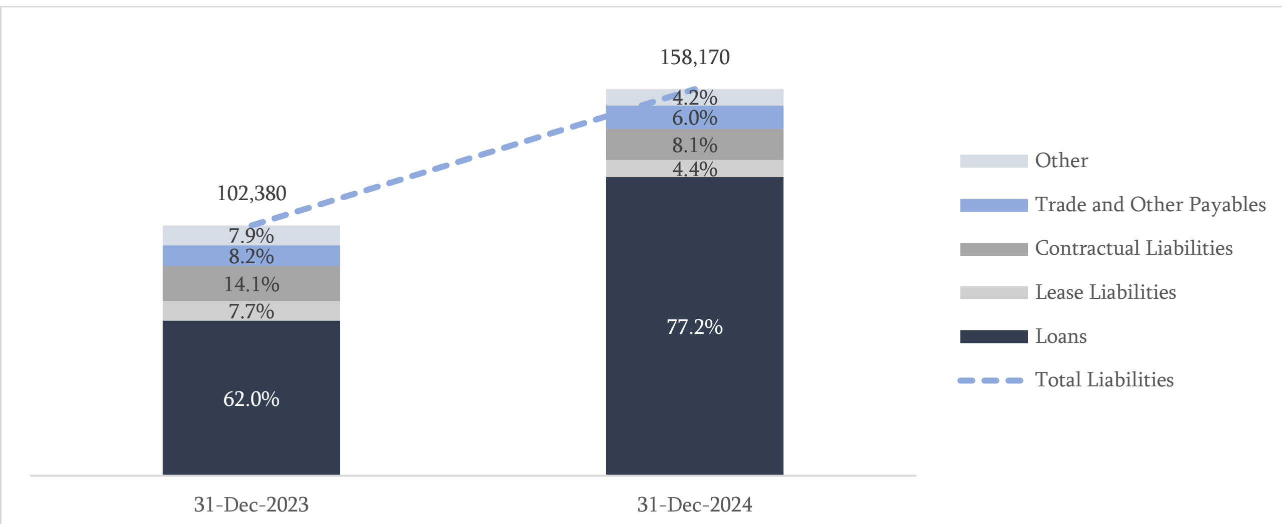
** According to the Law of Georgia on Entrepreneurs, the Company does not have an established "charter capital," which is equivalent to the term "placed capital" as defined under the said law. In light of this, the amount indicated under the charter capital line item in the financial statements represents an "additional capital contribution" and, accordingly, does not serve as a protective mechanism and/or buffer within the scope of Article 145 of the Law of Georgia on Entrepreneurs in relation to dividend distribution or capital reduction.For more information, please refer to the subsection "Risks Related to the Legal and Judicial Framework", Risk 3.7.*

Total Liabilities

As of 31 December 2024, the Company's total liabilities amounted to GEL 158,170 thousand, representing a 54.5% increase compared to 31 December 2023. This increase was primarily driven by a 92.3% rise in the largest component of liabilities -borrowings. As of 31 December 2024, borrowings accounted for 77.2% of the total liabilities.

As of 31 December 2023, the Company's total liabilities stood at GEL 102,380 thousand, of which the largest portion - 62.0% - was comprised of borrowings. In addition, the amount of liabilities decreased by 32.2%, or GEL 48,526 thousand, compared to 31 December 2022. This reduction was mainly due to the decrease in the volume of borrowings.

Chart 24. Company Liabilities (in thousand GEL)



Loans/Borrowings

The Company has obtained loans from both related parties and Georgian resident commercial banks.

As of 31 December 2024, the total amount of outstanding loans stood at GEL 122,138 thousand, representing a 92.3% increase compared to 31 December 2023. Part of the loans obtained in 2024 was used to finance expenses related to obtaining a permit for placing advertising media on municipal territory in Batumi, while the remaining portion was provided to a related party in the form of a loan.

In contrast, as of 31 December 2023, the total amount of outstanding loans was GEL 63,521 thousand, marking a 36.1% decrease compared to 31 December 2022. This decline was primarily driven by the early repayment of loans which, in turn, was driven by the repayment of the issued loans.

As of 31 December 2024, non-current loans accounted for 55.5% of total borrowings, while current loans represented 44.5%.

As of 31 December 2023, non-current loans made up 29.3% of total borrowings, reflecting a 33.5 percentage point decrease compared to 62.8% as of 31 December 2022. This reduction was also attributable to early loan repayments, which brought down the non-current portion from GEL 62,431 thousand to GEL 18,583 thousand. The share of the current portion of loans in total borrowings increased by 33.5 percentage points, reaching 71.7%.

The movement of loans over the respective reporting periods is presented below:

(in thousand GEL)	31.12.2023 Audited	31.12.2024 Audited
Beginning of the period	**99,427**	**63,521**

Proceeds from borrowings	52,877	102,977
Accrued interest	8,324	9,691
Repayment of borrowings	(88,957)	(47,294)
Non-cash repayment of borrowings	-	-
Interest paid	(6,912)	(9,456)
Non-cash interest payment	533	-
Change in the value of borrowings	(132)	(149)
Effect of exchange rate differences	(1,638)	2,847
End of the period	**63,521**	**122,138**

For detailed information regarding the loans receivedplease refer to "**Capitalization and Indebtedness.**"

Trade and Other Payables

The breakdown of trade and other payables by the respective dates is presented below:

(in thousand GEL)	31.12.2023	31.12.2024
	Audited	Audited
Current:		
Trade payables	2,790	3,926
Trade payables to related parties	256	106
Payables arising from acquisition of non-current assets	5,391	5,424
Total current trade and other payables	**8,436**	**9,455**
Total trade and other payables	**8,436**	**9,455**

As of 31 December 2024, the Company's total trade and other payables amounted to GEL 9,455 thousand, representing a 12.1% increase compared to 31 December 2023. This growth was primarily driven by a 40.7% increase in trade payables.

As of 31 December 2023, total trade and other payables stood at GEL 8,436 thousand, reflecting a 55.1% decrease compared to the same period of the previous year. The decrease was primarily attributable to two factors: a GEL 4,933 thousand reduction in trade payables, largely due to the decrease of obligations with the National Agency of State Property related to the land of Sakeni by Biograpi LLC, and the recognition of an advance payment received in connection with the sale of shares in Alma Lisi LLC. In 2023, Alma sold an 11.84% equity interest in Alma Lisi LLC to Mr. Roman Itchvaidze, and the corresponding advance received in prior periods was recognized as revenue. For further details on this transaction, please refer to the section **"Investments in Subsidiaries"**.

Contract Liabilities

The Company has entered into 3-year and 10-year service agreements with JSC TBC Bank, under which it received advance payments for services to be provided in the future. These amounts are recognized as contract liabilities and are subsequently recorded as revenue over time, in line with the pattern of service delivery. As the related revenue is recognized, the corresponding contract liability is proportionally reduced.

A reconciliation of contract liabilities is presented below:

(in thousand GEL)	2023	2024
	Audited	Audited
Beginning of the period	**15,780**	**14,443**
Financial cost on contract liabilities	1,407	1,242
Amounts included in contract liabilities recognized as revenue during the period	(3,064)	(3,769)
Advances received not yet recognized as revenue during the year	320	959
End of the period	**14,443**	**12,875**

Lease Liabilities

The breakdown of lease liabilities over the respective reporting periods is presented below:

(in thousand GEL)	31.12.2023	31.12.2024
	Audited	Audited
Non-current lease liabilities	7,089	6,097
Current lease liabilities	831	894
Total lease liabilities	**7,919**	**6,991**

As of 31 December 2024, the Company's lease liabilities decreased by 11.7% compared to 31 December 2023 and amounted to GEL 6,991 thousand.

As of 31 December 2023, lease liabilities stood at GEL 7,919 thousand, representing a slight increase of 1.1% compared to the same period of the previous year.

For further details, please refer to the section **"Right-of-Use Assets"**.

Other Liabilities

Other liabilities primarily relate to Alma's exclusive rights under license agreements for advertising placements at Tbilisi and Batumi International Airports, as well as at designated bus stops in Kutaisi, Zugdidi, and Tbilisi. These licenses are subject to periodic payments under the respective agreements.

As of 31 December 2024, other liabilities amounted to GEL 6,197 thousand, reflecting a 16.4% decrease compared to 31 December 2023.

As of 31 December 2023, other liabilities amounted to GEL 7,414 thousand, a decrease of 13.7% compared to the same period of the previous year.

A breakdown of other liabilities as of the respective reporting dates is provided below:

(in thousand GEL)	**31.12.2023**	**31.12.2024**
	Audited	**Audited**
Non-current		
TAV Urban Georgia LLC	3,090	1,939
Tav Batumi Operations LLC	481	302
Zugdidi Municipal Government	1,457	1,380
Tbilisi Municipal Government	141	122
Kutaisi Municipal Government	312	251
	5,479	**3,993**
Current		
TAV Urban Georgia LLC	1,376	1,608
Tav Batumi Operations LLC	214	250
Tbilisi Municipal Government	221	220
Zugdidi Municipal Government	33	33
Kutaisi Municipal Government	92	92
	1,935	**2,204**

For detailed information regarding licenses, please refer to **"Intangible Assets".**

Standalone Statement of Changes in Equity

(in thousand GEL)	Charter Capital*	Retained Earnings	Total
31 December 2022	**1,327**	**107,830**	**109,157**
Total comprehensive income	-	4,104	**4,104**
31 December 2023	**1,327**	**111,934**	**113,261**
Total comprehensive income	-	20,250	**20,250**
31 December 2024	**1,327**	**132,184**	**133,510**

** According to the Law of Georgia on Entrepreneurs, the Company does not have an established "charter capital," which is equivalent to the term "placed capital" as defined under the said law. In light of this, the amount indicated under the charter capital line item in the financial statements represents an "additional capital contribution" and, accordingly, does not serve as a protective mechanism and/or buffer within the scope of Article 145 of the Law of Georgia on Entrepreneurs in relation to dividend distribution or capital reduction.For more information, please refer to the subsection "Risks Related to the Legal and Judicial Framework", Risk 3.7.*

During the historical periods disclosed in the Prospectus, the Company's equity has increased solely as a result of generated net income and, accordingly, the growth of retained earnings. No additional capital contributions were made, nor were any dividend distributions recorded during the historical periods disclosed in the Prospectus.

Standalone Statement of Cash Flows

(in thousand GEL)	2023 Audited	2024 Audited
Cash received from customers	51,275	69,076
Cash paid to suppliers	(13,654)	(12,326)
Cash paid to employees	(3,644)	(4,744)
Taxes paid	(9,009)	(12,406)
Value added tax refunded	-	-
Net cash flows from operating activities	**24,968**	**39,600**
Interest paid	(7,665)	(9,879)
Net cash flows from operating activities	**17,302**	**29,721**
Cash Flows from Investing Activities		
Acquisition of property, plant and equipment	(3,136)	(9,286)
Acquisition of investment property	(25,782)	(538)
Investment in a subsidiary		(426)
Proceeds from sale of property, plant and equipment	32	229
Proceeds from sale of investment property	6,590	2,733
Acquisition of intangible assets	(135)	(29,758)
Decrease in loans to financial institutions	-	-
Loans issued	(2,556)	(48,423)
Proceeds from sale of equity interest	-	-
Net cash inflow from disposal of subsidiary	15,559	-
Interest received	1,465	263
Cash received from issued loans	26,328	1,292
Dividends received	-	-
Net cash flows from investing activities	**18,367**	**(83,916)**
Cash Flows from Financing Activities		
Proceeds from borrowings	52,877	102,977
Loan disbursement fee	-	(289)
Repayment of borrowings	(88,957)	(47,294)
Repayment of lease liabilities	(568)	(801)
Net cash flows from financing activities	**(36,648)**	**54,594**
Net Increase / (Decrease) in Cash and Cash Equivalents	**(979)**	398
Cash and cash equivalents at the beginning of the year	1,573	579
Effect of exchange rate changes on cash and cash equivalents	(15)	(92)
Cash and cash equivalents at the end of the year	**579**	**886**

Cash Flows from Operating Activities

In 2024, net cash inflows from operating activities before interest payments amounted to GEL 39,600 thousand, reflecting a 58.6% increase compared to the same period of the previous year. Interest payments during the year totaled GEL 9,879 thousand, which represents a 28.9% increase year-over-year. As a result, the Company's net cash flows from operating activities amounted to GEL 29,721 thousand, a 71.8% increase compared to the same period in 2023. This growth was primarily driven by cash receipts from customers, which totaled GEL 69,076 thousand in 2024.

In 2023, net cash inflows from operating activities before interest payments amounted to GEL 24,968 thousand, representing a 20.5% decrease compared to the prior year. Interest payments made during 2023 amounted to GEL 7,665 thousand, resulting in net cash flows from operating activities of GEL 17,302 thousand, down 24.9% compared to the same period of the previous year.

A detailed breakdown of cash flows from operating activities for the respective periods is presented below:

(in thousand GEL)	2023 Audited	2024 Audited
Cash received from customers	51,275	69,076
Cash paid to suppliers	(13,654)	(12,326)
Cash paid to employees	(3,644)	(4,744)

Taxes paid	(9,009)	(12,406)
Value added tax refunded	-	-
Net cash flows from operating activities	**24,968**	**39,600**
Interest paid	(7,665)	(9,879)
Net cash flows from operating activities	**17,302**	**29,721**

Cash Flows from Investing Activities

Cash flows related to investing activities primarily comprise the acquisition of property, plant and equipment and investment property, as well as interest and cash inflows from loans issued, among other items.

In 2024, net cash outflows from investing activities totaled GEL 83,916 thousand, representing a substantial decrease compared to the net inflows of GEL 18,367 thousand recorded in the prior year. The negative cash flow was largely attributable to the issuance of loans totaling GEL 48,423 thousand (2023: GEL 2,556 thousand).

In 2023, net cash inflows from investing activities amounted to GEL 18,367 thousand, marking a significant improvement compared to the net outflows of GEL 32,020 thousand in 2022. This growth was mainly driven by the repayment of loans totaling GEL 26,328 thousand (2022: GEL 2,134 thousand) and net proceeds of GEL 15,559 thousand from the disposal of a subsidiary, which reflected the sale of a 50% equity interest in Sakeni by Biograpi LLC.

A detailed breakdown of investing cash flows for the respective periods is presented below:

(in thousand GEL)	**2023** **Audited**	**2024** **Audited**
Cash Flows from Investing Activities		
Acquisition of property, plant and equipment	(3,136)	(9,286)
Acquisition of investment property	(25,782)	(538)
Investment in a subsidiary		(426)
Proceeds from sale of property, plant and equipment	32	229
Proceeds from sale of investment property	6,590	2,733
Acquisition of intangible assets	(135)	(29,758)
Decrease in loans to financial institutions	-	-
Loans issued	(2,556)	(48,423)
Proceeds from sale of equity interest	-	-
Net cash inflow from disposal of subsidiary	15,559	-
Interest received	1,465	263
Cash received from issued loans	26,328	1,292
Dividends received	-	-
Net cash flows from investing activities	**18,367**	**(83,916)**

Cash Flows from Financing Activities

Cash flows from financing activities include proceeds from and repayments of borrowings, as well as payments of lease liabilities.

In 2024, net cash inflows from financing activities totaled GEL 54,594 thousand, a significant improvement compared to the net outflows of GEL 36,646 thousand recorded in the prior year. This shift was primarily driven by a 46.8% decrease in loan repayments - mainly due to the reduction in early repayments - and a 94.8% increase in borrowings received.

In 2023, cash flows from financing activities amounted to negative GEL 36,648 thousand, primarily due to the prepayment of borrowings. In comparison, during the same period in 2022, financing cash flows stood at GEL 8,942 thousand. The decline in 2023 was mainly attributable to a substantial increase in the principal amount of loans repaid early.

A detailed breakdown of financing cash flows for the respective periods is presented below:

(in thousand GEL)	**2023** **Audited**	**2024** **Audited**
Proceeds from borrowings	52,877	102,977
Loan disbursement fee	-	(289)
Repayment of borrowings	(88,957)	(47,294)
Repayment of lease liabilities	(568)	(801)
Net cash flows from financing activities	**(36,648)**	**54,594**

Consolidated Operating and Financial Review

The review and analysis of the Group's consolidated financial position and results of operations is based on the restated consolidated audited financial statements for the full years ended 31 December 2023 and 31 December 2024. Unless otherwise stated, the financial information presented in this section has been extracted from the Issuer's financial statements for the respective periods. This section should be read in conjunction with the financial statements and accompanying notes, as well as other financial information included in this Prospectus.

The disclosure of the Issuer's consolidated financial information in this Prospectus is made solely in accordance with regulatory requirements and for informational purposes. In particular: (a) the payment of the principal and interest under the Bonds shall be solely the obligation of the Issuer; and (b) the terms of the Bonds apply exclusively to the operations of the Issuer and do not impose any obligations on its subsidiaries. Moreover, the disclosure of consolidated financial data shall not be construed as providing any form of guarantee by the subsidiaries to the bondholders, nor shall it affect the interpretation of the Terms of the Bonds.

Unless otherwise stated, all figures and references provided in the "Consolidated Operating and Financial Review" section are based on the consolidated accounts of Alma LLC and relate exclusively to the scope of this section.

Basis of Preparation of Financial Statements

The consolidated financial statements presented herein have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), including all applicable standards and interpretations (collectively, Full IFRS). For the reporting period ended December 31, 2024, an unmodified audit opinion was issued on the Group's consolidated financial statements. Management corrected a non-compliance with the requirements of the International Financial Reporting Standards, which was related to a change in the ownership interest of the non-controlling interest in a subsidiary during the 2023 reporting period. As a result, the Group issued restated consolidated financial statements as of December 31, 2024. The restated consolidated financial statements replaced the previously issued consolidated financial statements dated April 23, 2025.

Consolidated Statement of Income

(in thousand GEL)	2023 Audited Restated	2024 Audited
Revenue	53,726	68,707
Cost of sales	(18,901)	(22,524)
Gross Profit	**34,825**	**46,183**
General and administrative expenses	(6,480)	(7,956)
Change in allowance for impairment of financial assets	69	(1,719)
Reversal of impairment of non-current assets	1,036	-
Profit/(Loss) from disposal of non-current assets, net	419	(163)
Impairment of investment in other companies	-	-
Other income, net	640	(146)
Profit/(loss) from disposal of subsidiary, net	19,931	-
Income from sale of subsidiary interest, net	-	-
Operating profit	**50,441**	**36,198**
Finance income	2,812	2,487
Finance costs	(19,181)	(19,971)
foreign exchange profit/(loss), net	(374)	(2,568)
Share of profit/(loss) of companies accounted for using the equity method	(4,355)	(7,614)
Dividends received from subsidiaries	-	-
Profit before income tax	**49,342**	**8,532**
Income tax expense	-	-
Total comprehensive income for the year	**29,342**	**8,532**
Comprehensive income attributable to:		
Equity holders of the Group	29,328	8,547
Non-controlling interests	15	(14)
	29,342	**8,532**

The Group restated a non-compliance with IFRS requirements related to a change in the ownership interest of the non-controlling interest in a subsidiary in 2023 and issued restated consolidated financial statements, which replaced the 2024 consolidated financial statements originally issued on April 23, 2025.

Revenue

The Group's revenue is primarily generated from the provision of advertising services.

In 2024, the Group's total revenue amounted to GEL 68,707 thousand, representing a 27.9% increase compared to the prior year. This growth was mainly driven by a 30.8% increase in the standalone revenue of Alma. During 2024, revenue generated from Alma's standalone operations accounted for 95.6% of the Group's total revenue.

In 2023, the Group's total revenue amounted to GEL 53,726 thousand, reflecting a 21.7% increase compared to 2022. This growth was primarily attributable to a 22.0% increase in Alma's standalone revenue. As of 2023, revenue from Alma's standalone business activities represented 93.5% of the Group's total revenue, with the remaining 6.5% primarily contributed by the Group's advertising agency subsidiary, Krakeni 8 LLC.

The breakdown of the Group's revenue over the reporting periods is presented below:

(in thousand GEL)	2023 Audited	2024 Audited
Standalone revenue of Alma LLC	50,215	65,658
Other	3,511	3,049
Total revenue of Group	**53,726**	**68,707**

For details on the Company's standalone revenue, please refer to "**Standalone Operating and Financial Review" – "Revenue".**

Cost of Sales

Cost of sales includes expenses such as salaries and wages, utilities, materials, and other related costs.

In 2024, the Group's cost of sales amounted to GEL 22,524 thousand, representing a 19.2% increase compared to the same period in 2023. This increase was primarily driven by a 28.7% rise in employee compensation and an 18.2% increase in depreciation expenses.

In 2023, the cost of sales amounted to GEL 18,901 thousand, reflecting a 12.5% increase compared to the previous year. The growth was mainly attributable to a 28.7% increase in compensation expenses, which corresponds to a nominal increase of GEL 1,040 thousand.

As of 2024 and 2023, Alma's standalone cost of sales accounted for 89.2% and 85.6% of the Group's consolidated cost of sales, respectively. The difference between standalone and consolidated figures is due to additional compensation and social media service expenses, which are included in the consolidated cost of sales but are not reflected in Alma's standalone ratios, as they are not directly related to Alma's core outdoor advertising business.

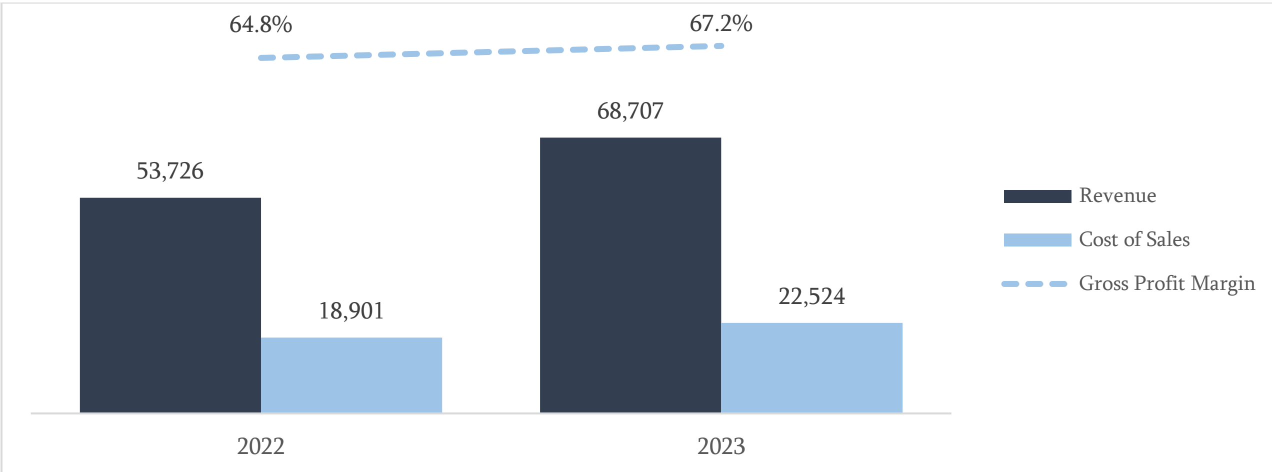
A detailed breakdown of the cost of sales is presented in the table below:

(in thousand GEL)	2023 Audited	2024 Audited
Depreciation and Amortization	(6,922)	(8,181)
Salaries and Wages	(4,666)	(6,004)
Social Media Services Expense	(1,560)	(1,127)
Utility Expense	(1,323)	(1,369)
Materials Expense	(1,074)	(1,319)
Lease Expense	(947)	(1,413)
Amortization of Right-of-Use Assets	(926)	(887)
Maintenance Expense	(790)	(1,074)
Other	(692)	(1,151)
Total Cost of Sales	**(18,901)**	**(22,524)**

For detailed information regarding cost of sales, please refer to **"Standalone Operating and Financial Review"** – **"Cost of Sales"**.

Gross Profit and Gross Profit Margin

Chart 25. Revenue, Cost of Sales, , Gross Profit Margin (GEL '000, %)



In 2024, the Group's gross profit amounted to GEL 46,183 thousand, reflecting a 32.6% increase compared to the previous year (2023: GEL 34,825 thousand). This growth was primarily driven by a 27.9% increase in revenue. Additionally, the gross profit margin improved, reaching 67.2% in 2024, up 2.4 percentage points from 64.8% in the prior year.

In 2023, the Group's gross profit totaled GEL 34,825 thousand, representing a 27.3% increase compared to the same period in 2022 (2022: GEL 27,349 thousand). This improvement was mainly attributable to a 21.7% increase in revenue, which also resulted in an improved gross profit margin of 64.8% in 2023 (2022: 61.9%).

General and Administrative Expenses

The Group's general and administrative expenses include costs such as professional services, communication expenses, advertising, and other administrative costs.

In 2024, the Group's general and administrative expenses amounted to GEL 7,956 thousand, representing a 22.8% increase compared to the previous year. This growth was primarily driven by a 19.1% increase in staff costs and a 29.7% increase in professional service fees.

In 2023, the Group's general and administrative expenses totaled GEL 6,480 thousand, reflecting a 10.9% decrease compared to the same period in the prior year. This decline was mainly attributable to the write-off of fixed assets recorded in 2022.

(in thousand GEL)	**2023**	**2024**
	Audited	**Audited**
Salaries and Wages	(2,014)	(2,398)
Professional Services	(1,817)	(2,356)
Depreciation and Amortization	(662)	(690)
Tax Expenses	(489)	(497)
Inventory Depreciation	(368)	(283)
Communication Expenses	(124)	(145)
Depreciation and Amortization	(93)	(96)
Banking Services	(64)	(103)
Utilities	(61)	(50)
Lease	(45)	(117)
Advertising Expenses	(14)	(62)
Write-off of Property, Plant and Equipment	-	(407)
Other	(727)	(751)
Total general and administrative expenses	**(6480)**	**(7,956)**

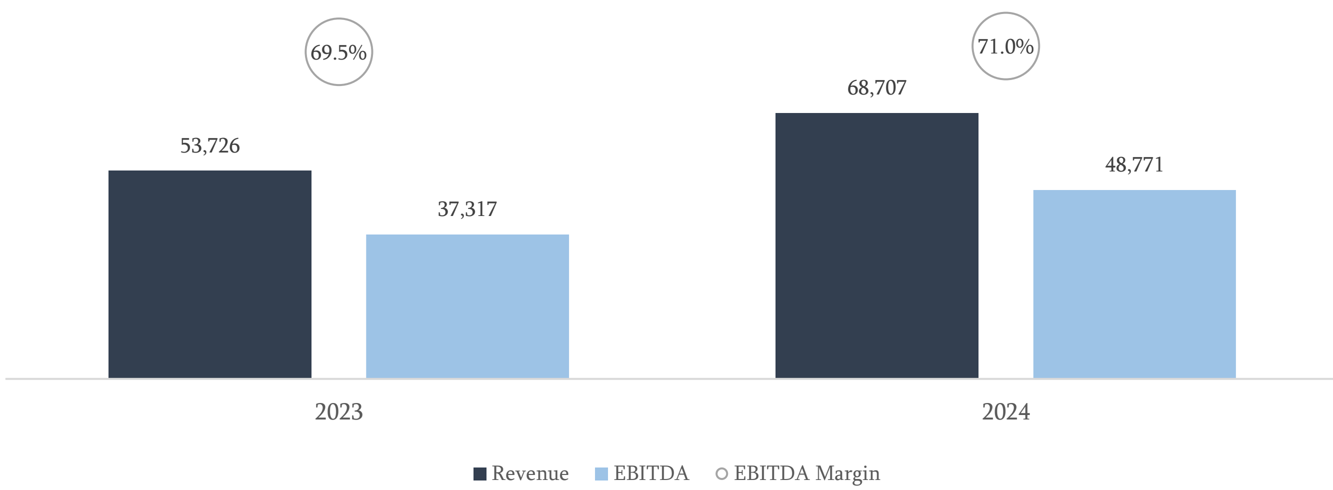
During 2024, the Group's consolidated general and administrative expenses exceeded the Company's standalone general and administrative expenses by 21% (2023: 17.7%), primarily due to employee compensation and professional services. As of 2023, the Group's consolidated general and administrative expenses exceeded the Company's standalone general and administrative expenses by 17.7% (2022: 16.3%), with the difference mainly attributable to employee compensation.

In 2024, the ratio of general and administrative expenses to revenue stood at 11.6%, representing a 0.5 percentage point decrease compared to 12.1% in 2023. As of 2023, the ratio of general and administrative expenses to revenue was 12.1%, which is 4.4 percentage points lower compared to 16.5% in 2022.

For more detailed information regarding general and administrative expensesplease refer to **“Standalone Operating and Financial Review” – “General and Administrative Expenses”,** as well as the Group’s audited financial statements, **Note 8 - General and Administrative Expenses.**

EBITDA[13]

Chart 27. Revenue, EBITDA, and EBITDA Margin Over the Periods (GEL ‘000, %)



During 2024, the Group’s consolidated EBITDA amounted to GEL 48,771 thousand, representing a 30.7% increase compared to the same period of the previous year (2023: GEL 37,317 thousand). This growth was primarily driven by a 27.9% increase in revenue. The EBITDA margin also improved, reaching 71%, which is 1.5 percentage points higher than the 69.5% recorded in 2023.

In 2023, the Group’s EBITDA amounted to GEL 37,317 thousand, marking a 26.9% increase compared to the same period in 2022 (GEL 29,411 thousand). This growth was primarily due to a 21.7% increase in revenue; however, it is worth noting that the growth rate of EBITDA outpaced revenue growth. This was due to an improvement in gross profit margin and optimization of operating expenses. As a result, the EBITDA margin increased from 66.6% in 2022 to 69.5% in 2023. As of 2023, the Company’s standalone EBITDA accounted for 99.4% of the Group’s consolidated EBITDA.

Change in Allowance for Impairment of Financial Assets

The Group recognizes an allowance for impairment of trade receivables based on the number of days past due.

The change in the allowance for impairment of financial assets over the reporting periods is presented below:

(in thousand GEL)	**2023** **Audited**	**2024** **Audited**
Change During the Reporting Period	69	(1,719)

For detailed information on trade receivables and accrued income, please refer to **“Consolidated Operating and Financial Review”** – “**Trade and Other Receivables**”.

Reversal of Impairment of Non-Current Assets

The Group’s reversal of impairment of non-current assets is presented in the same amount as the Company’s standalone reversal of impairment.

For more detailed information, please refer to the **“Standalone Operating and Financial Review”** – **“Reversal of Impairment of Non-Current Assets**”.

(Loss)/Gain on Disposal of Non-Current Assets, Net

The Issuer periodically sells parts of its property, plant and equipment, and investment property. As of 2024, the Group's consolidated loss on disposal of non-current assets amounted to GEL 163 thousand, which is GEL 2 thousand lower than the Company’s respective standalone result.

[13]For the purposes of the financial review, EBITDA is calculated as adjusted gross profit less general and administrative expenses, excluding the following components within general and administrative expenses: (1) depreciation and amortization; and (2) write-off of advances paid for intangible assets. Adjusted gross profit is calculated as revenue less cost of sales, excluding the following components within cost of sales: (1) depreciation and amortization; and (2) amortization of right-of-use assets.

As of 2023, the Group's consolidated gain on disposal of non-current assets amounted to GEL 419 thousand, which slightly exceeded the Company's standalone figure by GEL 0.9 thousand.

The net profit/loss from the disposal of non-current assets for the reporting periods is presented below:

(in thousand GEL)	2023 Audited	2024 Audited
Carrying Amount of Disposed Non-Current Assets	**(9,195)**	**(2,752)**
Property, plant and equipment	(478)	(1,083)
Investment property	(8,717)	(1,669)
Proceeds from Disposal of Non-Current Assets	**9,615**	**2,589**
Property, plant and equipment	256	971
Investment property	9,359	1,619
Profit/(Loss) from Disposal of Non-Current Assets, Net	**419**	**(163)**

For detailed information, please refer to **"Standalone Operating and Financial Review"** – **"Profit/(Loss) from Disposal of Non-Current Assets, Net"**.

Other Income, Net

A breakdown of other income by periods is presented below:

(in thousand GEL)	2023 Audited	2024 Audited
Lease income from the contract with the LEPL Georgian Public Broadcaster	3,889	3,889
Income from the Laguna Sports Complex and Lomsia Hotel	936	1,094
Income from investment property leases	681	376
Effect of changes to lease agreements	(8)	34
Difference between the fair value and carrying amount of the asset contributed as capital	-	-
Penalty income	-	663
Expense arising from business acquisition	-	(1,315)
Expenses related to the use of investment property	(4,151)	(4,062)
Expense related to the Laguna Sports Complex and Lomsia Hotel	(784)	(911)
Other expense, net	76	86
Other income, net	**640**	**(146)**

As of 2024, net other income amounted to a negative GEL 146 thousand, which differs significantly from the positive GEL 640 thousand recorded in the same period of the previous year. This decrease was primarily due to an expense of GEL 1,315 thousand incurred in connection with the acquisition of Kartli Generations LLC.

In 2023, net other income totaled GEL 640 thousand, which was a significant improvement compared to the negative GEL 25 thousand reported in 2022. This growth was driven by lease income from a contract with the LEPL Georgian Public Broadcaster. In 2022, Kostava Towers LLC purchased land and the building situated on it from the LEPL Georgian Public Broadcaster. The purchase agreement included a clause granting the Public Broadcaster use of the building free of charge for two years. Accordingly, the Company recognized the estimated rental value for the two-year period as deferred income, of which GEL 3,889 thousand was recognized as other income in 2023. During the same year, expenses related to the use of investment property also increased. These were related to Kostava Towers LLC and represent the depreciation of the aforementioned building.

Unlike the Company's standalone figures, the consolidated results include lease income from Kostava Towers LLC received from the Public Broadcaster, as well as expenses related to the Laguna sports complex and the Lomsia hotel, and do not reflect differences between the fair value and book value of capital contributions in kind.

Profit/(Loss) on Disposal of Subsidiary, Net

In 2023, the net profit from the sale of a 50% stake in LLC "Sakeni by Biograpi" amounted to GEL 19,931 thousand. The profit was recognized based on the difference between the compensation received and the carrying amount of the stake.Financial results related to this and other related operations at the Group level are presented below:

(in thousand GEL)	2023 Audited	2024 Audited
Cash Inflows	15,559	-
Total Consideration Received	**15,559**	-

Cash Outflows	(1,733)	-
Net Assets Outflows (Excluding Cash):		
Investment Property	(22,776)	-
Inventories	(3)	-
Tax Asset	(4)	-
Loans Issued	(381)	-
Trade and Other Receivables	(8,995)	-
Loans	9,951	-
Trade and Other Payables	4,110	-
Contract Liabilities	2,030	-
Tax Liabilities	242	-
Non-Controlling Interest	22,114	-
	6,288	-
Loss on Disposal of Subsidiary	**21,848**	-
Result of Disposal of Subsidiary		
Revenue	5	-
General and Administrative Expenses	(143)	-
Other Income, Net	103	-
Finance Income	0	-
Finance Costs	(171)	-
Loss from Foreign Exchange Differences, Net	23	-
	(184)	-
Net Loss from Disposal of Subsidiary Operations	**20,116**	**-**
Total Net Loss from Disposal of Subsidiary Operations	**19,931**	**-**

In 2024, there was no disposal of any subsidiaries, and therefore the profit/loss on disposal of subsidiary is zero for this period. As of 2023, Alma LLC standalone recorded a loss of GEL 14,280 thousand from the disposal of subsidiaries, while at the consolidated level, a gain of GEL 19,931 thousand was recognized. This difference is due to the sale of a 50% stake in Sakeni by Biograpi LLC. As a result of this transaction, GEL 56,986 thousand was derecognized from the Company's investment property—measured at fair value—whereas at the Group level, the derecognized value amounted to GEL 22,775 thousand - measured at book value.

Finance Income

The Group has issued loans to related parties, from which it earns interest income. Interest income by period is presented below:

(in thousand GEL)	**2023** **Audited**	**2024** **Audited**
Finance Income	2,812	2,487

In 2024, the Group's finance income totaled GEL 2,487 thousand, representing an 11.5% decrease compared to the same period of the previous year. Although the volume of loans issued increased as of 31 December 2024, it should be noted that the interest income during the year was mostly accrued on smaller outstanding loan amounts, as new loans were disbursed gradually.

For 2024, consolidated finance income was 25.5% lower than the standalone figure, due to the elimination of finance income earned from loans issued to subsidiaries.

In 2023, finance income amounted to GEL 2,812 thousand, marking a 98.8% increase compared to the previous year. Despite a decrease in loan balances as of 31 December 2023, most loans had been issued at the end of 2022, with interest payments occurring throughout 2023. In 2023, the Company's standalone income was 22.1% higher than the consolidated figure, primarily due to the elimination of income from loans issued to subsidiaries.

For further details, please refer to **"Consolidated Operating and Financial Review"** – **"Loans Issued**".

Finance Costs

(in thousand GEL)	**2023** **Audited**	**2024** **Audited**
Finance cost related to borrowings	(14,148)	(17,640)
Finance cost related to other liabilities	(1,429)	(619)
Finance cost related to contract liabilities	(1,407)	(1,242)

Finance cost related to finance leases	(837)	(753)
Finance cost related to licenses	(827)	(729)
Change in the value of borrowings	(533)	1,013
Total finance cost	**(19,181)**	**(19,971)**

In 2024, the Group's finance costs amounted to GEL 19,971 thousand, reflecting a 4.1% increase compared to the previous year. As of 2024, the largest component was finance costs related to loans, totaling GEL 17,640 thousand, which accounted for 88.3% of total consolidated finance costs. A detailed breakdown of finance costs, including the separation of interest and non-interest components, is provided in the section "Key Financial Ratios," under the sub-section "General Notes on Ratios."

In 2023, the Group's finance costs totaled GEL 19,181 thousand, representing a 60.5% increase compared to the previous year. The largest item in 2023 was also finance costs related to loans, which amounted to GEL 14,148 thousand and represented 73.8% of the total consolidated finance costs. This increase in finance costs is linked to contractual obligations and license-related expenses. For further details, please refer to the section **"Standalone Operating and Financial Review"** – **"Finance Costs**".

Kostava Towers LLC acquired a land plot and the buildings thereon from the LEPL Georgian Public Broadcaster. The purchase price was partially paid, while the outstanding amount was recognized as a liability (please refer to **"Consolidated Operating and Financial Review"** – **"Trade and Other Payables"**). It should be noted that the auditor assigned a relevant interest rate to this liability, which is reflected under the line item "Finance Costs Related to Other Liabilities."

Foreign Exchange Profit/(Loss), Net

Details related to foreign exchange differences are presented below:

(in thousand GEL)	**2023** **Audited**	**2024** **Audited**
Effect on cash and cash equivalents	(17)	(44)
Effect on other financial instruments	(357)	(2,525)
Total foreign exchange profit/loss, net	**(374)**	**(2,568)**

As of 31 December 2024, the USD exchange rate stood at 2.8068 (2023: 2.6894). Due to this change in the exchange rate, the Group recorded a foreign exchange loss of GEL 2,568 thousand during 2024.

As of 31 December 2023, the USD exchange rate was 2.6894 (2022: 2.7020). This exchange rate change resulted in a foreign exchange loss of GEL 374 thousand in 2023, which is significantly lower compared to the previous year (by GEL 7,511 thousand).

Share of Profit/(Loss) of Equity-Accounted Investees

The share of profit/(loss) of equity-accounted investees is the same at both the Group and Company levels. For further information on this itemplease refer to **"Standalone Operating and Financial Review"** – **"Share of Profit/(Loss) of Equity-Accounted Investees**".

Consolidated Statement of Financial Position

(in thousand GEL)	31.12.2023 Audited Restated	31.12.2024 Audited Restated
Assets		
Non-current Assets		
Intangible Assets	49,379	74,009
Right-of-use Assets	7,117	5,964
Property, Plant and Equipment	29,056	39,284
Investment Property	114,796	127,674
Investments in Subsidiaries	-	-
Investments in Joint Ventures	39,469	31,855
Investments in Equity Instruments	122	191
Goodwill	245	245
Advances Paid for Non-current Assets	4,109	2,847
Loans Issued	-	6,579
Total Non-current Assets	**244,294**	**288,648**
Current Assets		
Inventories	1,794	2,040
Tax Asset	-	-
Loans Issued	17,808	40,215
Trade and Other Receivables	14,760	19,252
Cash and Cash Equivalents[14]	1,009	2,482
Total Current Assets	**35,372**	**63,988**
Total Assets	**279,666**	**352,635**
Equity and Liabilities		
Charter Capital*	1,327	1,327
Retained Earnings	103,958	112,505
	105,285	**113,832**
Non-controlling Interest	4,083	4,445
Total Equity	**109,368**	**118,276**
Non-current Liabilities		
Lease Liabilities	7,089	6,097
Other Liabilities	5,479	3,993
Contract Liabilities	9,224	7,417
Deferred Income	-	-
Borrowings	71,649	83,716
Trade and Other Payables	4,563	-
Total Non-current Liabilities	**98,004**	**101,223**
Current Liabilities		
Other Liabilities	1,935	2,204
Tax Liabilities	706	487
Lease Liabilities	831	894
Contract Liabilities	5,219	5,457
Deferred Income	3,889	-
Borrowings	45,133	109,130

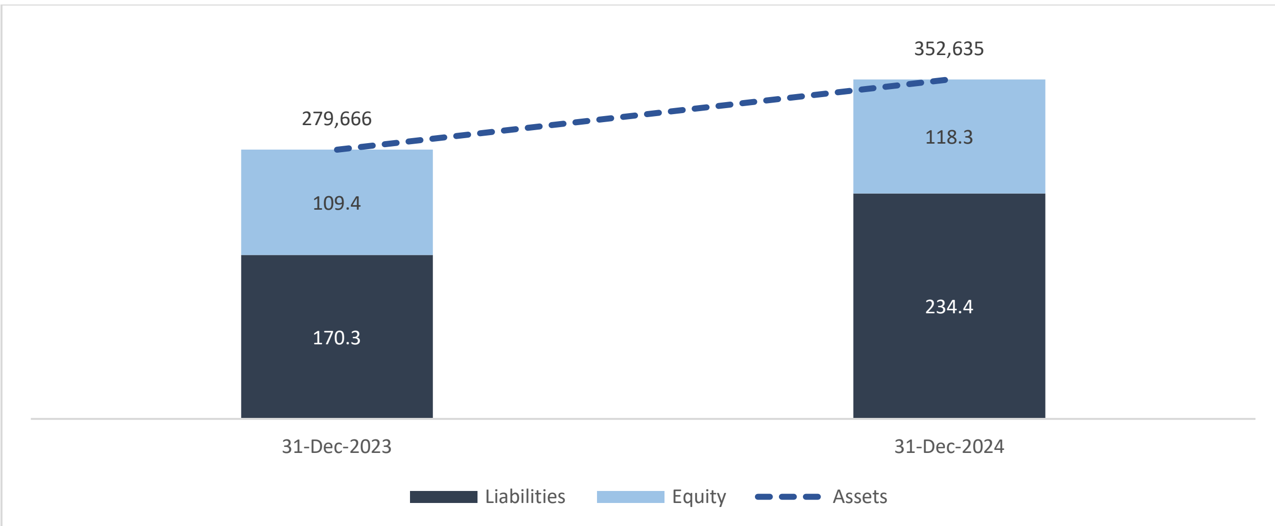
[14] As of 31 December 2023, GEL 919.7 thousand represents restricted cash.

Trade and Other Payables	14,580	14,964
Total Current Liabilities	**72,293**	**133,136**
Total Equity and Liabilities	**279,666**	**352,635**

**Under the Law of Georgia on Entrepreneurs, the Company has not established "charter capital," which is equivalent to the term "placed capital" as defined under said law. Accordingly, the amount presented under the line item "charter capital" in the financial statements represents an "additional capital contribution" and therefore does not serve as a protective mechanism and/or buffer under Article 145 of the Law of Georgia on Entrepreneurs in relation to dividend distribution and capital reduction.*

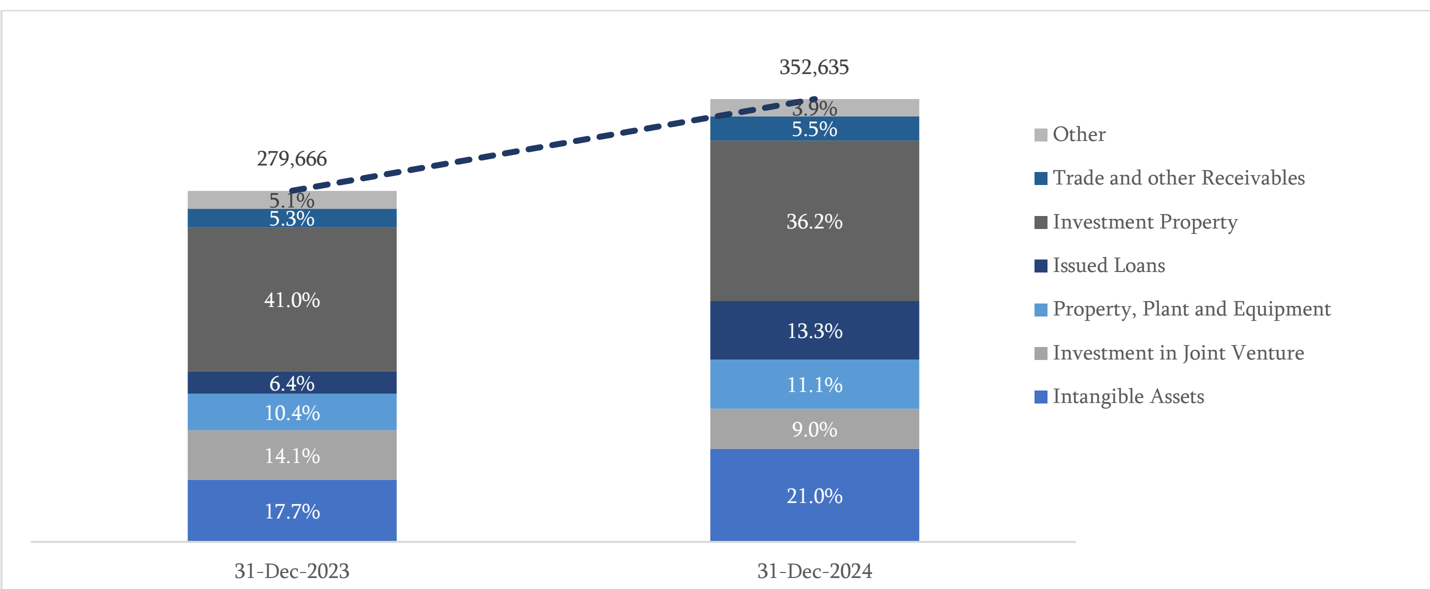
For further details, please refer to Section 3.7 – **"Risks Related to the Legal and Judicial Framework"**

Chart 28. Dynamics of Assets, Liabilities, and Equity (GEL thousand):



Assets

Chart 29. Group Assets (in thousand GEL)



As of 31 December 2024, total assets amounted to GEL 352,635 thousand, reflecting a 26.1% increase compared to 31 December 2023 (an increase of GEL 72,970 thousand in nominal terms). This growth was primarily driven by an increase in issued loans, investment property, and intangible assets. For detailed information please refer to **"Consolidated Operating and Financial Review"** – **"Investment Property"** and **"Intangible Assets**". As of 31 December 2024, current assets accounted for 18.1% of the Group's total assets, while non-current assets represented 81.9%.

As of 31 December 2023, total assets amounted to GEL 279,666 thousand, representing a 7.2% decrease compared to 31 December 2022 (a decline of GEL 21,683 thousand in nominal terms). This decrease was primarily attributable to the disposal of a 50% equity stake in Sakeni by Biograpi LLC. For details related to the transaction, please refer to **"Consolidated Operating and Financial Review"** – **"Profit/(Loss) on Disposal of Subsidiary, Net"**. As of the end of 2023, current assets represented 12.6% of the Group's total assets, while non-current assets accounted for 87.4%.

As of 31 December 2024, the Group's total assets exceeded the Company's standalone assets by GEL 78,772 thousand, while in 2023 this difference amounted to GEL 64,025 thousand. The difference is primarily attributable to the variance in the carrying value of investment property.

Intangible Assets

The Group's intangible assets primarily consist of licenses related to the operations of Almas LLC. The historical movement of intangible assets is presented below:

(in thousand GEL)	**Licenses**	**Other intangible assets**	**Total**
Historical Cost			
31 December 2022	**67,045**	**251**	**67,295**
Inflow	5	130	135
Write-off	(177)	(17)	(194)
31 December 2023	**66,873**	**364**	**67,237**
Inflow	29,630	129	29,759
31 December 2024	**96,503**	**493**	**96,996**
Depreciation			
31 December 2022	**(13,810)**	**(94)**	**(13,904)**
Depreciation Expense for the Period	(4,092)	(56)	(4,148)
Write-off	177	17	194
31 December 2023	**(17,725)**	**(133)**	**(17,858)**
Depreciation Expense for the Period	(5,049)	(80)	(5,129)
31 December 2024	**(22,774)**	**(213)**	**(22,987)**
Net carrying amount			
31 December 2023	**49,148**	**231**	**49,379**
31 December 2024	**73,729**	**280**	**74,009**

The Group's intangible assets differ slightly on a consolidated basis from the Issuer's standalone figures. As of 31 December 2024 and 31 December 2023, the Group's consolidated intangible assets exceeded the Issuer's standalone intangible assets by only GEL 3 thousand. For more detailed informationplease refer to the **"Standalone Operating and Financial Review"** – **"Intangible Assets**".

Right-of-Use Assets

As of 31 December 2024, the Group's total right-of-use assets amounted to GEL 5,964 thousand, reflecting a 16.2% decrease compared to 31 December 2023. As of 31 December 2023, the Group's total right-of-use assets stood at GEL 7,117 thousand, representing a slight decrease of 5.3% compared to the same period of the previous year.

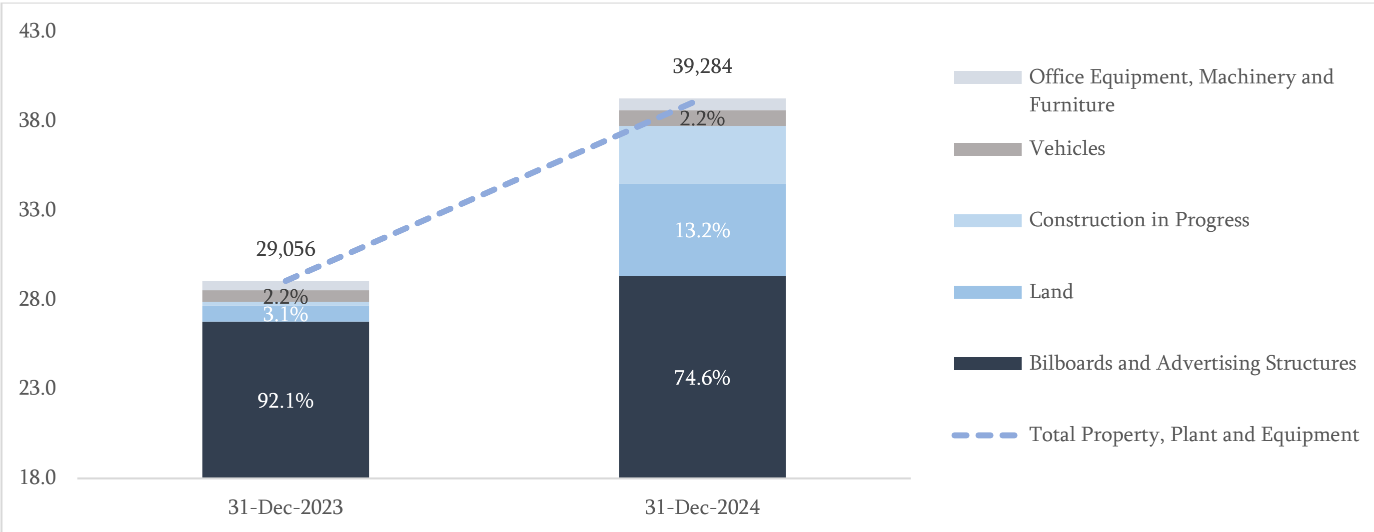
As of both 31 December 2024 and 31 December 2023, the Group's consolidated right-of-use assets did not differ from the Company's standalone figures.

For more detailed information regarding right-of-use assetsplease refer to the **"Standalone Operating and Financial Review"** – **"Right-of-Use Assets"**, as well as the Group's audited report **Note 16 – Leases.**

Property, Plant and Equipment

The Group's property, plant and equipment include assets such as billboards, advertising structures, unfinished construction, and others.

Chart 30. Property, Plant and Equipment (GEL thousand)



As of 31 December 2024, property, plant and equipment amounted to GEL 39,284 thousand, representing a 35.2% increase compared to 31 December 2023. As of the same date, property, plant and equipment accounted for 11.1% of total assets. The increase in property, plant and equipment is primarily related to the construction of bridges in Tbilisi under a special permit, the acquisition of advertising assets, and the purchase of land plots by LLC A Energy, which were classified as property, plant and equipment. The net increase reflected in the balance sheet includes both new acquisitions and the effects of depreciation and disposals.

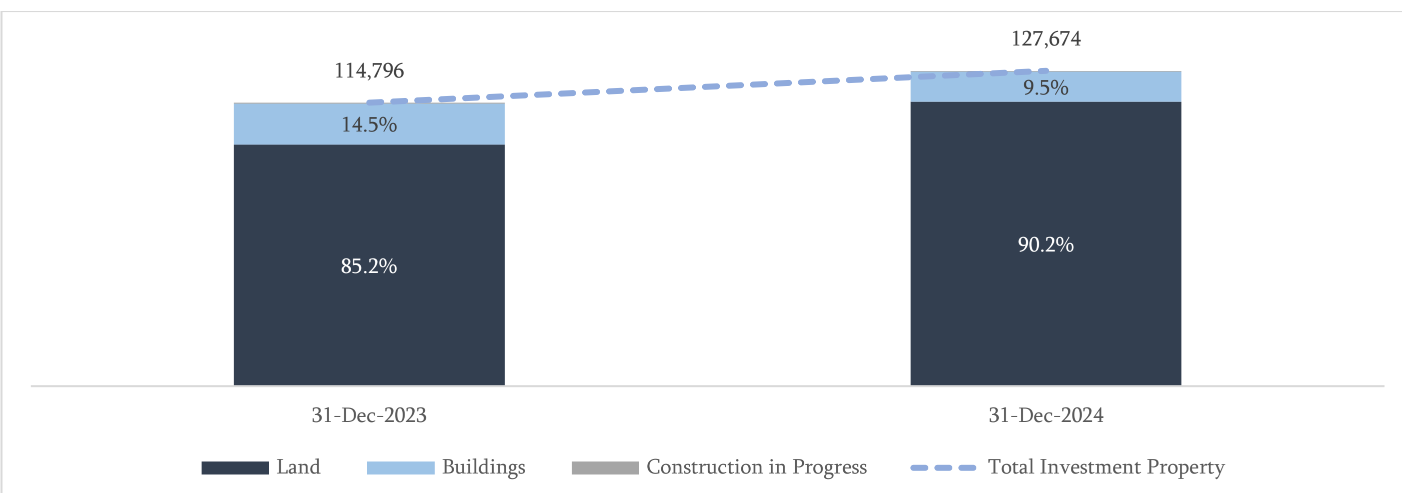
As of 31 December 2023, property, plant and equipment amounted to GEL 29,056 thousand (year-over-year increase of 1.8%), accounting for 10.4% of total assets.

As of 31 December 2024, the Group's consolidated property, plant and equipment exceeded the Company's standalone figure by GEL 5,879 thousand. As of 31 December 2023, this difference was GEL 1,051 thousand.

Investment Property

The Group's investment property includes land and buildings, including areas designated by the Company's subsidiaries for residential complex development.

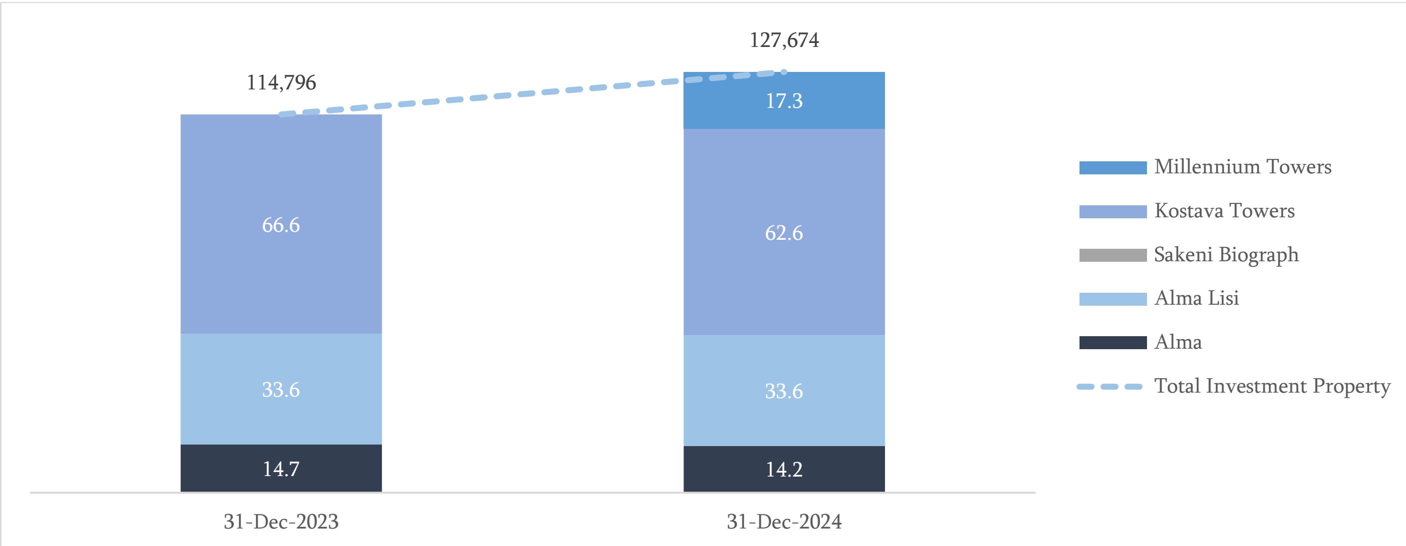
Chart 31. Investment Property (GEL thousand)



As of 31 December 2024, the Group's investment property amounted to GEL 127,674 thousand, which represents an 11.2% increase compared to 31 December 2023. This growth is primarily driven by to the acquisition in 2024 of LLC Basis Asset Management and LLC Medical-Prophylactic Center, which were merged into Millennium Towers in the same year.

As of 31 December 2023, the Group's investment property amounted to GEL 114,796 thousand, representing a slight decrease of 5.6% compared to the same period of the previous year. As of 31 December 2023, 85.2% of the investment property consisted of land, and 14.5% consisted of buildings and constructions.

Chart 32. Breakdown of carrying amount of investment property by ownership (GEL thousand)



The movement of the Group's investment property over the periods is presented below:

(in thousand GEL)	Land	Construction in progress	Buildings	Total
Historical Cost				
31 December 2022	**95,325**	**359**	**27,885**	**123,568**
Inflow	26,239	-	1,769	**28,008**
Reversal of impairment[Error! Bookmark not defined.]	250	-	786	**1,036**
Outflow of investment property due to disposal of subsidiary	(22,776)	-	-	**(22,776)**
Outflow	(1,209)	-	(8,452)	**(9,661)**
31 December 2023	**97,829**	**359**	**21,988**	**120,175**
Inflow	33	-	1,755	**1,789**
Inflow of assets resulting from acquisition of a subsidiary	17,282	-	-	**17,282**
Outflow	-	-	(1,996)	**(1,996)**
31 December 2024	**115,44**	**359**	**21,274**	**137,250**
Accumulated depreciation				
31 December 2022	-	-	**(1,997)**	**(1,997)**
31 December 2023	-	-	**(5,379)**	**(5,379)**
31 December 2024	-	-	**(9,576)**	**(9,576)**
Net carrying amount				
31 December 2022	**95,325**	**359**	**25,888**	**121,572**
31 December 2023	**97,829**	**359**	**16,609**	**114,796**
31 December 2024	**115,144**	**359**	**12,171**	**127,673**

It should be noted that as of 2024, investment property with a consolidated value of GEL 49,099 thousand is legally pledged in favor of Alma's loan; investment property with a value of GEL 70,864 thousand is pledged in favor of Kostava Towers; and investment property with a value of GEL 1,103 thousand is pledged in favor of other related parties. For updates and further details on investment property collateral after 31 December 2024please refer to **"Capitalization and Indebtedness"** – **"Collateral"**.

Presented below are the Group's investment properties as of December 31, 2024, valued using the direct sales comparison method:

Description	Carrying Value	Fair Value
Land plots located on Natenadze and Kostava Streets in Akhaltsikhe with buildings and structures on them	4,250,912	4,421,000
Land plot in Tbilisi near Imedadze Street, cadastral code: 01.14.09.004.007	186,510	365,000

Aleksidze parking spaces N68 (01.10.13.039.032.01.03.068) and N67 (01.10.13.039.032.01.03.067)	76,045	160,000
Apartment on Aleksidze Street, #12, cadastral code: 01.10.13.039.032.01.01.126	1,847,230	1,833,000
Two apartments located at #31 I.Khvichia Street, Tbilisi	385,411	996,000
Apartment on Chavchavadze Ave. 74b, 5th floor, apt. N4, cadastral code: 01.14.10.0002.001.01.004	934,001	1,127,000
Gudauri – parking space in a multi-functional complex, Block N, space N74, cadastral code: 71.62.58.378.01.02.074	15,638	42,000
Six parking spaces located at Chavchavadze Ave. 74b	143,933	233,000
Two apartments on the 18th and 19th floors of 74b Chavchavadze Ave., Tbilisi	2,264,402	2,038,000
Apartment in Batumi, Tamar Mepe Ave. #14, Block "A", 5th floor; Apt #504; cadastral code: 05.34.22.120.01.01.504	190,923	244,000
Land plot on the right bank of the Mtkvari River, cadastral code: 01.10.13.016.122	1,431,737	2,288,000
Tbilisi, Anna Politkovskaya Street #12, Apartments 145, 70, and 75	873,870	1,569,000
Dusheti municipality, village Kaishaurebi, Mt. Vartsla, Block N #139, 140, 141, and 142	595,489	1,302,000
Apartment in Tbilisi, Demetre Tavdadebuli St. #40, Block D-2, Apt. 60, cadastral code: 01.10.07.007.175.03.01.060	119,305	166,000
Dusheti municipality, village Kaishaurebi, #92, cadastral code: 71.62.58.378.01.01.092	156,335	306,000
Apartment in Tbilisi, Krtsanisi St. #49, Apt. 16, cadastral code: 01.18.06.014.080.01.01.016	400,352	354,000
Apartment in Borjomi, Daba Bakuriani, 3rd floor, Apt. 24, cadastral code: 64.30.14.252.02.01.024	226,958	149,000
15 land plots located near the village of Kvemo Lisi and Lisi Lake	33,570,908	79,822,585

For the purposes of fair value disclosure, as of 31 December 2024, the Group determined the fair value of the following investment property: a 33,209 sq.m. land plot with a building located on Kostava Street in Tbilisi, with a carrying amount of GEL 62,616,108. The estimated value range, within which the actual value of the property is most likely to fall, is between GEL 83,890,000 and GEL 129,564,000.

As of December 31, 2024, the carrying amounts of the remaining investment properties did not significantly differ from their fair values.

It is noteworthy that the fair value of land (GEL 79,822 thousand) located near Lisi Lake significantly exceeds its carrying amount (GEL 33,570 thousand). This difference is driven by the area's ecological cleanliness and natural conditions, growing developer and infrastructure activity, as well as increasing demand for premium residential zones. The limited availability of land in this location and strong investment interest from both local and international investors also contribute to its additional value.

Investments in Joint Venture

The Group's consolidated data on investment in a joint venture fully corresponds to the Company's standalone figure. For more detailed informationplease refer to **"Standalone Operating and Financial Review"** – **"Investments in Joint Venture"**.

Advances Paid for Non-Current Assets

The Group's consolidated data on advances paid for non-current assets is fully aligned with the Company's standalone figure. For more detailed informationplease refer to **"Standalone Operating and Financial Review"** – **"Advances Paid for Non-Current Assets**".

Inventories

Inventories include raw materials and printing supplies, as well as spare parts for billboards and machinery/equipment.

As of 2024, inventories amounted to GEL 2,040 thousand, marking a 13.7% increase compared to 31 December 2023. This increase is primarily driven by the growth in inventories of the subsidiary, rising from GEL 144 thousand (as of 31.12.2023) to GEL 447 thousand (as of 31.12.2024). Both the increase in average inventory levels and the cost of goods sold over the last 12 months contributed to a slight decrease in inventory turnover days, from 31.6 days in 2023 to 31.1 days in 2024.

As of 31 December 2023, inventories amounted to GEL 1,794 thousand, which is a 21.2% increase compared to the same period of the previous year. This increase was driven by the rise in the value of spare parts for billboards and machinery/equipment, from GEL 453 thousand (2022) to GEL 947 thousand (2023). Inventory turnover days amounted to 31.6 days in 2023, representing a notable improvement compared to 39.3 days in 2022.

(in thousand GEL)	31.12.2023 Audited	31.12.2024 Audited
Inventories	1,794	2,040

Tax Asset

As of 31 December 2024 and 31 December 2023, the Group's tax asset is recorded at zero.

Loans Issued

The Group has issued loans to subsidiaries, affiliates, and entities under common control. The loans issued are unsecured.

The non-current portion of the loans issued is presented below:

(in thousand GEL)	Maturity Date	Currency	Interest Rate	31.12.2023 Audited	31.12.2024 Audited
VELLAGIO LLC	3/26/2029	USD	11.4%	-	6,579
Total Non-Current Loans Issued				**-**	**6,579**

The current portion of loans issued is presented below:

(in thousand GEL)	Maturity Date	Currency	Interest Rate	31.12.2023 Audited	31.12.2024 Audited
VELLAGIO LLC	12/31/2025	GEL	11.5%	12,915	18,211
Idea LLC	12/31/2025	USD	10.0%	-	14,461
Global Investors Limited	12/31/2025	USD	12.0%	4,589	5,151
MP Development LLC	12/23/2025	GEL	11.9%	-	951
Prime Property Group LLC	12/31/2025	GEL	13.0%	213	218
Millennium Towers LLC	12/28/2025	GEL	13.0%	1	-
Wissol Group LLC	12/31/2025	GEL	11.8%	-	4
Wissol Group LLC	12/31/2025	GEL	11.9%	-	3
VELLAGIO LLC	12/31/2024	USD	6.5%	91	-
Idea LLC	12/31/2025	GEL	11.9%	-	1,217
Total Current Loans Issued				**17,808**	**40,215**

Except for VELLAGIO LLC, Ideas LLC, JSC Wissol Group, MP Development LLC, and Prime Property Group LLC, the companies presented in the above tables are under common control.

In the Group’s assessment, the credit risk of the loans issued has not significantly increased since initial recognition, although IFRS 9 requires the recognition of 12-month expected credit losses, the analysis conducted by the Group determined that such losses are insignificant and not considered material for financial reporting purposes.

As of 2024, the Group’s total loans issued amounted to GEL 46,794 thousand, which represents a 162.8% increase compared to 31 December 2023 (31.12.2023: GEL 17,808 thousand). This increase is primarily attributable to the issuance of additional current loans to VELLAGIO LLC and Ideas LLC.

As of 31 December 2023, the Group’s total loans issued amounted to GEL 17,808 thousand, which is a 57.4% decrease compared to the same period of the previous year (31.12.2022: GEL 41,755 thousand). This decrease is due to the repayment of loans by the respective companies during the reporting period.

The difference between the Group’s consolidated and standalone loans issued is due to the elimination of loans issued by Alma LLC to its subsidiaries in the consolidated reporting.

Trade and Other Receivables

As of 2024, trade and other receivables amounted to GEL 19,252 thousand, representing a 30.4% increase compared to 31 December 2023. This growth is mainly driven by an increase in revenue of *Alma*. Compared to the full year 2023, the days sales outstanding (DSO) increased in 2024 and amounted to 90.3 days (2023: 85.7 days).

As of 31 December 2023, trade and other receivables amounted to GEL 14,760 thousand, which is a 41.1% increase compared to the same date of the previous year. This growth was also primarily due to increased revenue of *Alma*. Despite the growth in trade and other receivables, the DSO improved significantly in 2023 and amounted to 85.7 days, which is substantially lower than 133.4 days in 2022.

(in thousand GEL)	31.12.2023 Audited	31.12.2024 Audited
Trade and other receivbles	14,760	19,252

The expected credit loss rates are based on the Group's credit impairment experience over the past three years, which enhances the accuracy of credit risk assessment.

The movement in the allowance for impairment of trade receivables over the periods is presented below:

(in thousand GEL)	2023 Audited	2023 Audited
Opening balance of allowance for impairment of trade receivables	**1,891**	**1,781**
Changes during the reporting year	(69)	1,719
Recovery of receivables previously written off	-	-
Receivables written off as uncollectible during the reporting year	(41)	(698)
Change in allowance for impairment	(110)	1,022
Closing balance of allowance for impairment of trade receivables	**1,781**	**2,803**

The Group assesses the allowance for impairment of trade receivables annually, at the end of the reporting period.

Cash and Cash Equivalents

The Group's cash and cash equivalents include funds held with resident banks in both local and foreign currencies. The breakdown of cash and cash equivalents as at the end of the respective periods is presented below:

(in thousand GEL)	31.12.2023 Audited	31.12.2024 Audited
Cash on hand in local currency	3	3
Local currency held with resident banks	950	1,139
Foreign currency held with resident banks	56	1,340
Total cash and cash equivalents	**1,009**	**2,482**

As of 2024, cash and cash equivalents amounted to GEL 2,482 thousand, reflecting a 145.9% increase compared to 31 December 2023. As of 31 December 2023, cash and cash equivalents amounted to GEL 1,009 thousand, representing a **43.3%** decrease compared to the corresponding date of the previous year.

Equity

As of 2024, the Group's total equity amounted to GEL 118,276 thousand, which represents an increase of GEL 8,908 thousand compared to 31 December 2023. This growth was driven, on the one hand, by the net profit of GEL 8,532 thousand generated during the period, and on the other hand, by the increase in non-controlling interest—specifically, in 2024, the Company established a subsidiary, Muza Digital LLC, with a 50% ownership interest.

For more details, please refer to **"Consolidated Statement of Changes in Equity"**.

As of 31 December 2023, the Group's total equity amounted to GEL 109,368 thousand, reflecting a 46.5% increase compared to 31 December 2022—in nominal terms, this increase represents GEL 34,730 thousand. This growth resulted from the net profit of GEL 29,342 thousand and on the other hand, the sale of an 11.84% interest in LLC "Alma Lisi" resulted in an increase in both undistributed profit and non-controlling interest. Specifically, in November 2022, LLC "Alma" established a subsidiary, LLC "Alma Lisi," initially holding 100% of its equity. Subsequently, LLC "Alma" sold an 11.84% stake in LLC "Alma Lisi" to an individual. As a result of this transaction, the Group received GEL 5,388 thousand, of which GEL 3,980 thousand was recognized as a non-controlling interest and GEL 1,408 thousand was recorded as retained earning.

For information regarding equity please refer tobelow:

(in thousand GEL)	31.12.2023 Audited Restated	31.12.2024 Audited Restated
Charter capital*	1,327	1,327

Retained earnings	103,958	112,505
Non-controlling interest	4,083	4,445
Total equity	**109,368**	**118,276**

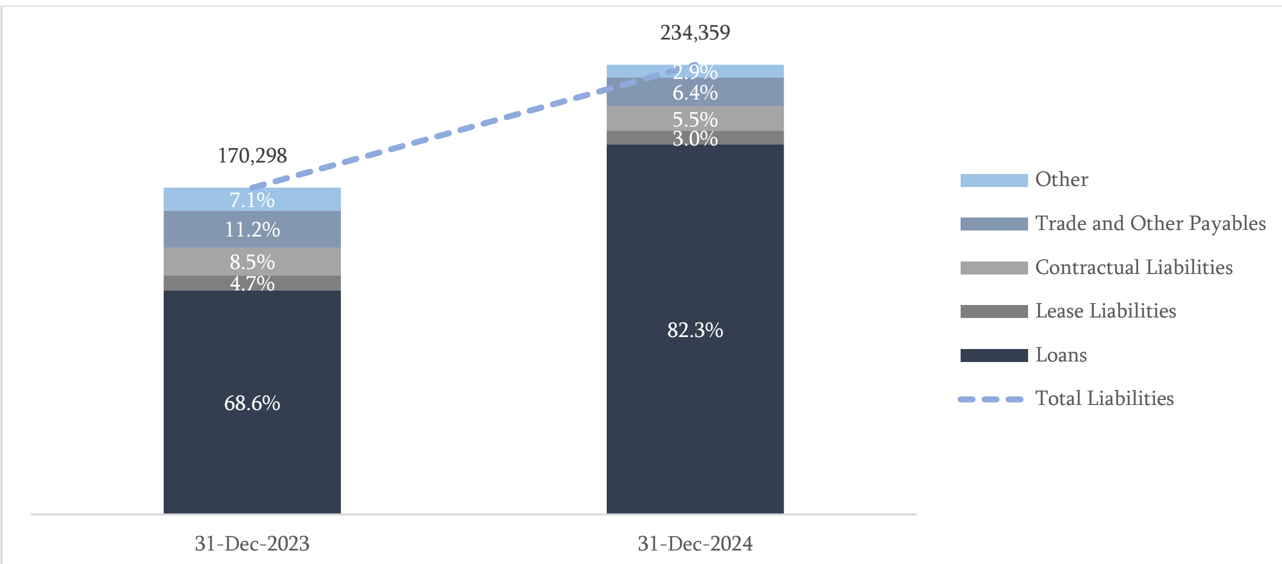
** According to the Law of Georgia on Entrepreneurs, the Company does not have an established "charter capital," which is equivalent to the term "placed capital" as defined under the said law. In light of this, the amount indicated under the charter capital line item in the financial statements represents an "additional capital contribution" and, accordingly, does not serve as a protective mechanism and/or buffer within the scope of Article 145 of the Law of Georgia on Entrepreneurs in relation to dividend distribution or capital reduction.For more information, please refer to the subsection "Risks Related to the Legal and Judicial Framework", Risk 3.7.*

Total Liabilities

As of 2024, the Group's total liabilities amounted to GEL 234,259 thousand, the largest portion of which—specifically 82.3%—relates to borrowings. The total amount of liabilities increased by 37.6% compared to 31 December 2023, primarily due to an increase in loan obligations.

As of 31 December 2023, the Group's total liabilities amounted to GEL 170,298 thousand, with borrowings comprising the largest portion—68.6% in 2023 and 63.2% in 2022. Compared to 31 December 2022, the amount of liabilities decreased by 24.9%, or GEL 56,413 thousand, mainly due to the reduction in the volume of borrowings.

Chart 33. Group Liabilities (in thousand GEL)



Deferred Income

In 2022, *Kostava Towers* LLC acquired a plot of land along with the buildings located thereon from the LEPL Georgian Public Broadcaster. The purchase agreement stipulated that the building was to be provided for the use of the LEPL Georgian Public Broadcaster free of charge for a period of two years. As a result, the Company recognized the estimated rent for the two-year period as deferred income. In 2023, the Group recognized GEL 3,889 thousand as other income and reduced the deferred income by the same amount.

In turn, during 2024, an additional GEL 3,889 thousand was recognized as income, and the deferred income was reduced accordingly. As of 2024, the Group no longer records any deferred income.

Loans

The Group has obtained loans from both related parties and Georgian resident commercial banks.

As of 2024, the total amount of loans received amounted to GEL 192,846 thousand, reflecting a 65.1% increase compared to 31 December 2023, due to additional borrowings from both related parties and commercial banks. In 2024, the majority of the loans received were used to finance expenses related to permits for placing advertising media in the Batumi municipality, to settle trade payables of LLC Kostava Towers, and to issue a loan to a related party.

As of 31 December 2023, the total amount of loans received was GEL 116,782 thousand, representing an 18.5% decrease compared to 31 December 2022. This decrease was due to the early repayment of loans, which, in turn, was driven by the repayment of previously issued loans.

As of 2024, non-current loans comprised 56.6% of total loans, and current loans comprised 43.4%; whereas as of 31 December 2023, non-current loans represented 61.4% of total loans, and current loans 38.6%.

The movement in loans over the respective periods is presented below:

(in thousand GEL)	31.12.2023 Audited	31.12.2024 Audited
Beginning of the period	**143,245**	**116,782**
Loan existing at the time of acquisition of the company	-	2,791
Proceeds from borrowings	73,301	129,048
Non-cash proceeds from borrowings	-	5
Accrued interest	14,148	17,640
Repayment of borrowings	(100,675)	(58,752)
Non-cash repayment of borrowings	-	-
Interest paid	(11,984)	(16,557)
Non-cash interest payment	533	(1,013)
Change in the value of borrowings	(132)	(149)
Effect of exchange rate differences	(1,654)	3,050
End of the period	**116,782**	**192,846**

For detailed information regarding borrowings, please refer to **"Capitalization and Indebtedness"**.

Trade and Other Payables

The breakdown of trade and other payables as at the respective reporting dates is presented below:

(in thousand GEL)	31.12.2023 Audited	31.12.2024 Audited
Current:		
Trade payables	2,913	4,040
Trade payables to related parties	256	59
Advance received from sale of equity interest	-	-
Payables arising from acquisition of non-current assets	11,412	10,865
Total current trade and other payables	**14,580**	**14,964**
Non-current:		
Payables arising from acquisition of non-current assets	4,563	-
Total non-current trade and other payables	**4,563**	-
Total trade and other payables	**19,143**	**14,964**

As of 31 December 2024, total trade and other payables amounted to GEL 14,964 thousand, representing a 21.8% decrease compared to 31 December 2023. This decline is primarily attributable to a reduction in liabilities arising from the acquisition of non-current assets.

As of 31 December 2023, total trade and other payables amounted to GEL 19,143 thousand, reflecting a 55.9% decrease compared to the same period of the previous year. This decrease was driven, on the one hand, by a significant reduction in trade payables in the amount of GEL 4,908 thousand, and on the other hand, by the recognition of an advance payment as income related to the sale of a share in Alma Lisi LLC. In 2023, as a result of the advance received, Alma LLC sold an 11.84% equity interest in Alma Lisi LLC to Roman Itchvaitadze. For further details regarding this transaction, please refer to the section **"Standalone Operating and Financial Review"** – **"Investments in Subsidiary"**.

The most significant factor contributing to the decrease in trade and other payables was the reduction of liabilities arising from the acquisition of non-current assets in the amount of GEL 13,934 thousand. Of this amount, GEL 5,391 thousand relates to the acquisition by Alma of a 10% equity interest in Outdoor.ge LLC, while the remaining portion pertains to Kostava Towers LLC, which partially paid LEPL Georgian Public Broadcaster for land and building, with the outstanding amount recognized as a liability.

Contractual Liabilities

Contractual liabilities, both on a consolidated and standalone basis, correspond to the same amount. For further informationplease refer to "**Standalone Operating and Financial Review"** – **"Contractual Liabilities"**.

Lease Liabilities

The Group's lease liabilities as of the end of the respective reporting periods are presented below:

(in thousand GEL)	31.12.2023 Audited	31.12.2024 Audited
Lease Liabilities (non-current)	7,089	6,097
Lease Liabilities (current)	831	894
Total Lease Liabilities	**7,919**	**6,991**

As of 2024, the Group's total lease liabilities amounted to GEL 6,991 thousand, representing an 11.7% decrease compared to 31 December 2023.

As of 31 December 2023, the Group's lease liabilities amounted to GEL 7,919 thousand, which represents a marginal increase of 0.2% compared to the same period of the previous year.

For further details please refer to "**Consolidated Operating and Financial Review"** – **"Right-of-Use Assets"**.

Other Liabilities

Other liabilities, both on a consolidated and standalone basis, correspond to the same amount.

For further informationplease refer to **"Standalone Operating and Financial Review"** – **"Other Liabilities**

Consolidated Statement of Changes in Equity

(in thousand GEL)	Charter Capital*	Retained Earnings (Restated)	Non-controlling interest (Restated)	Total
31 December 2022	**1,327**	**73,223**	**89**	**74,638**
Transactions with the non-controlling interest holder	-	1,408	3,980	**5,388**
Total comprehensive income	-	29,328	15	**29,342**
31 December 2023	**1,327**	**103,958**	**4,083**	**109,368**
Acquisition of subsidiary	-	-	376	**376**
Total comprehensive income	-	8,547	(15)	**8,532**
31 December2024	**1,327**	**112,505**	**4,445**	**118,276**

** According to the Law of Georgia on Entrepreneurs, the Company does not have an established "charter capital," which is equivalent to the term "placed capital" as defined under the said law. In light of this, the amount indicated under the charter capital line item in the financial statements represents an "additional capital contribution" and, accordingly, does not serve as a protective mechanism and/or buffer within the scope of Article 145 of the Law of Georgia on Entrepreneurs in relation to dividend distribution or capital reduction.For more information, please refer to the subsection "Risks Related to the Legal and Judicial Framework", Risk 3.7.*

During the historical period presented in the prospectus, the growth of the Group's equity was primarily driven by generated net profit. Additionally, in 2023 and 2024, transactions related to the non-controlling interest were recorded, which had a further positive impact on the level of equity. For detailed information, please refer to the subsection "Equity."

During the historical period presented in the prospectus, no additional capital contributions have been made, and no dividend distributions have been recorded..

Consolidated Statement of Cashflow

(in thousand GEL)	2023 Audited	2024 Audited
Cash received from customers	58,521	74,384
Cash paid to suppliers	(15,759)	(16,454)
Cash paid to employees	(5,520)	(6,484)
Taxes paid	(12,676)	(14,586)
Value added tax refunded	11,718	-
Net cash flows from operating activities	**36,284**	**36,859**
Interest paid	(12,737)	(16,981)
Net cash flows from operating activities	**23,547**	**19,879**
Cash Flows from Investing Activities		
Acquisition of property, plant and equipment	(3,152)	(13,955)
Acquisition of investment property	(38,802)	(21,779)
Investment in a subsidiary	(69)	376
Proceeds from sale of property, plant and equipment	35	233
Proceeds from sale of investment property	6,590	2,733
Acquisition of intangible assets	(135)	(29,758)
Decrease in loans to financial institutions	-	-
Restricted cash	-	-
Loans issued	(2,315)	(27,070)
Proceeds from sale of equity interest	-	-
Net cash inflow from disposal of subsidiary	13,826	-
Interest received	1,464	265
Cash received from issued loans	26,208	1,387
Dividends received	-	-
Net cash flows from investing activities	**3,651**	**(87,569)**
Cash Flows from Financing Activities		
Proceeds from borrowings	73,301	129,048
Loan disbursement fee	-	(289)
Repayment of borrowings	(100,675)	(58,752)
Repayment of lease liabilities	(577)	(801)
Net cash flows from financing activities	**(27,951)**	**69,206**
Net Increase / (Decrease) in Cash and Cash Equivalents	**(753)**	**1,516**
Cash and cash equivalents at the beginning of the year	1,780	1,009
Effect of exchange rate changes on cash and cash equivalents	(17)	(44)
Cash and cash equivalents at the end of the year	**1,009**	**2,482**

Cash Flows from Operating Activities

In 2024, net cash flows from operating activities before interest payments amounted to GEL 36,859 thousand, reflecting a 1.6% increase compared to the same period of the previous year. Interest paid totaled GEL 16,981 thousand, which represents a 33.3% increase compared to 2023. As a result, net cash flows from operating activities after interest payments amounted to GEL 19,879 thousand (y/y -15.6%).

In 2023, net cash flows from operating activities before interest payments amounted to GEL 36,284 thousand, representing a 54.5% increase compared to the same period in 2022. Interest paid totaled GEL 12,737 thousand, which is a 46.2% increase compared to 2022. Accordingly, net cash flows from operating activities after interest payments amounted to GEL 23,547 thousand (y/y -59.4%).

A detailed breakdown of cash flows for the respective periods is presented below:

(in thousand GEL)	2023 Audited	2024 Audited
Cash received from customers	58,521	74,384
Cash paid to suppliers	(15,759)	(16,454)

Cash paid to employees	(5,520)	(6,484)
Taxes paid	(12,676)	(14,586)
Value added tax refunded	11,718	-
Net cash flows from operating activities	**36,284**	**36,859**
Interest paid	(12,737)	(16,981)
Net cash flows from operating activities	**23,547**	**19,879**

Cash Flows from Investing Activities

Cash flows from investing activities primarily relate to the acquisition of property, plant and equipment, investment property, interest income and principal repayments from issued loans, and other investing cash flows.

During 2024, net cash used in investing activities amounted to negative GEL 87,569 thousand, representing a significant decline compared to the positive GEL 3,651 thousand recorded in 2023. This decline was primarily driven by the acquisition of intangible assets in the amount of GEL 29,758 thousand, as well as a substantial year-on-year (y/y) increase of 1,069% in loans issued.

In 2023, net cash inflows from investing activities totaled GEL 3,651 thousand, a notable improvement compared to the negative GEL 67,514 thousand recorded in 2022. This increase was primarily attributable to: (i) loan repayments received in the amount of GEL 26,208 thousand (2022: GEL 1,534 thousand); (ii) a lower volume of loans issued (2023: GEL 2,315 thousand; 2022: GEL 30,191 thousand); and (iii) net cash inflows of GEL 13,826 thousand from the disposal of a subsidiary, resulting from the sale of a 50% equity interest in Sakeni by Biograpi LLC.

A detailed breakdown of cash flows for the respective periods is presented below:

(in thousand GEL)	**2023** **Audited**	**2024** **Audited**
Cash Flows from Investing Activities		
Acquisition of property, plant and equipment	(3,152)	(13,955)
Acquisition of investment property	(38,802)	(21,779)
Investment in a subsidiary	(69)	376
Proceeds from sale of property, plant and equipment	35	233
Proceeds from sale of investment property	6,590	2,733
Acquisition of intangible assets	(135)	(29,758)
Decrease in loans to financial institutions	-	-
Restricted cash	-	-
Loans issued	(2,315)	(27,070)
Proceeds from sale of equity interest	-	-
Net cash inflow from disposal of subsidiary	13,826	-
Interest received	1,464	265
Cash received from issued loans	26,208	1,387
Dividends received	-	-
Net cash flows from investing activities	**3,651**	**(87,569)**

Cash Flows from Financing Activities

Cash flows from financing activities include proceeds from and repayments of borrowings, as well as payments related to lease liabilities.

In 2024, net cash flows from financing activities amounted to a positive GEL 69,206 thousand, representing a significant improvement compared to the negative balance recorded in the corresponding period of the prior year. This increase was primarily attributable to the decrease in early repayments of borrowings during the year.

As of 2023, net cash flows from financing activities amounted to a negative GEL 27,951 thousand, which was driven by early settlement of borrowings.

A detailed breakdown of cash inflows and outflows from financing activities across the reporting periods is presented below:

(in thousand GEL)	**2023** **Audited**	**2024** **Audited**
Proceeds from borrowings	73,301	129,048
Loan disbursement fee	-	(289)
Repayment of borrowings	(100,675)	(58,752)
Repayment of lease liabilities	(577)	(801)
Net cash flows from financing activities	**(27,951)**	**69,206**

Financial Risk Management

The Group's/Company's primary financial instruments, which may give rise to financial risks, include the following:

- Cash and cash equivalents;
- Trade and other receivables;
- Loans issued;
- Trade and other payables;
- Lease liabilities;
- Borrowings;
- Other liabilities.

The principal categories of financial instruments are presented as follows:

(in thousand GEL)	Company		Group	
	31.12.2023 Audited	31.12.2024 Audited	31.12.2023 Audited	31.12.2024 Audited
Financial Assets				
Trade and other receivables	14,284	17,828	13,955	17,591
Loans issued	17,808	46,794	25,325	77,566
Cash and cash equivalents	1,006	2,479	579	886
Total	**33,098**	**67,100**	**39,859**	**96,042**
Financial Liabilities				
Trade and other payables	19,143	14,964	8,436	9,455
Borrowings	116,782	192,846	63,521	122,138
Lease liability	7,919	6,991	7,919	6,991
Other liabilities	7,414	6,197	7,414	6,197
Total	**151,259**	**220,998**	**87,291**	**144,781**

The principal risks inherent to the Group's/Company's operations include the following:

- Credit Risk
- Liquidity Risk
- Market Risk, including:
  - Interest Rate Risk
  - Foreign Currency Risk

Credit Risk

Credit risk refers to the risk of incurring a financial loss if a debtor or counterparty fails to meet its contractual obligations. The Group's/Company's exposure to credit risk primarily arises from the specific credit characteristics of each individual counterparty. In addition, the Group/Company is exposed to credit risk in respect of cash and cash equivalents.

The Group/Company manages credit risk in accordance with established principles, which include monitoring all outstanding credit exposures and actively managing problematic financial assets. As part of its credit risk management policy, the Group/Company performs ongoing assessments of the credit quality of its financial assets.

For trade and other receivables, the Group/Company recognizes an impairment allowance that reflects its best estimate of expected future losses. A significant portion of the allowance is based on a collective reserve, determined through an analysis of receivable aging.

The carrying amount of financial assets presented in the balance sheet represents the Group's/Company's maximum exposure to credit risk. The maximum exposure to credit risk is presented as follows:

(in thousand GEL)	Company		Group	
	31.12.2023 Audited	31.12.2024 Audited	31.12.2023 Audited	31.12.2024 Audited
Trade and other receivables	15,812	20,528	16,065	20,631
Loans issued	25,325	77,566	17,808	46,794
Cash and cash equivalents	579	886	1,006	2,479
Total	**41,716**	**98,980**	**34,879**	**69,903**

Liquidity Risk

Liquidity risk refers to the risk that the Group/Company will not have sufficient financial resources available to meet its obligations as they fall due, including the repayment of borrowings and other financial liabilities. In managing liquidity risk, the Group/Company conducts systematic monitoring of projected future cash flows, which forms an integral part of the asset and liability management process. The Group/Company manages this type of risk through maturity analysis and develops strategies accordingly for upcoming financial periods. As part of its liquidity risk management, the Group/Company regularly monitors expected cash flows and ensures alignment with the timing of its contractual obligations.

The maturity analysis of the Company's financial liabilities as of 31 December 2024 is presented below:

Company				
(in thousand GEL)	**Under 1 year**	**1-5 Years**	**Over 5 Years**	**31.12.2024**
Financial Assets				
Cash and Cash Equivalents	886	-	-	**886**
Trade and Other Receivables	17,591	-	-	**17,591**
Loans Issued	68,885	13,729	7,970	**90,585**
	87,362	13,729	**7,970**	**109,061**
Financial Liabilities				
Trade and Other Payables	9,455	-	-	**9,455**
Other Liabilities	2,204	3,293	700	**6,197**
Lease Liability	894	2,474	3,623	**6,991**
Borrowings	63,818	63,599	29,830	**157,246**
	76,370	**69,366**	**34,153**	**179,889**

The Company's liquidity analysis as at 31 December 2023 is presented below:

Company				
(in thousand GEL)	**Under 1 year**	**1-5 Years**	**Over 5 Years**	**31.12.2023**
Financial Assets				
Cash and Cash Equivalents	579	-	-	**579**
Trade and Other Receivables	13,955	-	-	**13,955**
Loans Issued	19,881	8,285	-	**28,166**
	34,415	**8,285**	-	**42,700**
Financial Liabilities				
Trade and Other Payables	8,436	-	-	**8,436**
Other Liabilities	1,935	4,665	814	**7,414**
Lease Liability	831	2,958	4,131	**7,919**
Borrowings	45,462	10,712	23,725	**79,900**
	56,664	**18,334**	**28,671**	**103,669**

The Group's liquidity analysis as at 31 December 2024 is presented below:

Group				
(in thousand GEL)	**Under 1 year**	**1-5 Years**	**Over 5 Years**	**31.12.2024**
Financial Assets				
Cash and Cash Equivalents	2,479	-	-	**2,479**
Trade and Other Receivables	17,828	-	-	**17,829**
Loans Issued	43,882	9,752	-	**53,634**
	64,189	9,752	-	**73,941**

Financial Liabilities				
Trade and Other Payables	14,964	-	-	**14,964**
Other Liabilities	2,204	3,293	700	**6,197**
Lease Liability	894	2,474	3,623	**6,991**
Borrowings	125,933	78,098	37,466	**241,497**
	143,994	83,865	41,790	**269,649**

The Group's liquidity analysis as at 31 December 2023 is presented below:

Group				
(in thousand GEL)	**Under 1 year**	**1-5 Years**	**Over 5 Years**	**31.12.2023**
Financial Assets				
Cash and Cash Equivalents	1,006	-	-	**1,006**
Trade and Other Receivables	14,284	-	-	**14,284**
Loans Issued	19,384	-	-	**19,384**
	34,674	**-**	**-**	**34,674**
Financial Liabilities				
Trade and Other Payables	19,143	-	-	**19,143**
Other Liabilities	1,935	4,665	814	**7,414**
Lease Liability	831	2,958	4,131	**7,919**
Borrowings	52,270	70,178	23,725	**146,174**
	74,179	**77,800**	**28,671**	**180,650**

Market Risk

Market risk refers to the risk of a decrease in the value of a financial instrument as a result of changes in market factors. The Group/Company is exposed to market risk primarily through its holdings of interest-bearing and foreign currency-denominated financial instruments. Market risk includes the potential for fluctuations in the fair value or future cash flows of financial instruments due to changes in foreign exchange rates (currency risk) or interest rates (interest rate risk).

Interest Rate Risk

Interest rate risk arises from the potential changes in market interest rates that may adversely affect the fair value of the Group's/Company's financial assets and liabilities or their future cash flows. The Group/Company is exposed to interest rate risk as a result of borrowings issued at variable interest rates. As of 31 December 2024, the Group's/Company's borrowings bearing variable interest rates were denominated in U.S. dollars.

Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group/Company is exposed to currency risk, which may affect its financial position and cash flows.

The Company's open foreign currency position as at 31 December 2024 is presented below:

Company					
(in thousand GEL)	**GEL**	**USD**	**EURO**	**Chinese Yuan**	**31.12.2024**
Financial Assets					
Cash and Cash Equivalents	743	17	126	-	886
Trade and Other Receivables	12,505	8,023	-	-	20,528
Loans Issued	20,174	57,392	-	-	77,566
	33,421	**65,432**	**126**	**-**	**98,980**

Financial Liabilities					
Trade and Other Payables	8,044	1,393	18	-	9,455
Other Liabilities	2,098	4,099	-	-	6,197
Lease Liability	4,769	1,630	592	-	6,991
Borrowings	11,912	81,643	28,582	-	122,138
	26,823	**88,766**	**29,192**	**-**	**144,781**
Open Currency Position	**6,598**	**-23,333**	**-29,066**	**-**	**-**

The Company's open currency position as of 31 December 2023 is presented below:

Company					
(in thousand GEL)	**GEL**	**USD**	**EURO**	**Chinese Yuan**	**31.12.2023**
Financial Assets					
Cash and Cash Equivalents	527	18	34	-	**579**
Trade and Other Receivables	8,266	7,546	-	-	**15,812**
Loans Issued	13,583	11,742	-	-	**25,325**
	22,376	**19,306**	**34**	**-**	**41,716**
Financial Liabilities					
Trade and Other Payables	7,513	919	4	1	**8,436**
Other Liabilities	2,254	5,160	-	-	**7,414**
Lease Liability	5,471	1,620	828	-	**7,919**
Borrowings	33,076	30,445	-	-	**63,521**
	48,314	**38,143**	**833**	**1**	**87,291**
Open Currency Position	**(25,938)**	**(18,837)**	**(799)**	**(1)**	

Group's open currency position as of 31 December 2024 is presented below:

Group					
(in thousand GEL)	**GEL**	**USD**	**EURO**	**Chinese Yuan**	**31.12.2024**
Financial Assets					
Cash and Cash Equivalents	1,139	1,201	139	-	2,479
Trade and Other Receivables	12,607	8,023	-	-	20,631
Loans Issued	20,603	26,191	-	-	46,794
	34,349	**35,415**	**139**	**-**	**69,903**
Financial Liabilities					
Trade and Other Payables	13,553	1,393	18	-	14,964
Other Liabilities	2,098	4,099	-	-	6,197
Lease Liability	4,769	1,630	592	-	6,991
Borrowings	71,377	92,886	28,582	-	192,846
	91,797	**100,009**	**29,192**	**-**	**220,998**
Open Currency Position	**-57,448**	**-64,594**	**-29,053**	**-**	**-**

Group's open currency position as of 31 December 2023 is presented below:

Group					
(in thousand GEL)	**GEL**	**USD**	**EURO**	**Chinese Yuan**	**31.12.2023**
Financial Assets					
Cash and Cash Equivalents	950	22	34	-	**1,006**
Trade and Other Receivables	8,519	7,546	-	-	**16,065**

Loans Issued	13,509	4,299	-	-	**17,808**
	22,979	**11,867**	**34**	**-**	**34,879**
Financial Liabilities					
Trade and Other Payables	18,219	919	4	1	**19,143**
Other Liabilities	2,254	5,160	-	-	**7,414**
Lease Liability	5,471	1,620	828	-	**7,919**
Borrowings	79,130	37,653	-	-	**116,782**
	105,074	**45,351**	**833**	**1**	**151,259**
Open Currency Position	**(82,096)**	**(33,485)**	**(799)**	**(1)**	

The table below presents the Group's/Company's sensitivity to a 20% increase or decrease in the exchange rates of relevant foreign currencies against the Georgian Lari. The 20% sensitivity rate is the benchmark applied by the Group's/Company's management in its internal foreign exchange risk monitoring and reflects management's estimate of reasonably possible exchange rate fluctuations. The sensitivity analysis includes only outstanding monetary items denominated in foreign currencies that are not hedged and adjusts their translation at period-end exchange rates for the expected change within a reasonable range. The resulting impact on net profit and equity, based on the carrying amounts of respective assets, is presented as follows:

(in thousand GEL)	**GEL/USD +20%**	**GEL/USD -20%**	**GEL/USD +20%**	**GEL/USD -20%**
		Group		
Profit/(Loss) 2024	-12,919	12,919	-5,811	5,811
Profit/(Loss) 2023	-6,697	6,697	-160	160
		Company		
Profit/(Loss) 2024	-4,667	4,667	-5,813	5,813
Profit/(Loss) 2023	-3,767	3,767	-160	160

Capital Management

The Group/Company manages its capital-related risks to ensure its ability to continue as a going concern, while also aiming to maximize returns to stakeholders by maintaining an optimal balance between debt and equity financing. The Group's/Company's management regularly reviews its capital structure in light of market conditions.

Capitalization and Indebtedness

The table below presents information on the **Company's standalone capitalization and indebtedness** as at 22 April 2025, 31 December 2024, and 31 December 2023.

(in thousand GEL)	22 April 2025[15]	22 April 2025	31 December 2024	31 December 2023
Indebtedness				
Loans	8,171	117,995	122,138	63,521
Bonds	109,824	-	-	-
Lease Liabilities	6,991	6,991	6,991	7,919
Total Indebtedness	124,986	124,986	**129,129**	**71,440**
Charter capital*	n.a	n.a	1,327	1,327
Retained earnings	n.a	n.a	132,184	111,934
Non-controlling interest	n.a	n.a	-	-
Total equity	n.a	n.a	**133,511**	**113,261**
Total capitalization and indebtedness	n.a	n.a	**262,640**	**184,701**

The table below presents information on the Company's consolidated capitalization and indebtedness as at 22 April 2025, 31 December 2024, and 31 December 2023.

(in thousand GEL)	22 April 2025[15]	22 April 2025	31 December 2024	31 December 2023
Indebtedness				
Loans	12,180	122,004	192,846	116,782
Bonds	109,824	-	-	-
Lease Liabilities	n.a	n.a	6,991	7,919
Total Indebtedness	n.a	n.a	**199,837**	**124,702**
Charter capital*	n.a	n.a	1,327	1,327
Retained earnings	n.a	n.a	112,505	103,958
Non-controlling interest	n.a	n.a	4,445	4,083
Total equity	n.a	n.a	**118,276**	**109,368**
Total capitalization and indebtedness	n.a	n.a	**318,114**	**234,070**

** According to the Law of Georgia on Entrepreneurs, the Company does not have an established "charter capital," which is equivalent to the term "placed capital" as defined under the said law. In light of this, the amount indicated under the charter capital line item in the financial statements represents an "additional capital contribution" and, accordingly, does not serve as a protective mechanism and/or buffer within the scope of Article 145 of the Law of Georgia on Entrepreneurs in relation to dividend distribution or capital reduction.For more information, please refer to the subsection "Risks Related to the Legal and Judicial Framework", Risk 3.7.*

Developments Subsequent to 22 April 2025 – On 30 April 2025, Alma LLC became a co-borrower under a USD 1,100 thousand loan of Alma Lisi LLC and a USD 6,700 thousand loan of Millennium Towers LLC, both arranged under the general credit line facility with Bank of Georgia and secured within the general limit framework. Other than the aforementioned, no material changes in capitalization or indebtedness have been observed since 22 April 2025. For further details on collaterals, please refer to the subsection **"Collateral"**.

Indebtedness

The Group finances its operations primarily through term loans obtained from commercial banks, as well as from related and third parties.

Indebtedness as of 22 April 2025

The outstanding loan balances as of this date are presented in the table below:

Creditor	Borrower	Currency	Repayment Schedule	Interest Rate Range (%)	Issue Date	Maturity Date	Outstanding Principal (GEL '000)	Accrued Interest (GEL '000)
Commercial Bank	Alma LLC	USD	Annuity	10% - 12%	1/20/2025	1/17/2028	9,292	20
Commercial Bank	Alma LLC	USD	Annuity	8% - 10%	12/5/2018	11/30/2028	1,835	9

[15] Effect of the Bond Issuance – The bond issuance will have no impact on total indebtedness. The effect of the bond issuance relates solely to the refinancing of existing bank loans.

Commercial Bank	Alma LLC	USD	Annuity	8% - 10%	1/21/2019	12/26/2028	3,850	28
Commercial Bank	Alma LLC	USD	Bullet (Interest Only)	10% - 12%	2/8/2024	2/9/2026	3,448	13
Commercial Bank	Alma LLC	USD	Bullet (Interest Only)	10% - 12%	3/25/2024	7/10/2025	35,204	116
Commercial Bank	Alma LLC	USD	Annuity	10% - 12%	9/12/2024	9/10/2032	26,264	95
Commercial Bank	Alma LLC	USD	Annuity	10% - 12%	12/17/2024	12/18/2028	6,408	12
Commercial Bank	Alma LLC	USD	Bullet (Interest Only)	10% - 12%	4/15/2025	4/15/2026	825	1
Commercial Bank	Alma LLC	EUR	Annuity	10% - 12%	8/20/2024	8/19/2032	25,965	-
Total							**113,090**	**293**
Related Party	Alma LLC	GEL	On Demand	12% - 14%	3/4/2025	6/3/2025	2,000	34
Related Party	Alma LLC	GEL	On Demand	12% - 14%	6/30/2023	6/29/2028	1,161	311
Related Party	Alma LLC	USD	On Demand	8% - 10%	5/15/2024	12/15/2026	1,100	6
Total							**4,261**	**351**
Total Standalone Indebtedness							**117,351**	**643**
Third party	A Energy LLC	USD	On Demand	8% - 10%	2/7/2024	12/31/2033	1,356	160
Third party	A Energy LLC	USD	On Demand	8% - 10%	6/4/2024	12/31/2033	297	30
Third party	A Energy LLC	USD	On Demand	8% - 10%	8/16/2024	12/31/2033	136	10
Third party	A Energy LLC	USD	On Demand	8% - 10%	2/8/2024	12/31/2033	904	106
Third party	A Energy LLC	USD	On Demand	8% - 10%	6/7/2024	12/31/2033	199	17
Third party	A Energy LLC	USD	On Demand	8% - 10%	8/21/2024	12/31/2026	113	8
Third party	A Energy LLC	USD	On Demand	8% - 10%	2/8/2024	12/31/2033	452	53
Third party	A Energy LLC	USD	On Demand	8% - 10%	6/7/2024	12/31/2033	100	8
Third party	A Energy LLC	USD	On Demand	8% - 10%	8/21/2024	12/31/2026	56	4
Total Consolidated Indebtedness							**120,965**	**1,040**

The term loans obtained by Alma LLC and Kostava Towers LLC from local commercial banks constitute secured obligations of the Company. For further details, please refer to the section **"Capitalization and Indebtedness" – "Collateral".**

Loans extended to the Group's companies by related and third parties are unsecured, i.e., not backed by any assets or collateral.

Off-balance sheet liabilities of Alma LLC, specifically loans secured by guarantees and the amounts of those guarantees, are presented in the table below:

Borrower	**Currency**	**Issue Date**	**Maturity Date**	**Amount (GEL '000)**	**Outstanding Interest (GEL '000)**	**Guarantee Limit (GEL '000)**
JSC Smart Retail	EUR	6/16/2023	6/16/2025	8,216	27	11,453
JSC Smart Retail	EUR	12/20/2023	5/20/2025	8,792	15	
JSC Smart Retail	EUR	12/20/2023	12/17/2029	8,292	29	
Outdoor.ge LLC	USD	3/29/2017	11/22/2028	1,832	11	1,843
Prime Property Group LLC	USD	10/15/2024	10/15/2025	5,776	14	5,790
Prime Property Group LLC	USD	10/2/2024	10/2/2025	968	12	981
Levan Pkhakadze	USD	3/12/2025	9/12/2025	11,001	30	11,031
Millennium Towers LLC	USD	3/24/2025	4/24/2025	510	5	515
Total Limit						**31,612**

The Group's off-balance sheet liabilities, specifically the amounts of guarantees obtained, are presented in the table below:

Company	**Currency**	**Issue Date**	**Maturity Date**	**Amount (GEL '000)**	**Outstanding Interest (GEL '000)**
Alma LLC	GEL	6/3/2020	5/1/2028	500	-
Alma LLC	GEL	3/12/2020	4/10/2026	1000	-
Total Standalone Guarantees				**1,500**	-
Kartli Generation LLC	USD	11/26/2024	1/30/2027	1,403	-
Total Consolidated Guarantees				**2,903**	-

In 2022, Kostava Towers LLC acquired a land plot together with the buildings and structures located thereon from the LEPL Georgian Public Broadcaster. At the time of the execution of the agreement, Kostava Towers LLC paid a portion of the purchase price related to the buildings and structures, while the outstanding amount was secured by a guarantee, which decreases gradually on an annual basis. It should be noted that the interest on the guarantees provided by Kostava Towers LLC is capitalized.

Outstanding Indebtedness as of 31 December 2024

The Company's loan liabilities are presented in the table below:

Creditor	Borrower	Currency	Repayment Schedule	Interest Rate Range (%)	Issue Date	Maturity Date	Outstanding Principal (GEL '000)	Accrued Interest (GEL '000)
Commercial Bank	Alma LLC	GEL	Annuity	12% - 14%	6/14/2023	1/20/2025	10,356	51
Commercial Bank	Alma LLC	USD	Annuity	10% - 12%	12/5/2018	11/30/2028	1,873	14
Commercial Bank	Alma LLC	USD	Annuity	10% - 12%	1/21/2019	12/26/2028	4,157	6
Commercial Bank	Alma LLC	USD	Bullet (Interest Only)	10% - 12%	2/8/2024	2/9/2026	3,519	21
Commercial Bank	Alma LLC	USD	Bullet (Interest Only)	10% - 12%	3/25/2024	7/10/2025	35,927	207
Commercial Bank	Alma LLC	USD	Annuity	10% - 12%	9/12/2024	9/10/2032	27,576	175
Commercial Bank	Alma LLC	USD	Annuity	10% - 12%	12/17/2024	12/18/2028	7,017	30
Commercial Bank	Alma LLC	EUR	Annuity	10% - 12%	8/20/2024	8/19/2032	28,489	94
Total							**118,914**	**596**
Related Party	Alma LLC	GEL	On Demand	10% - 12%	9/29/2020	12/31/2025	0	83
Related Party	Alma LLC	GEL	On Demand	12% - 14%	6/30/2023	6/29/2028	1,161	261
Related Party	Alma LLC	USD	On Demand	8% - 10%	5/15/2024	12/15/2026	1,123	0
Total							**2,284**	**344**
Total Standalone Indebtedness							**121,197**	**940**
Commercial Bank	Kostava Towers LLC	GEL	Bullet (Interest Only)	12% - 14%	12/14/2022	12/15/2025	23,060	102
Commercial Bank	Kostava Towers LLC	GEL	Bullet (Interest Only)	12% - 14%	12/14/2022	12/14/2025	23,060	68
Commercial Bank	Kostava Towers LLC	GEL	Bullet (Interest Only)	12% - 14%	12/14/2022	2/16/2026	5,981	30
Commercial Bank	Kostava Towers LLC	GEL	Bullet (Interest Only)	12% - 14%	12/29/2022	2/14/2026	6,002	34
							58,103	**233**
Related Party	Kostava Towers LLC	USD	On Demand	10%-12%	9/27/2022	9/26/2025	6,644	1,760
Third Party	A Energy LLC	USD	On Demand	8% - 10%	2/7/2024	12/31/2033	1,384	120
Third Party	A Energy LLC	USD	On Demand	8% - 10%	6/4/2024	12/31/2033	303	21
Third Party	A Energy LLC	USD	On Demand	8% - 10%	8/16/2024	12/31/2033	132	6
Third Party	A Energy LLC	USD	On Demand	8% - 10%	2/8/2024	12/31/2033	462	40
Third Party	A Energy LLC	USD	On Demand	8% - 10%	6/7/2024	12/31/2033	128	6
Third Party	A Energy LLC	USD	On Demand	8% - 10%	8/21/2024	12/31/2026	31	2
Third Party	A Energy LLC	USD	On Demand	8% - 10%	2/8/2024	12/31/2033	923	80
Third Party	A Energy LLC	USD	On Demand	8% - 10%	6/7/2024	12/31/2033	203	11
Third Party	A Energy LLC	USD	On Demand	8% - 10%	8/21/2024	12/31/2026	106	5
Third Party	Millennium Towers LLC	GEL	On Demand	10%-12%	1/12/2024	4/4/2027	5	0
Total Consolidated Indebtedness							**189,622**	**3,224**

The term loans obtained by Alma LLC and Kostava Towers LLC from local commercial banks represent secured obligations of the Company. For further details, please refer to the section **"Capitalization and Indebtedness"** – **"Collateral"**.
Loans issued by related and third parties to the Group's companies are unsecured, i.e., not secured by any assets or collateral.
The off-balance sheet liabilities of LLC Alma, specifically loans secured by guarantees and the amounts of those guarantees, are presented in the table below:

Borrower	Currency	Issue Date	Maturity Date	Amount (GEL '000)	Outstanding Interest (GEL '000)	Guarantee Limit (GEL '000)
JSC Smart Retail	EUR	6/16/2023	6/16/2025	8,216	27	
JSC Smart Retail	EUR	12/20/2023	5/20/2025	8,792	15	10,741
JSC Smart Retail	EUR	12/20/2023	12/17/2029	8,292	29	
Outdoor.ge LLC	USD	3/29/2017	11/22/2028	2,094	1	2,095
Prime Property Group LLC	USD	10/15/2024	10/15/2025	5,869	27	5,895
Prime Property Group LLC	USD	10/2/2024	10/2/2025	988	9	997
Total Limit						**19,727**

The Group's off-balance sheet liabilities, specifically the amounts of guarantees obtained, are presented in the table below:

Guarantor Company	Currency	Issue Date	Maturity Date	Amount (GEL '000)	Outstanding Interest (GEL '000)
Alma LLC	GEL	3/12/2020	4/7/2025	500	-
Alma LLC	GEL	12/18/2024	4/1/2025	7	-
Alma LLC	GEL	12/19/2024	4/1/2025	350	-
Alma LLC	GEL	6/3/2020	11/9/2026	1,000	-
Total Standalone Guarantees				**1,857**	-
Kostava Towers LLC	GEL	12/14/2022	3/2/2026	2,881	-
Kostava Towers LLC	GEL	12/14/2022	3/2/2026	2,881	-
Kartli Generation LLC	USD	11/26/2024	1/30/2027	1,403	-
Total Consolidated Guarantees				**9,022**	-

In 2022, Kostava Towers LLC acquired a land plot, together with the buildings located thereon, from the LEPL Georgian Public Broadcaster. At the time of executing the purchase agreement, Kostava Towers LLC paid a portion of the purchase price for the buildings, while the remaining amount was secured by a guarantee, which is subject to annual reductions on a scheduled basis. It should be noted that interest accrued on the guarantees is capitalized.

Indebtedness as at 31 December 2023

The structure of indebtedness is presented in the following table:

Creditor	Borrower	Currency	Repayment Schedule	Interest Rate Range (%)	Issue Date	Maturity Date	Outstanding Principal (GEL '000)	Accrued Interest (GEL '000)
Commercial Bank	Alma LLC	GEL	Annuity[16]	12% - 14%	6/14/2023	12/16/2024	17,245	100
Commercial Bank	Alma LLC	GEL	Bullet (Interest Only)[17]	12% - 14%	12/25/2023	5/7/2024	1,435	3
Commercial Bank	Alma LLC	USD	Annuity	10% - 12%	12/5/2018	11/30/2028	1,794	14
Commercial Bank	Alma LLC	USD	Annuity	10% - 12%	1/21/2019	12/26/2028	4,807	7
							25,281	**124**
Related Party	Alma LLC	GEL	On Demand	10% - 12%	9/29/2020	8/2/2024	927	559
Related Party	Alma LLC	GEL	On Demand	12% - 14%	6/30/2023	6/29/2028	1,272	91
Related Party	Alma LLC	USD	On Demand	8% - 10%	12/29/2023	12/28/2024	11,903	9
Related Party	Alma LLC	USD	On Demand	8% - 10%	12/29/2023	12/28/2024	11,902	9
Related Party	Alma LLC	GEL	On Demand	12% - 14%	12/25/2023	12/25/2033	5,000	12
Related Party	Alma LLC	GEL	On Demand	12% - 14%	12/28/2023	12/28/2033	5,000	7
Related Party	Alma LLC	GEL	Interest payments; principal repayable on demand	12% - 14%	11/2/2023	11/21/2026	1,100	11
Related Party	Alma LLC	GEL	On Demand	12% - 14%	11/2/2023	11/2/2033	312	0
							37,416	**700**
Total Standalone Indebtedness							**62,697**	**824**
Commercial Bank	Kostava Towers LLC	GEL	Bullet (Interest Only)	12% - 14%	12/14/2022	12/15/2025	20,180	93
Commercial Bank	Kostava Towers LLC	GEL	Bullet (Interest Only)	12% - 14%	12/14/2022	12/14/2025	20,180	66

[16] Monthly Repayment / Amortization of Loan Principal and Interest.

[17] This liability represents a credit line.

Commercial Bank	Kostava Towers LLC	GEL	Bullet (Interest Only)	12% - 14%	12/14/2022	2/16/2026	2,741	18
Commercial Bank	Kostava Towers LLC	GEL	Bullet (Interest Only)	12% - 14%	12/29/2022	2/14/2026	2,758	18
							45,858	**195**
Third Party	Kostava Towers LLC	USD	On Demand	10%-12%	9/27/2022	9/26/2025	6,510	698
Total Consolidated Indebtedness							**115,065**	**1,717**

The term loans received by Alma LLC from local commercial banks represent secured obligations of the Company. For detailed information, please refer to **"Capitalization and Indebtedness" – "Security"**.

Loans issued to Group companies by related and third parties are not secured by any assets or collateral.

The off-balance sheet liabilities of LLC Alma, specifically loans secured by guarantees and the amounts of those guarantees, are presented in the table below:

Borrower	Currency	Issue Date	Maturity Date	Amount (GEL '000)	Outstanding Interest (GEL '000)	Guarantee Limit (GEL '000)
JSC Smart Retail	EUR	6/16/2023	6/16/2025	8,341	29	
JSC Smart Retail	EUR	12/20/2023	5/20/2025	8,926	20	10,904
JSC Smart Retail	EUR	12/20/2023	12/17/2029	8,926	23	
Hisni by Biograpi LLC	USD	3/24/2023	9/24/2024	5,707	10	5,717
Hisni by Biograpi LLC	USD	8/7/2023	7/10/2024	17,932	131	18,063
Outdoor.ge LLC	USD	3/29/2017	11/22/2028	2,706	2	2,708
Total Limit						**37,392**

The Group's off-balance sheet liabilities, specifically the amounts of guarantees obtained, are presented in the table below:

Guarantor Company	Currency	Issue Date	Maturity Date	Amount (GEL '000)	Outstanding Interest (GEL '000)
Alma LLC	GEL	3/12/2020	4/5/2024	500	-
Alma LLC	GEL	6/3/2020	11/9/2026	1,000	-
Alma LLC	GEL	8/11/2023	2/12/2024	3	-
Alma LLC	GEL	8/11/2023	5/1/2024	3	-
Alma LLC	GEL	12/13/2023	2/17/2024	250	-
Alma LLC	GEL	12/13/2023	2/17/2024	5	-
Alma LLC	GEL	12/19/2023	2/1/2024	96	-
Alma LLC	GEL	12/19/2023	2/1/2024	83	-
Alma LLC	GEL	12/19/2023	2/1/2024	60	-
Total Standalone Guarantees				**1,999**	-
Kostava Towers LLC	GEL	12/14/2022	3/2/2026	5,761	-
Kostava Towers LLC	GEL	12/14/2022	3/2/2026	5,761	-
Total Consolidated Guarantees				**13,522**	-

In 2022, Kostava Towers LLC acquired a land plot along with the buildings and structures located on it from the LEPL Georgian Public Broadcaster. At the time of executing the agreement, Kostava Towers LLC had paid a portion of the purchase price for the buildings and structures to the Public Broadcaster, while the remaining amount was secured by a guarantee, which is gradually reduced on an annual basis. It should be noted that the interest accrued on the guarantees issued by Kostava Towers LLC is capitalized.

Collateral

The Company's assets by collateral status based on carrying amounts as of 31 December 2024:

Consolidated Assets (GEL '000)	Asset value	Amount pledged under mortgage in favor of Alma	Amount pledged under mortgage in favor of Kostava Towers	Amount pledged under mortgage in favor of other companies	Unpledged asset value

Investment property	14,205	2,496	8248	1,103	2,358
Property, plant and equipment	33,404	-	-	-	33,404
Intangible assets	74,006	40,498	-	-	33,508
Investments in subsidiaries	31,498	30,036	-	-	1,462
Investments in Joint Ventures	31,855	31,855	-	-	-
Other assets (excluding right-of-use assets)	100,749	-	-	-	100,749

The Group's assets by collateral status based on carrying amounts as of 31 December 2024:

Consolidated Assets (GEL '000)	**Asset value**	**Amount pledged under mortgage in favor of Alma**	**Amount pledged under mortgage in favor of Kostava Towers**	**Amount pledged under mortgage in favor of other companies**	**Unpledged asset value**
Investment property*	127,674	49,099	70,864	1,103	6,608
Property, plant and equipment	39,284	-	-	4277	35,007
Intangible assets	74,009	40,498	-	-	33,511
Investment in Joint Ventures	31,855	31,855	-	-	-
Other assets (excluding right-of-use assets)	73,850	-	-	-	73,850

Disclosure of the Issuer's consolidated assets is made solely on the basis of regulatory and legal requirements, for informational purposes. In addition, both the repayment of the bond principal and the payment of interest represent obligations solely of the Issuer.

At the group level, in addition to Alma's individual investment properties, the following assets are pledged in favor of Alma:

- Land owned by Alma Lisi LLC valued at GEL 33,571 thousand;
- Land owned by Millennium Towers LLC valued at GEL 13,032 thousand.

Beyond investment properties and intangible assets, the following are also pledged as collateral to secure Alma's loan:

- All existing and future movable property and intangible assets of Millennium Towers LLC;
- 75% equity interest in Krakeni 8 LLC (owned by Alma LLC);
- 100% equity interest in Millennium Towers LLC (owned by Alma LLC);
- 100% equity interest in A Energy LLC (owned by Alma LLC);
- 50% equity interest in Sakeni by Biograpi LLC (owned by Alma LLC);
- 100% equity interest in Alma LLC (owned by Global Investors Limited);
- 50% equity interest in Matiani by Biograpi LLC (owned by Alma LLC);
- 50% equity interest in Hisni by Biograpi LLC (owned by Alma LLC).

Through the pledge of these equity interests, the collateral securing Alma's loan also includes the balance sheet values of the companies listed below (please note these values are not reflected in the collateral matrix):

- Millennium Towers LLC – GEL 17,287 thousand;
- A Energy LLC – GEL 4,264 thousand;
- Krakeni 8 LLC – GEL 714 thousand.

Separately, in favor of Kostava Towers LLC, all existing and future immovable and movable property owned by the company has been pledged, including land valued at GEL 62,616 thousand. In addition to the aforementioned asset, 100% of the equity interest in Kostava Towers LLC (owned by Alma LLC) has also been pledged to secure the loan.

As of the reporting date, the 100% equity interest in Kartli Generation LLC (owned by A Energy LLC) was pledged to secure A Energy's bank loan, backed by a fixed asset valued at GEL 4,276 thousand. However, as of 31 December 2024, A Energy LLC no longer has outstanding loans with commercial banks, and thus the pledge on the 100% equity interest in Kartli Generation LLC and its corresponding fixed asset has been released.

The following changes occurred in the Company's and the Group's investment property collateral after 31 December 2024 (values as of 31 December 2024):

- The Company sold unencumbered investment property valued at GEL 752 thousand;
- Additional investment property valued at GEL 649 thousand was released from collateral;
- The Company acquired property valued at GEL 313 thousand, which is fully encumbered;
- 100% of the equity interests in Kostava Towers LLC (GEL 62,616 thousand) and Millennium Towers LLC (GEL 17,281 thousand), previously part of the Group, were divested. As a result, these companies are no longer consolidated within the Group and are excluded from consolidated assets;
- The Company became a co-borrower for the loans of Millennium Towers LLC (USD 6,700 thousand) and Alma Lisi LLC (USD 1,100 thousand), issued by Bank of Georgia under a general credit facility. These liabilities are secured within the registered collateral under the general limit. A detailed description is provided in the Collateral Matrix – under the column "Value Encumbered by Mortgage/Pledge in Favor of Alma."

Commercial Bank Loans / Guarantees

As described in the preceding subsections, as of 31 December 2023 and 31 December 2024, Alma's collateral comprises: (i) immovable property (investment property); (ii) equity pledges, and (iii) advertising placement permits. By contrast, the loans of Kostava Towers LLC are secured exclusively by immovable property (investment property). For further details please refer to section: **"Collateral"**

- **Covenants**

Loan agreements executed with commercial banks include certain restrictive covenants.

Overview of Non-Financial Covenants

Key non-financial covenants under Alma LLC*'s* loan agreements include the following:

- The Group, as a legal entity or any other organizational form not constituting a legal entity, shall not change its core business activity, undergo reorganization (including transformation, merger, or division), liquidation, and/or any similar restructuring, transaction, or action;
- Shall not pledge, encumber, and/or otherwise use any of its assets (in whole or in part) as collateral in favor of any third party;
- Shall not dispose of any of its assets (in whole or in part) in any form or acquire any assets (in whole or in part) from third parties during any twelve-month period;
- Shall not make investments, incur liabilities, and/or incur expenses during any twelve-month period, except when such investments, expenses, and/or obligations align with the purpose of the loan (or other bank products under the agreement) and/or are carried out in the ordinary course of business;
- Shall not incur any additional credit, loans, or similar liabilities;
- Shall not distribute dividends in any calendar year, except in cases where (i) the Company is not in breach of the agreement and/or any related agreements and/or any other agreements with the bank, and (ii) such distribution does not give rise to a potential breach;
- Shall maintain its and its subsidiaries' financial statements in full compliance with applicable laws and regulations; upon the Bank's request, such statements must also comply with International Financial Reporting Standards (IFRS);
- Other standard non-financial covenants;
- Alma LLC undertakes to ensure that by no later than 31 December 2024, a LUMP is agreed upon for the real estate owned by Alma Lisi LLC, designating the area as Recreational Zone 3, and that the property is subdivided into land plots of 1,300 sq.m each;
- Alma LLC further undertakes to ensure that by no later than 31 March 2025, all obligations registered on the real estate owned by Alma Lisi are discharged, and the properties become legally unencumbered, with no restrictions, encumbrances, or obligations registered on the properties or their owners.

Key non-financial covenants under *Kostava Towers* LLC loan agreements include the following:

- *Kostava Towers* LLC is obligated to submit financial statements to the lender on a periodic basis;
- *Kostava Towers* LLC must provide the lender with information regarding any potential and/or ongoing administrative, judicial, and/or similar proceedings that may significantly affect the Company's ability to fulfill its obligations under the agreement;
- As a legal entity or any other organizational form not constituting a legal entity, Kostava Towers shall not change its core business activity, undergo reorganization (including transformation, merger, or division), liquidation, and/or any similar restructuring, transaction, or action;
- Shall not pledge, encumber, and/or otherwise use any of its assets (in whole or in part) as collateral in favor of any third party;
- Shall not dispose of and/or acquire any assets (in whole or in part) from third parties, except in the ordinary course of business;

- Shall not make investments, incur liabilities, and/or incur capital expenditures, unless such actions align with the purpose of the credit facility and/or other bank products under the agreement and/or are undertaken in the ordinary course of business of Kostava Towers;

- Shall not incur any additional on-balance or off-balance sheet credit, loans, and/or similar obligations;

- Dividend distributions shall be permitted only if no breach of the agreement with the bank has occurred;

- *Kostava Towers* LLC is obligated to obtain a construction permit (in a form acceptable to the lender) for the real estate specified in the agreement no later than 31 December 2024;

- The Company must submit to the bank, by no later than 30 December 2024, a development project related to the real estate, in a form and substance acceptable to the lender;

- *Kostava Towers* LLC shall not dispose of land and/or units registered as a result of the subdivision of immovable property prior to the commencement of construction without prior written consent of the lender;

- Upon the lender's request, any proceeds from the sale of relevant immovable property must be fully directed toward early repayment of the outstanding loan under the general agreement;

- Other standard non-financial covenants.

Overview of Financial Covenants

Kostava Towers LLC is not subject to any financial covenants.

It should be noted that Alma LLC is subject to financial covenants under loan agreements entered into in 2024. The applicable financial covenants and corresponding thresholds are presented below:

Covenant	2024, Factual Data	Limit	2024, Compliance (yes/no)
DSCR	5.0	>= 1.2x	Yes
Debt/EBITDA	3.2	<= 3.5x	Yes
ICR	7.4	>= 3.0x	Yes

The financial covenants are calculated based on the standalone financial statements of Alma LLC. According to the agreement, the covenants must be complied with during any 12 (twelve) month period. The frequency and timing of covenant reporting are not clearly defined in the agreement, and their monitoring is carried out as needed. The methodology for calculating the covenants is outlined below:

DSCR (Debt Service Coverage Ratio) – The Company's earnings before tax, interest, depreciation, and amortization (adjusted for capital expenditures financed from the Company's own funds, dividend payments, profit tax, and changes in net working capital) over any twelve-month period, divided by the total amount of principal and accrued/payable interest required for servicing the Company's due and not-yet-due bank debt.

For the purpose of calculating DSCR, the following definitions apply:

- **Capital Expenditures** – Expenses that increase the value or useful life of non-current assets and/or are intended to maintain such assets;

- **Non-current Assets** – All assets that do not qualify as current assets;

- **Current Assets** – Assets that: (1) Are expected to be realized, sold, or consumed during the normal operating cycle; or (2) Are held primarily for trading purposes; or (3) Are expected to be realized within twelve months after the reporting date; or (4) Are cash or cash equivalents, unless restricted from being exchanged or used to settle a liability for at least twelve months;

- **Net Working Capital** – Current assets minus current liabilities;

- **Current Liabilities** – Liabilities that: (1) Are expected to be settled during the normal operating cycle; or (2) Are held primarily for trading; or (3) Are due to be settled within twelve months; or (4) For which the entity does not have an unconditional right to defer settlement for at least twelve months (contractual terms allowing settlement via equity instruments do not affect classification).

Debt/EBITDA – The Company's total debt for any twelve-month period divided by its EBITDA. The following definitions apply:

- **Debt** – All types of interest-bearing short- and non-current liabilities (excluding those subordinated to all claims of the commercial bank towards the Company), including off-balance sheet liabilities (e.g., bank guarantees, letters of credit, and other similar instruments/obligations, unless subordinated), guarantees and contingent or future liabilities (unless subordinated), as well as non-interest-bearing short- and non-current obligations (unless subordinated). Also included are all due and not-yet-due amounts paid or payable in connection with such obligations including interest, fees, or penalties.

- **EBITDA** – Earnings before interest, taxes, depreciation, and amortization over the most recent twelve-month period.

ICR (Interest Coverage Ratio) – The Company's EBITDA over any twelve-month period divided by the interest expenses accrued on the Company's debt during the same period.

Starting from June 2025, according to Annex N2 of the General Credit Line Agreement Additional Terms (GCL000029174-2404353), a financial covenant has been established for LLC "Alma," whereby the ratio of Adjusted Debt to Adjusted EBITDA must not exceed **4.2** (four point two).

The methodology for calculating the covenant is presented below:

- **Latest reporting period** – the last 12 (twelve) months;
- **Adjusted Debt** – any type of the borrower's matured and unmatured monetary obligations that bear interest, as well as off-balance sheet liabilities (e.g., bank guarantees, letters of credit, and other similar instruments/obligations), and/or obligations arising from or potentially arising from guarantees, as well as any matured and unmatured loan obligations that do not bear interest, and any matured and unmatured amounts paid or payable in connection with such obligations, including but not limited to interest, commissions, and penalties. For the purposes of the agreement, the following shall not be considered part of monetary obligations:
    - Liabilities arising from long-term leases under IFRS 16;
    - Subordinated loan claims against the borrower (i.e., loans subordinated to the bank's claims)
    - That portion of the borrower's loan obligations that is secured by cash collateral.
- **Adjusted EBITDA** – EBITDA for the latest reporting period, minus the principal and interest payments made under long-term lease obligations as defined by IFRS 16.

EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) is defined as the company's operating profit, plus depreciation and amortization expenses, minus (or plus) net income (expense) from the sale of a subsidiary's share, minus (or plus) net profit/(loss) from the disposal of a subsidiary, minus (or plus) other net income/(expenses), plus impairment of investments in other companies, minus reversal of impairment of long-term assets, plus changes in the provision for impairment of financial assets, (or –) net loss (profit) from the sale of long-term assets.

Waiver Letters

As of 31 December 2023 and 31 December 2024, **Kostava Towers** was in breach of certain non-financial covenants; however, for both reporting periods, it obtained waiver letters from its creditors—JSC Bank of Georgia and JSC TBC Bank.

As of 31 December 2023 and 31 December 2024, **Alma LLC** was also in breach of certain non-financial covenants, for which it received waiver letters from JSC Bank of Georgia. Loan agreements signed with JSC Bank of Georgia include the following restrictions:

Restriction	Comment
The Group, as a legal entity or other organizational unit not considered a legal entity, must not allow a change in its primary area of activity, reorganization (transformation, merger, division), or liquidation and/or other similar restructuring, transaction, or action.	Compliant
Must not pledge or otherwise encumber its assets/property or any part thereof in favor of a third party	Compliant
Must not dispose of assets/property or acquire third-party assets within any 12-month period	Non-compliant
Must not make investments, assume obligations, or incur expenses, except where these are aligned with the loan's intended purpose or the company's ordinary course of business	Non-compliant
Must not take on additional loans or similar obligations	Non-compliant
May distribute dividends only if the loan or related agreement terms are not violated	Compliant
Must maintain financial reporting in full compliance with legislation, and upon the bank's request, in accordance with IFRS, with an audit performed by a bank-acceptable auditor	Compliant
Must not cause damage to the bank through the actions of the agreement or related parties, and in the event of loss, must fully compensate it	Compliant
Must use only the bank's products and maintain all account balances with the bank	Non-compliant

Must ensure compliance with the obligations set forth in the agreements	Compliant
The Group, as a legal entity or other organizational unit not considered a legal entity, must not allow a change in its primary area of activity, reorganization (transformation, merger, division), or liquidation and/or other similar restructuring, transaction, or action	Compliant
Must not pledge or otherwise encumber its assets/property or any part thereof in favor of a third party	Compliant
Must not dispose of assets/property or acquire third-party assets within any 12-month period	Non-compliant
Must not make investments, assume obligations, or incur expenses, except in cases where they align with the purpose of the loan or the company's ordinary course of business.	Non-compliant

Loans from Related Parties

As of 31 December 2023 and 31 December 2024, the Company had loans received from related and third parties. These loans are unsecured and are not subject to any covenants.

Issuer Statements

During the last financial year and through the date of drawing up this Prospectus, there has been no instance of default on interest or principal payments under the loan agreements entered into by the Issuer.

Additional Borrowing Requirements

Apart from the proceeds raised through the issuance of the Bonds, the Issuer currently has no information indicating any additional borrowing requirements.

Regulatory Framework

Overview of Regulatory Acts Related to the Outdoor Advertising Sector

Regulations concerning outdoor advertising include the following legal acts:

- **Law of Georgia on Advertising**, adopted by the Parliament of Georgia on February 18, 1998, and subsequently amended multiple times. This legislative act regulates the legal relations arising in the course of production, placement, and dissemination of advertising in Georgia's commodity (goods, works, services) and financial markets (including the securities market);
- **Law of Georgia on Licenses and Permits**, which regulates the procedure for issuing permits for the placement of outdoor advertising;
- **Subordinate normative acts** adopted by representative bodies of local municipalities to regulate outdoor advertising on municipal territory.

According to the Law of Georgia on Advertising, advertising is defined as information disseminated by any means and in any form regarding goods, services, works, natural or legal persons, ideas, or initiatives. It must be directed to an indefinite circle of persons and must serve the purpose of generating or maintaining interest in a person, product, idea, or initiative, as well as supporting the sale or promotion thereof. Dissemination of advertising within the cities, villages, and other administrative-territorial units of Georgia may occur through posters, billboards, illuminated signs, or other technical means of stable territorial placement (i.e., outdoor advertising), in accordance with procedures set by the same law.

The decision to introduce a permit requirement for placing outdoor advertising within a municipality's territory is made by the corresponding representative body of the municipality. If such a regulatory regime is introduced, the executive body of the municipality becomes responsible for issuing the permits. Outdoor advertising placement permits are issued in accordance with the procedure established by the Law of Georgia on Licenses and Permits.

According to this law, a permit for placing outdoor advertising is issued only for land plots or other property owned by the state or a municipality. Placement of outdoor advertising on land or property owned by a natural person or private legal entity, or other organized formations recognized under Georgian legislation, is allowed under applicable legal procedures and does not require a permit as defined by this law. In such cases, the amount and terms of payment for outdoor advertising on private property are determined by the contract between the advertiser and the property owner, unless otherwise specified by law or contract.

Advertising on vehicles is governed by agreements concluded with the owner of the respective vehicle (or a person legally entitled to use the vehicle), unless otherwise provided by law or contract.

Regulations Related to the Construction of Advertising Structures:

- **Decree No. 255 of the Government of Georgia dated May 31, 2019** – "On the Rules and Conditions for Issuing Construction Permits and Acceptance of Buildings and Structures into Operation"

As a rule, outdoor advertising structures are classified as first-class buildings and constructions, for which the consent of the competent administrative authority of the municipality is issued through the construction notification procedure.

Overview of Regulatory Acts Related to the Construction Sector

Technical Regulation on Construction Products

By Decree No. 476 dated October 1, 2018, the Government of Georgia approved the "Technical Regulation on Construction Products", which entered into force on November 15, 2018. This regulation defines the conditions for placing construction products on the Georgian market and establishes the rules for determining and declaring their essential characteristics. It is important to note that the regulation applies only to specific types of construction products: cement, rebar (reinforcement steel), electric cables, and plastic pipes. It outlines the obligations of the manufacturer (including the product's producer, processor, importer, or distributor) that must be fulfilled prior to placing these products on the market. According to the regulation, a construction product must comply with standards adopted under Georgian legislation or meet the requirements of the European Technical Assessment applicable to that product. Before placing the product on the market, the manufacturer is required to prepare a Declaration of Performance (DoP) for the construction product, by which the manufacturer assumes responsibility for the declared characteristics of the product. The manufacturer is also obliged to retain the technical documentation and the Declaration of Performance for 10 years from the date the product is placed on the market. Additionally, the manufacturer must affix a conformity marking to those construction products for which a Declaration of Performance has been prepared. By applying this marking, the manufacturer confirms the product's compliance with the declared characteristics, the requirements of the regulation, and other applicable legal provisions of Georgian legislation. The regulation sets out in detail the rules and conditions for preparing and presenting the Declaration of Performance, the rules for product marking, the obligations of manufacturers, importers, authorized representatives, and distributors regarding product placement on the market, as well as the procedures for inspection, verification, and conformity assessment of the product. The market surveillance authority for the relevant construction products is the LEPL Technical and Construction Supervision Agency.

Overview of Key Legislative Acts Regulating Construction Activities

1. *Law of Georgia on Licenses and Permits (adopted on June 24, 2005)*

   This law defines the types of licenses and permits subject to issuance in Georgia by various administrative bodies, based on the principle of *numerus clausus* - meaning that it is not permitted to require a license or permit for an activity unless it is specifically provided for by the law.

   According to this law, construction activities require a construction permit. Article 24 of the same Law identifies three types of construction permits:

- A permit for general construction (excluding construction of high-importance, radioactive, or nuclear facilities);
- A permit for construction of high-importance facilities (excluding radioactive or nuclear facilities);
- A permit for construction of radioactive or nuclear facilities.

In the present case, the company's activities fall under the first category, which does not relate to high-importance or radioactive/nuclear facilities. This type of construction permit within Tbilisi is issued by the Tbilisi City Hall.

2. *Code on Product Safety and Free Movement (adopted on May 8, 2012)*

This Code was enacted on May 8, 2012 to align Georgian legislation with European standards and to eliminate ineffective legal norms across various laws and technical regulations.

It remains in force and incorporates key international standards related to product safety and circulation, as established under EU Directives. The Code also introduces liability for substandard products and violations of general safety requirements.

Among other areas, the Code includes administrative sanctions for unauthorized or non-compliant construction, particularly with regard to high-risk structures. It also outlines procedures for appealing decisions through administrative channels.

3. *Technical Regulation No. 41 (adopted by the Government of Georgia on January 28, 2016)*

This regulation establishes fire safety and other safety standards and mechanisms, which must be followed during both the design and execution stages of construction works.

4. *Decree No. 255 of the Government of Georgia on rules and conditions for issuing a construction permit and for commissioning a completed building (adopted on June 3, 2019)*

Decree No. 255 defines the rules and conditions for issuing a construction permit and for commissioning a completed building. It specifies: the types of buildings and construction works that are subject to permits or prior notification; the composition of permit documentation and the required pre-design studies; permit conditions and how they are to be met; the rules for declaring a building fit for use and commissioning it.

Decree No. 255 also provides detailed information on construction planning and staging, including the Construction Implementation Plan (CIP), which is an integral part of the construction project. The CIP includes: project start date; stages and duration of construction; construction schedule by stage; allocation of space for equipment and materials on the site; location of temporary facilities; safety measures and procedures; lists of concealed works, inspections, and test reports; optimal timelines for each type of work; and other aspects required by Georgian legislation. In general, the construction organization plan must be sufficiently detailed to provide comprehensive information necessary for the implementation of construction. The construction process is divided into phases, and each phase is further broken down into stages. According to Decree N255, the construction organization plan must include information about the construction phases and stages, specifically the construction implementation calendar schedule, based on the sequence of phases, stages, and their duration.

a) For Class II construction – a minimum of 3 and a maximum of 5 stages;

b) For Class III construction – a minimum of 5 and a maximum of 10 stages;

c) For Class IV construction – a minimum of 10 stages.

The phases and stages of construction in the construction organization plan (COP) must be determined according to a specific logical sequence and order.

It should be noted that the construction organization plan must define at least two phases of the construction implementation process:

a) Phase I – preparatory works for the implementation of construction;

b) Phase II – main works for the implementation of construction.

The Decree defines the list of documentation required for recognizing a building/structure as suitable for commissioning, the deadlines for decision-making, and the grounds for refusal to recognize the construction as suitable for commissioning. According to the decree, recognition of completed construction as suitable for commissioning is possible if the obligations defined by the construction/permit conditions have been fulfilled and not violated as a result of the construction.

Accountable Enterprise

Financial Reporting and Information Disclosure

According to the Law of Georgia on the Securities Market ("Securities Law"), a company that has placed debt securities through a public offering or whose debt securities are admitted to trading on a stock exchange qualifies as an accountable enterprise. The National Bank of Georgia imposes several requirements on such accountable enterprises, including the obligation to prepare, submit, and publish periodic reports.

In this context, the accountable enterprise is required to prepare, submit to the National Bank of Georgia, and publish both an annual and a semi-annual report:

The annual report must include: (i) audited financial statements; (ii) a management report and (iii) a declaration by the responsible persons of the accountable company (with a full and clear indication of their identities and duties/authorities), in accordance with the requirements of the Law of Georgia on Securities and the Order of the President of the National Bank of Georgia No. 181/04.

The semi-annual report must include: (i) interim financial statements for the half-year period; (ii) an interim management report and (iii) a declaration by the responsible persons of the accountable enterprise (with a full and clear indication of their identities and duties/authorities), in accordance with the requirements of the Law of Georgia on Securities and the Order of the President of the National Bank of Georgia No. 181/04.

For the avoidance of doubt, the term "publication" of the aforementioned reports implies their placement on the reporting website defined under the Law of Georgia on Accounting, Reporting and Auditing (www.reportal.ge), as well as through other means such as the issuer's website, the stock exchange, the National Bank of Georgia, the Legislative Herald of Georgia (SSIP), or other channels that ensure accessibility of information for investors.

Additionally, the accountable enterprise is required to publish:

(i) any changes affecting the rights of holders of publicly offered securities, including amendments to the terms of securities that may indirectly affect the rights of such holders, or that result from changes in loan conditions or interest rates;

(ii) information on the interest rate, periodic payments, conversion/exchange, purchase or cancellation rights, or redemption of debt securities.

Furthermore, the accountable enterprise must ensure that all conditions are in place and relevant information is made accessible to facilitate the proper exercise of rights by holders of publicly offered securities and must guarantee the completeness and consistency of the information provided to them.

In addition, the National Bank of Georgia is authorized to request, at any time, supplementary information concerning the accountable enterprise and its reports required for submission and publication.

Pursuant to Order No. 172/04 of the President of the National Bank of Georgia, a Corporate Governance Code was approved for issuers of publicly offered securities. According to this Code, and in line with Article 7(7) of the Law of Georgia on Accounting, Reporting and Auditing, the information defined by the said Code must be included in the management report forming part of the issuer's annual report, prepared in accordance with Article 11(3)(b) of the Law of Georgia on Securities and Articles 3(4) and 3(5) of the Regulation on the Transparency of Information on the Issuer and the Procedure for Appointing a Securities Registrar for the Issuer, approved by Order No. 181/04 of the President of the National Bank of Georgia, dated 7 October 2020. Along with the said management report, the Company shall also complete and submit to the National Bank of Georgia a compliance report with the Corporate Governance Code, prepared in accordance with Annexes N1-N3 of the Code.

Issues Related to Insider Trading, Unlawful Disclosure of Inside Information, and Market Manipulation

Pursuant to Order No. 180/04 of the President of the National Bank of Georgia, an accountable enterprise that has issued public securities is subject to certain obligations and restrictions regarding insider trading, unlawful disclosure of inside information, and market manipulation.

The Order imposes: (i) disclosure obligations concerning inside information and the requirement to maintain a register of persons who have access to such information; and (ii) obligations for persons discharging managerial responsibilities within the accountable enterprise to report their transactions to the accountable enterprise and to the National Bank of Georgia.

Additionally, the Order regulates the deadlines, forms, and procedures for reporting insider trading and market manipulation to the National Bank of Georgia and establishes a list of actions not considered insider trading, unlawful disclosure, or market manipulation.

Anti-Monopoly Regulations

In Georgia, all companies are subject to oversight by the Competition Agency, established in April 2014 under the Law of Georgia on Competition (the "**Competition Law**"). This law defines and prohibits actions incompatible with fair competition in relevant markets. The law does not apply to sectors with their own regulatory bodies (e.g., commercial banks), but it aims to ensure fair competition in all other markets. The definition of competition under the law is: "competition between existing and potential market participants seeking a better position in the market". The Competition Law considers the following practices to be against fair competition: (a) abuse of dominant market position; (b) anti-competitive agreements, decisions restricting competition, or concerted practices; (c) restrictive concentrations, such as mergers or consolidations that harm competition; (d) unfair competition; and (e) state aid that distorts market equality.

The Law is based on EU competition principles, and Chapter 10 of the EU-Georgia Association Agreement is fully dedicated to competition policy. Thus, Georgian legislative approaches are aligned with European standards.

The Competition Agency monitors private sector compliance with antitrust laws and is authorized to impose sanctions, including fines. The maximum fine may reach 5% of the company's annual turnover, increasing to 10% for repeated violations. Companies may appeal the agency's decisions in court.

Employment

As an employer, the Issuer is required to comply with the minimum standards established by local labor legislation, including rules on hiring, termination, and employment conditions. Labor relations in Georgia are governed by the Labor Code of Georgia, initially adopted on 17 December 2010 and later amended significantly in June 2013 and September 2020. Following these amendments, the Labor Code now includes strong employee protections, as opposed to the previous versions, particularly in relation to termination of employment. Employers may no longer terminate employment without cause. Any contract exceeding 30 months is considered indefinite-term and may only be terminated, not expired. Employers must compensate for overtime, defined as work exceeding 40 hours per week (or up to 48 hours in certain exceptional cases). Importantly, the law does not differentiate between administrative employees, labor workers, or even senior management, which can sometimes lead to challenges in practice.

The Labor Code does not require employers to provide health insurance or other social benefits, nor does it obligate them to pay maternity leave compensation. However, offering such benefits is considered best practice. In their absence, employees must rely on state-sponsored maternity compensation and basic universal health coverage.

The 2020 amendments also introduced stricter rules on non-discrimination, equal pay for equal work, internship definitions, and mandatory medical examinations for night-shift employees.

Simultaneously, Georgia enacted a new Law on Labor Inspection, effective from 1 January 2021, which established the LEPL Labor Inspection Office. Unlike its predecessor within the Ministry of Internally Displaced Persons from the Occupied Territories, Health, Labour and Social Affairs of Georgia, this new authority has broad enforcement powers, including the ability to monitor all labor rights and workplace safety, impose sanctions, and compel compliance.

Occupational Health and Safety

In February 2019, Georgia enacted the Law on Occupational Safety, which governs the responsibilities of state bodies, employers, employees, and workplace participants in ensuring a safe and healthy working environment. According to this Law, every enterprise is required to appoint an occupational safety specialist. Specific rules apply depending on the number of employees: employers with 20 or fewer employees may perform the role themselves, provided they complete an accredited training program provided under Paragraph 6 of the respective Clause of the Law; employers with 21–99 employees must hire at least one specialist; employers with 100 or more employees must establish an occupational safety department with at least two specialists. The Company and its subsidiaries are obligated to comply with these requirements based on the number of their employees.

Liquidation Procedures

The new Law of Georgia on Entrepreneurs regulates the process of termination of a business entity and outlines three stages of termination:

- **Schedule 1 – Dissolution of the Company**
- **Schedule 2 – Liquidation of the Company**
- **Schedule 3 – Deregistration**

Dissolution of the Company

The law provides for the voluntary dissolution of a company by decision of the partners or in cases stipulated by the charter, as well as compulsory dissolution by court decision. A partner has the right to apply to the court and request the dissolution of the company. In such cases, the law allows the other partners to avoid dissolution by offering to buy out the applicant's share at a fair price.

Liquidation of the Company

Following the dissolution of the company, the liquidation process begins. In addition to the appointment and authority of the liquidator, public notification of the commencement of liquidation, protection of creditors, and distribution of assets, the law also requires that the company's trade name be appended with the phrase "in liquidation."

Deregistration of the Company

According to the law, liquidation is deemed complete once all obligations have been settled and the remaining assets fully distributed among the partners, which serves as the prerequisite for the deregistration of the company. If, after deregistration, it is discovered that the company still owns assets or further liquidation actions are required, the liquidation process shall be resumed and the court shall appoint a liquidator to carry out the process until completion.

Insolvency

Deregulated legal entities, including the "Company," are subject to the procedures set out in the Law of Georgia on Rehabilitation and Collective Satisfaction of Creditors (excluding banks, insurance companies, and other entities subject to special regulatory regimes, whose insolvency is governed by their respective regulators).

The company's insolvency is assessed based on its ability to meet its obligations as they fall due. Insolvency procedures may be initiated if the debtor becomes insolvent or is likely to become insolvent in the near future, except in cases where adequate measures are taken to avoid such insolvency. The insolvency proceedings may be initiated either by the company itself or by its creditors, provided that the statutory conditions for initiating such proceedings are met.

Once insolvency proceedings have commenced, depending on the actual circumstances, the process may follow one of the following scenarios: (a) bankruptcy, leading to liquidation (and deregistration of the company from the public register); (b) rehabilitation, equivalent to reorganization/restructuring in other jurisdictions; (c) termination of Insolvency Proceedings, applicable if the grounds for insolvency do not exist or have been eliminated after initiation, or if the debtor is able to satisfy its current debts without infringing the rights of other creditors.

Following the court's acceptance of the insolvency application and issuance of a ruling to initiate bankruptcy proceedings, claims against the debtor - including tax obligations arising after the commencement of proceedings - are categorized as follows:

1. Preferential claims;
2. Preferential tax claims;
3. Unsecured claims, including taxes accrued prior to the court's acceptance of the insolvency petition, not falling under other categories;
4. Claims arising from penalties, interest, administrative fines, or other monetary obligations imposed under the Tax Code of Georgia, in relation to liabilities existing prior to the acceptance of the insolvency petition;
5. Non-preferential claims;
6. Corporate obligations, such as dividend payments, share buybacks, or return of contributions.

If the available assets are insufficient to fully satisfy claims of the same rank, they are distributed among creditors proportionally, based on the amount of each claim. This ranking does not apply to financially secured claims, which are satisfied with priority through the underlying collateral in accordance with Georgian legislation.

Finally, it should be noted that if the company initiates insolvency proceedings and plans to pursue rehabilitation/reorganization, it must be aware that such a path requires the full satisfaction of existing creditors.

Governing Body and Management

Brief Description of the Corporate Governance Standard in the Company

According to the Law of Georgia on Entrepreneurs, enacted on August 2, 2021 (the **"Law on Entrepreneurs"**), and the Charter of the Issuer, the control and governance of the Issuer are divided among the General Meeting of Partners, the Supervisory Board, and Management. The latter is responsible for the day-to-day management and representation of the Company.

As assessed by the Issuer, as of the date of preparation of this Prospectus, it complies with the Corporate Governance Code for Securities Issuers. The Supervisory Board consists of five members, two of whom are independent members. The Chairperson of the Board also meets the criteria for an independent member. The Company operates an Audit Committee, chaired by an independent member, in compliance with the requirements of the Code.

The Company follows a three-tier corporate governance model, where the highest governing body is the General Meeting of Partners. Day-to-day management is performed by the Director, who is accountable to and supervised by the Supervisory Board. The authority of each of these three governance bodies is clearly delineated in the Company's Charter.

- General Meeting of Partners – makes decisions on fundamental matters such as distribution of company property among partners, approval of financial statements, expulsion or withdrawal of a partner, and more;
- Supervisory Board – appoints and dismisses the Director, supervises their activities, and defines company policy and business directions. The Company also has a sub-committee under the Supervisory Board - the Audit Committee;
- Director – is the person authorized to lead and represent the Issuer, responsible for daily operations.

General Meeting of Partners

As of the date of preparation of the Prospectus, 100% of the Company is owned by GLOBAL INVESTORS LIMITED, a company incorporated and operating under the laws of Malta. The ultimate beneficial owners of the Company are Levan Pkhakadze (50%) and Samson Pkhakadze (50%). Additional information about the partners is provided in the section below - "**Supervisory Board"**.

The highest governing body of the Issuer is the General Meeting of Partners. The meeting has a quorum if a partner or partners representing a majority of the votes are present.

Decisions within the competence of the General Meeting of Partners are made by a majority of votes.

Partners are authorized to decide on, among other matters:

- Approval of financial statements;
- Distribution of company property among partners;
- Acquisition of its own shares by the Company;
- Modification of rights arising from shares or classes of shares;
- Expulsion of a partner from the Company;
- Withdrawal of a partner from the Company;
- Appointment, contract approval, dismissal, and remuneration of Supervisory Board members;
- Approval of reports from management bodies;
- Participation in litigation against members of the management or Supervisory Board (including appointing a representative for the case);
- Reorganization of the Company;
- Dissolution of the Company;
- Amendments to the founding agreement / adoption of a new version of the Charter;
- Increase/decrease of capital, issuance of shares or equivalents;
- Other matters provided for by the Law on Entrepreneurs and the Charter.

As a rule, decisions are made by a simple majority. However, reorganization, dissolution, amendments to the Charter, and capital changes require approval by at least 75% of the votes cast.

Supervisory Board

The Supervisory Board consists of 5 (five) members, of whom at least 2 (two) must be independent. Each member is elected for a 1 (one) year term. The General Meeting of Partners is authorized to re-elect any Supervisory Board member at any time before their term expires.

The Board elects a Chairperson and Deputy Chairperson from among its members. The Board must meet at least once every three months.

Decisions on matters within its competence are made by a simple majority of those present at the meeting. Each Board member has one vote.

The Supervisory Board's duties and responsibilities include, among others:

- Requesting reports from the Director on company activities;
- Controlling accounting records, cash, property, and other securities of the Company (may delegate this to experts);
- Convening extraordinary General Meetings of Partners, if necessary;
- Reviewing annual reports, profit distribution proposals, and company status reports, and presenting its opinion to the General Meeting;
- Preparing its own report for the General Meeting;
- Representing the Company in court proceedings against the Director;

- Defining company policy and business direction.

The following activities require prior approval from the Supervisory Board:

- Selection of the Company’s external auditor, based on the Audit Committee’s recommendation;
- Election of Audit Committee members and approval of the committee’s regulations;
- Oversight and supervision of the Director;
- Requesting reports on the Company’s activities from the Director;
- Reviewing financial statements, profit distribution proposals, and company status reports, and submitting its opinion to the General Meeting;
- Preparing its own report for submission to the General Meeting;
- Defining the Company’s economic and financial policy, goals, and business plan;
- Approving rules, internal policies, and other regulatory documents prepared by the Director.

Members of Supervisory Board:

Name, Surname	Position	Date of Appointement	Date of Expiration of Authority[18]
Giorgi Kacharava	Independent Member Chairman	25.12.2024	25.12.2025
Davit Svanidze	Independent Member	25.12.2024	25.12.2025
Vasil Pkhakadze	Member, Deputy Chairman	25.12.2024	25.12.2025
Levan Pkhakadze	Member	25.12.2024	25.12.2025
Samson Pkhakadze	Member	25.12.2024	25.12.2025

Mr. Giorgi Kacharava is the Chairman of the Supervisory Board of the Issuer. Since 2024, he has served as the Director of Iceberg Poti LLC (warehouse logistics services), American Monolith Tbilisi LLC (warehouse logistics services), and Eurasia Ro-Ro Line LLC (maritime shipping). Since 2012, he has also held the position of Director of Iceberg Tbilisi LLC (warehouse logistics services), and from 2005 to 2009, he served as the Director of Eurasia Shipping & Logistics LLC. Giorgi Kacharava holds a bachelor's degree in Chemistry from Tbilisi State University.

The companies[19] in which Mr. Giorgi Kacharava is or has been involved include: Iceberg Poti LLC (ID: 404879985), B & J LLC (ID: 202218803), American Monolith LLC (ID: 211383590), Eurasia Ro-Ro Line LLC (ID: 415092394), Iceberg Tbilisi LLC (ID: 404888895), REMBJ Real Estate Management Business Group LLC (ID: 405326320), Andza-94 LLC (ID: 209453456), Deluxe Ship Supply LLC (ID: 215147865), S & S LLC (ID: 204989290), Black Sea Shipping and Logistics LLC (ID: 415092296), Foam Georgia LLC (ID: 400059529), Tolia 2012 LLC (ID: 415086007), Etaloni 2011 LLC (ID: 415083536), Global Service Georgia LLC (ID: 204544804), ADECO LLC (ID: 215144886), Eurasia Shipping and Logistics LLC (ID: 215127958), Eurasia Trans Group LLC (ID: 415080487), and Gldani LLC (ID: 209462026).

Mr. Davit Svanidze is a member of the Supervisory Board of the Issuer and Chairman of the Audit Committee. He serves as the Director of Investor Relations at Petra Sea Resort (since 2023), where he oversees investment strategies and investor communications. Since 2020, he has also served as COO at Apollo G.S. - Kings Garden and previously held the position of CFO at Svanidze Holding. His international career includes roles at Philips Quality & Regulatory (2019–2020) and Kable Artificial Intelligence (2019). Davit holds a bachelor's degree in Business Administration from Northeastern University, Boston (2019).

The companies[20] in which Mr. Davit Svanidze is or has been involved include: Apollo G.S. LLC (ID: 202430468), Dionise G.S. LLC (ID: 205228813), Helios G.S. LLC (ID: 202430486), Demetra G.S. LLC (ID: 205264694), Svanidze Holding LLC (ID: 404605799), Georgia Eurasia Digital LLC (ID: 404696263), Georgia Eurasia Logistics LLC (ID: 404696254), Petra Gudauri LLC (ID: 404695647), JFT LLC (ID: 404657331), GADHUB LLC (ID: 400333206), GEC LLC (ID: 404626259), GEC 1 LLC (ID: 400323440), and International MMA Federation Georgia (ID: 404614798).

Mr. Vasil Pkhakadze is a member of the Supervisory Board and Deputy Chairman of the Issuer. Between 2015 and 2016, he worked in the Financial Reporting Department at D&B Georgia LLC, operating under the "Dunkin" brand. He later served as a Financial Analyst at JSC Wissol Petroleum Georgia. From 2017 to 2022, he worked in Business Analytics at the hedge fund Crossover Capital Partner (Boston). He currently holds the position of Director at real estate development company Biograpi Living LLC. Vasil Pkhakadze graduated in 2017 from Bentley University (USA), Faculty of Economics and Finance.

The companies in which Mr. Vasil Pkhakadze is or has been involved include: Sakeni by Biograpi LLC (ID: 404651015), Biograpi Living LLC (ID: 404658731), Park Lane by Biograpi LLC (ID: 405624944), Central Park Avenue LLC (ID: 405648580), Origins by Biograpi LLC (ID: 405666471), Kostava Towers LLC (ID: 404649298), Matiani by Biograpi LLC (ID: 404614707), Partner Isani LLC (ID: 404878655), Isani Estate LLC (ID: 406119187), Frunze and Company LLC (ID: 406244470), Idea LLC (ID: 404618106), Prime Property Group LLC (ID: 404615886), Mukhiani Towers LLC (ID: 404615920), Millennium Tower LLC (ID: 405645137); Belmond

[18] Members of the Supervisory Board are appointed for a term of one year and remain in office until the next general meeting is held and new members are elected at that meeting.

[19] All company names in which the person has served or is currently serving as a member of management, the board of directors, or the supervisory board within the past 5 years

[20] All company names in which the person has served or is currently serving as a member of management, the board of directors, or the supervisory board within the past 5 years

Capital LLC (ID: 405730197); Shantani by Biograpi LLC (ID: 405697937); Gorgasali 73 LLC (ID: 405681454); Gazapkhuli Residence LLC (ID:. 404705734); Hisni by Biograpis LLC (ID: 404614681); Paliashvili 11 LLC (ID: 404646111); Alma Leasing LLC (ID: 404656528)

Mr. Levan Pkhakadze is a member of the Supervisory Board of the Issuer. From 1992 to 1994, he served as Senior Dealer at the Caucasus Stock Exchange. He is a member of the Georgian Taxpayers Union, Georgian Financial Markets Association, Center for Strategic and International Studies, and the American Chamber of Commerce in Georgia. From 1992 to 2000, he held various leadership roles at JSC TbilComBank, including Deputy Chairman of the Board of Directors, Deputy General Director, and Head of the Foreign Exchange Department. Between 1998 and 2003, he was General Director and a Board Member at Canargo Standard Oil Products LLC. In 2000, he was appointed Deputy Chairman of the Board of Directors at Wissol. He graduated from the Faculty of Commerce and Economics at Tbilisi State University and holds a Master's degree from Caucasus Business School and the Higher School of Business in Moscow. He also specialized in Managerial Communication at Berlitz School (Washington, USA).

In addition to the above, Mr. Levan Pkhakadze is or has been involved in the following companies[21]: JSC Wissol Petroleum Georgia (ID: 202161098), JSC Wengeorgia (ID: 404885335), Kiosk Georgia LLC (ID: 405404003), Wendy LLC (ID: 405599605), NPO Rugby Club S.T.U. Qochebi (ID: 202163434), Rustavi Mall LLC (ID: 405271450), Isani Towers LLC (ID: 404614681), Tsereteli Towers LLC (ID: 404614707), JSC Smart Retail (ID: 205124346), JSC D&B Georgia (ID: 404917131), JSC Laguna (ID: 248435493), V-Geo Restaurants LLC (ID: 405404076), Idea LLC (ID: 404618106), Standard Oil Holding LLC (ID: 202160151), SubGeorgia LLC (ID: 405620831), Matiani By Biograpi LLC (ID: 404614707), and Wisol Group Charity Foundation (ID: 404943317), TFS LLC (ID: 404998883), LP LLC (ID: 208190857), Prime Property Group LLC (ID: 404615886), Ven Food LLC (ID: 405769011), Sub Geo Restaurants LLC (ID: 405773916).

Mr. Soso (Samson) Pkhakadze is a member of the Supervisory Board of the Issuer. From 1993 to 2000, he served as Chief Dealer and Deputy Head of the Foreign Exchange Department at the National Bank of Georgia. In 2000, he became Chairman of the Board of Directors at Wissol. He founded and developed a Western-style network of gas stations under the brand name Canargo Standard Oil Products, which later rebranded as Wissol in the Georgian market. Since 2009, he has served as Vice President of the Business Association of Georgia (BAG), one of the largest NGOs representing private sector interests in the country. In 2021, he joined the investor panel of Shark Tank Georgia, a project supporting entrepreneurship. He graduated from the Faculty of Economics at Tbilisi State University and the Faculty of Law at Grigol Robakidze University. He also graduated from TSU Business School and holds a master's degree in Economics from Georgetown University's School of Diplomacy (Washington, USA), as well as degrees from Harvard Business School and the John F. Kennedy School. He holds a Ph.D. in Economic Sciences.

In addition to the above, Mr. Samson Pkhakadze is or has been involved in the following companies: JSC Wissol Petroleum Georgia (ID: 202161098), JSC Wengeorgia (ID: 404885335), Kiosk Georgia LLC (ID: 405404003), Wendy LLC (ID: 405599605), NPO Rugby Club S.T.U. Qochebi (ID: 202163434), NPO Business Association of Georgia (ID: 205282781), Rustavi Mall LLC (ID: 405271450), Isani Towers LLC (ID: 404614681), Tsereteli Towers LLC (ID: 404614707), JSC Smart Retail (ID: 205124346), JSC D&B Georgia (ID: 404917131), JSC Laguna (ID: 248435493), V-Geo Restaurants LLC (ID: 405404076), Idea LLC (ID: 404618106), Cofroduction LLC (ID: 405552913), Inno Hub LLC (ID: 400285035), Wengeorgia Development LLC (ID: 405005747), SubGeorgia LLC (ID: 405620831), VDS E-Commerce LLC (ID: 405762036), V-Geo Company LLC (ID: 405768995), Ven Food LLC (ID: 405769011), SUB Geo Restaurants LLC (ID: 405773916), Society for the Promotion of Computer Literacy (ID: 445410029).

Audit Committee

According to Article 9[1] of the Law of Georgia on the Securities Market, the Issuer, as an accountable enterprise, is required to establish an Audit Committee within its Supervisory Board. This committee must be composed of members of the Supervisory Board and include at least one independent member, as further specified by Article 57 of the Law of Georgia on Entrepreneurs. The term of authority for an Audit Committee member is two (2) years. The composition of the Audit Committee is reviewed annually.

As of the date of approval of this Prospectus, the Issuer is in compliance with this requirement. Specifically, the Issuer has established an Audit Committee composed of three members:

Name, Surname	Position	Date of Appointement	Date of Expiration of Authority
Davit Svanidze	Independent Member, Chairmen	25.12.2024	25.12.2025
Vasil Pkhakadze	Member	25.12.2024	25.12.2025
Levan Pkhakadze	Member	25.12.2024	25.12.2025

The function of the Audit Committee is to oversee:

- The process of preparing financial statements;
- The effectiveness of quality control, risk management, and, where applicable, internal audit of financial information;
- The conduct of audits of financial and/or consolidated financial statements, considering conclusions reflected in quality control monitoring reports;
- Compliance by the auditor/audit firm with the requirements of the Law of Georgia on Accounting, Reporting and Auditing, including rules on independence.

The Audit Committee is authorized to:

- Appoint auditors, determine their remuneration, and oversee any audit or non-audit services performed by the auditors, including work conducted by a registered audit firm engaged by the company;

[21] All company names in which the person has served or is currently serving as a member of management, the board of directors, or the supervisory board within the past 5 years

- Resolve any disagreements between management and the auditor regarding financial reporting or other matters;
- Pre-approve and confirm any audit or non-audit services to be performed by the auditors;
- Provide the Supervisory Board with information on the results of the audit, the impact of the audit on the reliability of financial reporting, and the Committee's role in this process;
- Issue recommendations regarding the reliability of financial information and the selection of the external auditor/audit firm;
- Regularly submit reports on its activities to the Supervisory Board and promptly notify the Board of any issues that arise in the course of fulfilling its functions.

Director

The Director holds the authority to manage and represent the Company. The authority to manage means the right to make decisions on behalf of the Company within the scope of authority. The Director is authorized to act independently and represent the Company in relations with third parties without a power of attorney. The Director's managerial and representative powers may only be limited by a decision of the Partners.

As of the date of approval of the Prospectus, the Director of the Issuer is Mr. Giorgi Trapaidze. He was appointed to the position in 2014, and no expiration date for his term has been specified.

Mr. Giorgi Trapaidze joined Alma in 2014 and currently serves as the Company's Director. He is responsible for the Company's development, growth in revenue and operational performance, as well as communication and negotiations with key stakeholders. From 2016 to 2019, he served as the Director of MP Development LLC, where he oversaw the successful execution of commercial and residential real estate projects. From 2007 to 2013, he worked in the Corporate Department of JSC Bank of Georgia.

In addition to the above, Mr. Giorgi Trapaidze is or has been affiliated with the following companies:

Color Media LLC (ID: 404940123),

Alma Leasing LLC (ID: 404656528),

Alma Transport LLC (ID: 405142821),

Trampoline Center LLC (ID: 405271566),

A Energy LLC (ID: 405668923),

Ikigai LLC (ID: 402189822),

Kostava Towers LLC (ID: 404649298),

MP Development LLC (ID: 404960217),

MP Property LLC (ID: 405227268),

Muza Digital LLC (ID: 405722491),

Rustavi Mall LLC (ID: 405271450),

Sakeni by Biograpi LLC (ID: 404651015),

Fortuna Media LLC (ID: 206330228),

Kartli Generation LLC (ID: 404569882),

Geo Tech LLC (ID: 204542888).

Employees

As of the date of preparation of the Prospectus, the number of employees of the Issuer over the periods is presented below:

	2023	**2024**
Employee amount (Alma)	100	115
Employee amount (Group)	198	220

As of the date of approval of the Prospectus, the Issuer and the Group employ 115 and 200 individuals, respectively.

Remuneration and Benefits

Remuneration paid to senior management over the periods is presented below:

(in thousand GEL)	**2023** **Audited**	**2024** **Audited**
Remuneration of Senior Managament	1,373	1,697

Conflict of Interest

There is a familial relationship between three members of the Supervisory Board (who are also partners of the Company): Mr. Levan Pkhakadze and Mr. Samson (Soso) Pkhakadze are brothers, while Mr. Vasil Pkhakadze is the son of Mr. Levan Pkhakadze.

No conflict of interest exists among the remaining members of the General Meeting, Supervisory Board, or Management Body described in the subsection "Governing Body and Management" of the Prospectus's Registration Document.

Statements Regarding Members of the Governing Body and Partners/Shareholders

As of the date of this Prospectus, none of the Issuer's Supervisory Board members, individuals holding more than 5% of shares (directly or indirectly), or executive management members have, within the past five years:

- been convicted of fraud, economic offences or money laundering;
- held an executive, governing, or supervisory role in any company during its bankruptcy or involuntary liquidation;
- been subject to official accusations or sanctions by any governmental, regulatory, or professional authority, nor have they ever been disqualified by a court from acting as a member of a governing or supervisory body;
- had any known involvement in fraud, economic offences, or money laundering.

Pensions

The Issuer is subject to the mandatory state pension scheme established under Georgian law. The law adopted on 21 July 2018 provides for an investment of up to 6% of a person's income into their individual pension account: 2% contributed by the employee, 2% by the employer, and the remainder by the government, depending on the employee's income level.

Currently, the government contributes an additional 2% of the employee's annual taxable income, if their total annual income does not exceed GEL 24,000, and 1% of the taxable income, if the annual income ranges from GEL 24,000 to GEL 60,000; while no contribution is made by the government for the income exceeding GEL 60,000 annually (only for the portion exceeding GEL 60,000).

Corporate Governance

The Issuer fully complies with all requirements set forth under the corporate governance regulatory framework established by the Law of Georgia on Entrepreneurs.

Additionally, on 7 December 2021, the National Bank of Georgia published a Corporate Governance Code, which became effective as of January 2022. Issuers were required to submit their first report under this Code starting with the annual reporting for 2023.

The Code is based on the "comply or explain and present an alternative" principle, which aims to encourage the broad adoption of best practices in corporate governance.

Dividend Policy

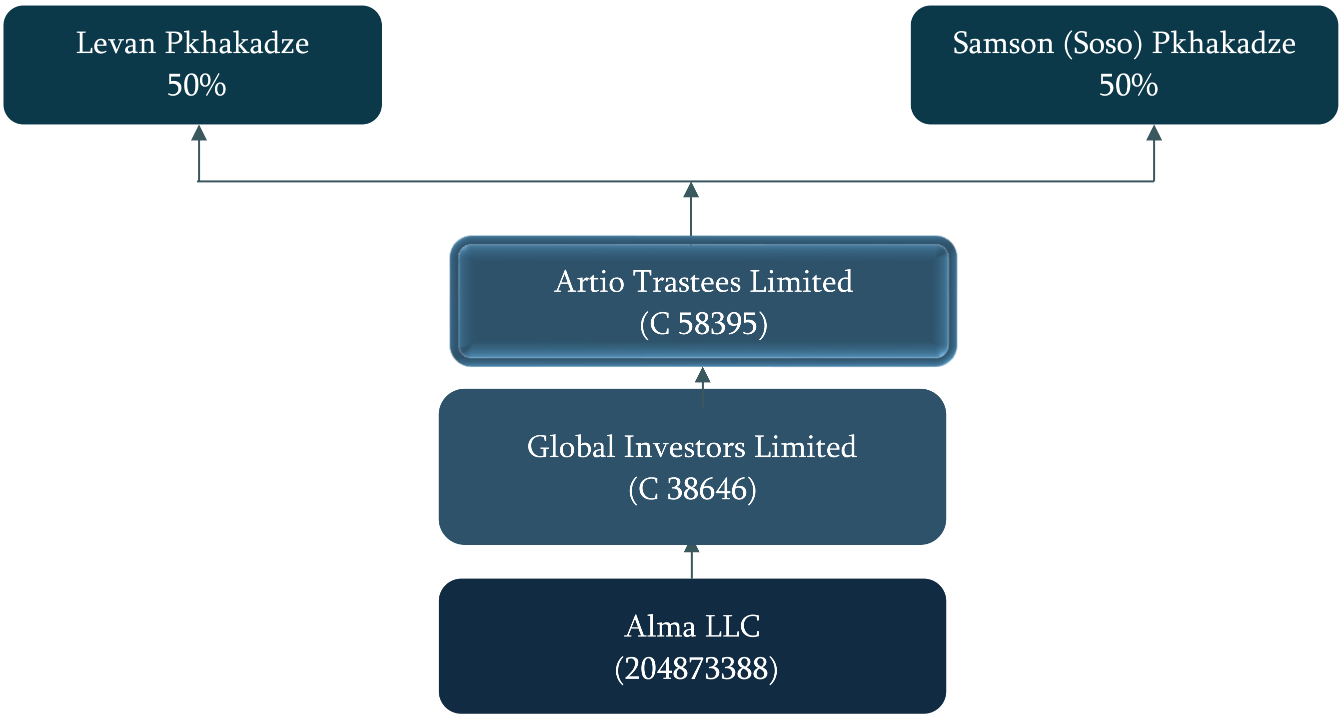
Each partner has the right to receive annual or interim dividends based on a decision on the distribution of the Company's profit/assets. Dividends are allocated in proportion to the partner's ownership stake in the Company.

Ultimate Beneficiaries

As of the date of preparation of this Prospectus, the **Issuer's** sole partner is the limited liability company **Global Investors Limited** (C 38646), registered in Malta.

Legal address: Constitution Street, Mosta MST 9051, Malta.

The **Issuer's** ownership structure is presented below:



*Artio Trustees Limited (C58395, Malta) (registered address: Construction Street, Malta) holds the partnership interests of Global Investors Limited (C38646, Malta) under fiduciary obligations and powers.

As of the date of approval of the Prospectus, the ultimate beneficial owners of the Issuer are Levan Pkhakadze (50%) and Samson (Soso) Pkhakadze (50%). For more information on Levan and Soso Pkhakadze, please refer to the section **"Governing Body and Management"** – **"Supervisory Board"**.

As of the date of approval of the Prospectus, the Issuer has an additional capital contribution[22] of GEL 1,327 thousand and has no charter capital.

All partners hold the same class of shares, with equal nominal value. No direct or indirect shareholder of Alma holds differentiated voting rights.

As of the date of approval of the Prospectus, the Issuer is not aware of any existing agreements that would result in changes to the control structure in the future.

The ultimate beneficiaries of Alma LLC – Levan and Samson (Soso) Pkhakadze – also own and manage the following companies, which are informally grouped under the "**Wissol Group**"[23]:

- **JSC Wissol Petroleum Georgia** – The company's business activities include the construction and subsequent operation of modern fuel stations, the purchase, import-export, and transit transportation of oil and oil products, as well as the sale of gas and gas products. As of the end of 2023, JSC Wissol Petroleum Georgia operated 119 stations.

- **Wissol Auto Express LLC** – An auto service network operating on the Georgian market since 2011. It includes "Vianor" and "G-Energy" service centers. In total, Wissol Auto Express owns 7 service centers located in almost all key areas of Tbilisi. The company offers customers high-quality international automotive product brands.

- **W-Geo LLC and W-ND LLC** – A fast-food restaurant network offering burgers, beverages, desserts, and more. The company operates under a franchise agreement with Wendy's Global Restaurants. As of the date of the prospectus approval, the companies operate a total of 20 branches across Georgia.

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[22] The additional capital contribution is not considered part of the "charter capital" or placed capital as defined under the Law of Georgia on Entrepreneurs, and therefore does not serve as a protective mechanism or buffer under Article 145 of the Law in relation to dividend distribution or capital reduction. For detailed information on the statutory restrictions regarding charter capital as defined by the Law of Georgia on Entrepreneurs, please refer to the subsection on **"Risks Related to the Legal and Judicial Framework"**, Risk 3.7.

[23] It should be noted that the companies included in the "Wissol Group" are united solely by common ultimate beneficial ownership; therefore, the presented group is notional.

- **Dan Georgia LLC** –Kiosk Georgia LLC operates a fast-food restaurant network offering coffee, donuts, sandwiches, frozen beverages, and more. The company holds a franchise agreement with Dunkin' Donuts Franchising LLC. As of the prospectus approval date, the company operates 80 branches throughout Georgia.

- **SubGeorgia LLC** – A fast-food restaurant network operating under the Subway brand. According to 2023 data, the company owns and operates 22 active outlets across various regions of Georgia.

- **JSC Smart Retail** – A supermarket chain operating under the "Smart" brand. As of October 2024, 42 supermarkets were operating under the brand and management, employing over 600 people.

- **MP Development LLC** – A company that offers retail and office spaces for rent across Georgia's capital and major cities. It operates in 8 cities: Tbilisi, Rustavi, Gori, Batumi, Poti, Zestafoni, Marneuli, and Kutaisi. In 8 locations, the company owns 13 shopping centers where it leases retail space, and in 3 locations, it owns 4 auto gas stations.

Related Party Transactions

According to the definition of Related Party under BAS 24, parties are considered related if they are under common control, or when one party has the ability to control the other or exercise significant influence or joint control over the other party in making financial and operational decisions. In evaluating each potential related party relationship, the substance of the relationship is considered rather than merely its legal form.

The balances between the Company and related parties are presented as follows:

Related Party, (in thousand GEL)	Relationship	Group		Company	
		31.12.2023 Audited	31.12.2024 Audited	31.12.2023 Audited	31.12.2024 Audited
Trade and Other Payables		**5,627**	**5,485**	**5,647**	**5,530**
Outdoor.ge LLC	Other	5,391	5,424	5,391	5,424
JSC Wissol Petroleum Georgia	Other	226	41	226	39
Wissol Auto Express LLC	Other	0	16	0	16
JSC Smart Retail	Other	10	4	10	4
Krakeni 8 LLC	Under Common Control	-	-	20	28
Muza Digital LLC	Under Common Control	-	-	-	19
Trade and Other Receivables		**160**	**82**	**505**	**595**
Kiosk Georgia LLC	Other	39	27	39	27
JSC Wissol Petroleum Georgia	Other	39	26	39	26
Wissol Auto Express LLC	Other	10	23	10	14
Zugdidi Palace LLC	Other	-	6	-	-
VELLAGIO LLC	Other	53	-	53	-
JSC Smart Retail	Other	18	-	18	-
JSC Wengeorgia	Other	1	-	1	-
Lomsia LLC	Under Common Control	-	-	330	474
Krakeni 8 LLC	Under Common Control	-	-	15	54
Loan Issued		**17,809**	**46,794**	**25,326**	**77,565**
VELLAGIO LLC	Other	13,006	24,790	13,006	24,790
Idea LLC	Other	-	15,677	-	14,461
Global Investors Limited	Other	4,589	5,151	4,589	5,151
MP Development LLC	Other	-	951	-	951
Prime Property Group LLC	Other	213	218	213	218
Wissol Group LLC	Other	-	7	-	7
Millennium Towers LLC	Other	1	-	1	19,019
Kostava Towers LLC	Under Common Control	-	-	7,062	8,233
A Energy LLC	Under Common Control	-	-	-	3,959

JSC Laguna	Under Common Control	-	-	248	300
Alma Lisi LLC	Under Common Control	-	-	93	407
Lomsia LLC	Under Common Control	-	-	58	69
Startup Studio LLC	Under Common Control	-	-	56	-
Loan Received		**33,538**	**1,422**	**37,003**	**1,422**
Zugdidi Palace LLC	Other	1,233	1,422	1,363	1,422
Individual Levan Pkhakadze	Ultimate Beneficiary	15,514	-	17,230	-
Individual Samson Pkhakadze	Ultimate Beneficiary	11,911	-	11,911	-
Individual Vasil Pkhakadze	Ultimate Beneficiary	3,393	-	5,012	-
Outdoor.ge LLC	Other	1,487	-	1,487	-
Revenue		**1,310**	**2,546**	**990**	**2,157**
Biograpi Living LLC	Other	388	842	59	636
JSC Wissol Petroleum Georgia	Other	343	648	343	448
V-Geo Restaurants	Other	236	634	187	626
Kiosk Georgia	Other	145	229	95	218
Sakeni by Biograpi LLC	Under Common Control	-	68	157	68
MP Development LLC	Other	0	40	0	40
Zugdidi Palace LLC	Other	23	37	-	-
JSC Smart Retail	Other	16	28	16	28
Wissol Auto Express LLC	Other	137	13	71	3
Matiani by Biograpi LLC	Under Common Control	0	7	0	7
Ven Georgia LLC	Other	14	-	14	-
Outdoor.ge LLC	Other	8	-	-	-
Krakeni 8 LLC	Under Common Control	-	-	48	83
Cost of Goods Sold		**-58**	**-63**	**-73**	**-78**
JSC Wissol Petroleum Georgia	Other	-39	-37	-39	-37
Wissol Auto Express LLC	Other	-7	-14	-7	-14
MP Development LLC	Other	-12	-12	-12	-12
Kostava Towers LLC	Under Common Control	-	-	-15	-15
General and Administrative Expenses		**-314**	**-682**	**-392**	**-805**
Vasil Pkhakadze	Ultimate Beneficiary	-260	-342	-260	-342
Levan Pkhakadze	Ultimate Beneficiary	-44	-331	-44	-331
JSC Smart Retail	Other	-	-7	-	-7

JSC Wissol Petroleum Georgia	Other	-2	-2	-2	-1
Biograpi Living LLC	Other	-8	-	-8	-
Krakeni 8 LLC	Under Common Control	-	-	-78	-124
Inventory Purchases		**277**	**338**	**277**	**337**
JSC Wissol Petroleum Georgia	Other	261	308	261	308
JSC Smart Retail	Other	16	30	16	29
Acquisition of Property, Plant and Equipment and Investment Property		**17,514**	**-**	**17,514**	**-**
JSC Wissol Petroleum Georgia	Other	17,513	-	17,513	-
MP Development LLC	Other	1	-	1	-
Profit/(Loss) from Disposal of Non-Current Assets, Net		-	-	-1	-
MP Development LLC	Other	-	-	-	-
Krakeni 8 LLC	Under Common Control	-	-	-1	-
Finance Costs		**-2,412**	**-3,061**	**-2,469**	**-3,061**
Levan Pkhakadze	Ultimate Beneficiary	-958	-1,553	-958	-1,553
Soso Pkhakadze	Ultimate Beneficiary	-621	-787	-621	-787
Vasil Pkhakadze	Ultimate Beneficiary	-620	-454	-620	-454
Zugdidi Palace LLC	Other	-91	-170	-91	-170
Outdoor.ge LLC	Other	-122	-97	-122	-97
JSC Wissol Petroleum Georgia	Other	-	-	-	-
Sakeni by Biograpi LLC	Under Common Control	-	-	-57	-
Finance Income		**2,970**	**2,863**	**3,713**	**4,716**
VELLAGIO LLC	Other	1,135	2,000	1,135	2,000
Idea LLC	Other	-	497	-	421
Global Investors Limited	Ultimate Beneficiary	514	340	514	340
Prime Property Group LLC	Other	22	21	22	21
Startup Studio LLC	Under Common Control	-	4	6	4
MP Property LLC	Other	-	1	-	1
Wissol Group LLC	Other	-	0	-	0
Isani Towers LLC	Under Common Control	1,041	-	1,041	-
JSC Wissol Petroleum Georgia	Other	234	-	234	-
Matiani by Biograpi LLC	Under Common Control	24	-	24	-
Millennium Towers LLC	Under Common Control	-	-	0	782
Kostava Towers LLC	Under Common Control	-	-	701	733

A Energy LLC	Under Common Control	-	-	-	347
Alma Lisi LLC	Under Common Control	-	-	2	31
JSC Laguna	Other	-	-	21	25
Lomsia LLC	Under Common Control	-	-	12	11
Sakeni by Biograpi LLC	Under Common Control	-	-	1	-

Material Contracts of the Issuer

License-Related Contracts

Due to the nature of its business activities, the Company has contracts with various suppliers who provide materials related to outdoor advertising structures and printing operations.

In addition, the Company signs license agreements with various city municipalities. The duration of these contracts ranges from 10 to 59 years and matches the validity period of the corresponding license. The license agreements specify in detail each area where the Issuer is permitted to place advertising media, as well as the types of advertising structures the Company is authorized to install.

The license agreements typically impose the following obligations on the licensee:

- The licensee is required to install the specified number of structures within a set period;
- The licensee is required to pay a one-time license fee or an annual fee;
- Often, the agreement includes a minimum investment amount that the licensee must make for the installation of the structures;
- In some cases, the licensee is required to provide a bank guarantee equal to the investment amount or a portion/sum of the license fee;
- Agreements for advertising on municipal territory include a maximum number of advertising objects that may be installed under the license.

If the licensee fails to fulfill any obligation outlined in the agreement, the licensing municipality has the right to issue a written demand for compliance or to remedy the damage. If the licensee fails to comply within the contractual time frame, the municipality may request contract termination.

For more details on licenses obtained by the Companyplease refer to the subsection **"Information on Key Patents, Licenses, and Resources Used in Business Operations"**.

Customer-Related Contracts

The Company enters into agreements with customers to lease various types of advertising assets. Rental prices depend on numerous factors and are generally set per unit (e.g., per bus, per banner, etc.). These contracts are typically short-term, with a duration of less than one year, except for contracts signed with JSC TBC Bank.

The Company has signed 3-year and 10-year service agreements with JSC TBC Bank, under which it has received advance compensation for advertising services. The revenue received under these agreements is recorded as a contractual liability.

Periodically, after services are rendered, the relevant portion of the payment is recognized as income, reducing the contractual liability accordingly. As of December 31, 2024, the Company's contractual liability was GEL 12,875 thousand. For more details please refer to "**Operating and Financial Review" – "Contractual Liabilities"**.

Legal Disputes

Material Legal Dispute

As of the date of the Prospectus, the Issuer is involved in the following material legal case:

- Plaintiff: Alma LLC
- Defendant: Art Platform LLC
- Subject of Dispute: Fulfillment of monetary obligation. Alma LLC provided advertising services to the defendant (confirmed by invoices), but the defendant failed to fully pay the service fees. The plaintiff's principal claim amounts to GEL 270,500, with a daily penalty of GEL 1,352.5 accruing from the date of the breach.

The lawsuit has been admitted. The complaint and attachments could not be delivered to the defendant despite attempts, prompting a request for delivery via police or public notice. Public notice was granted. In order for the court to issue a default judgment, the Issuer reduced the penalty claim to 0.1% per overdue day (GEL 270.5). A third-party claim worth GEL 100,000 against JSC Wissol Petroleum Georgia has been seized.

A default judgment was issued and entered into force, and Alma LLC obtained a writ of execution. However, since the defendant currently has no operations or assets, there is little chance of successful enforcement. The Issuer is therefore refraining from initiating enforcement at this time and is monitoring the company for any future opportunities to recover the debt.

Apart from the case above, the Issuer is involved in several immaterial legal proceedings, where each claim does not exceed GEL 100,000. Specifically, over the last 12 months:

- 16 ongoing cases, totaling GEL 203,551
- 2 completed cases, totaling GEL 16,945
- 7 simplified enforcement cases, totaling GEL 40,357

- 29 forced enforcement cases, totaling GEL 291,495

Legal Disputes of Other Group Members

- Lomsia LLC – defendant in a claim amounting to USD 5,611.4 (GEL equivalent)
- Kraken LLC – plaintiff against Goreo LLC, demanding GEL 48,000 for lease-related obligations.

Material Changes in Financial or Commercial Condition of the Issuer

Except as disclosed in this Prospectus, there have been no material changes in the Issuer's financial or commercial condition between December 31, 2024 and the date of the Prospectus.

Due to the nature of the business, the Company has no material contracts other than those disclosed in the "Operating and Financial Review" section.

Overview of Securities

Statement on Working Capital

The Company's/Group's working capital over the periods is presented below:

(in thousand GEL)	Company 31.12.2023 Unaudited	Company 31.12.2024 Unaudited	Company 31.12.2024 **Pro forma**	Group 31.12.2023 Unaudited	Group 31.12.2024 Unaudited	Group 31.12.2024 **Pro forma**
Working Capital	(27,214)	10,932	10,932	(36,922)	(69,148)	14,020

As of 31 December 2023, the Company's working capital was negative, primarily due to a 56% decrease in issued loans compared to the same period of the previous year. This picture significantly improved in 2024, when the Company's working capital became positive, driven by a substantial increase in the current portion of issued loans.

Throughout the historical periods presented in the Prospectus, the Group's working capital has been negative. However, it is noteworthy that in 2024, the Group's negative working capital was primarily attributable to the current portion of loans held by Kostava Tower LLC and Millennium Tower LLC. Since, as of 2025, these two entities are no longer part of the Group, the pro forma effect of their exclusion has significantly improved the working capital indicator, which is now sufficient to finance the operating activities of the Group/Company.

In addition, the issuance of the Bonds will allow for the partial refinancing of existing loans, which will result in a significant reduction of the current portion of liabilities, thereby further improving the working capital position of the Company/Group.

The current portion of loans as of the relevant dates is presented below:

(in thousand GEL)	Company 31.12.2023 Audited	Company 31.12.2024 Audited	Company 31.12.2024 **Pro forma**	Group 31.12.2023 Audited	Group 31.12.2024 Audited	Group 31.12.2024 **Pro forma**
Current Portion of Borrowings	44,938	54,373	54,373	45,133	109,130	54,373

Terms and Conditions of Bonds

On 8 January 2025, shareholders of the Company authorized the issue and public offering direct, unsubordinated, and unsecured Bonds in the aggregate nominal value of USD 40,000,000 (forty million) or its equivalent in other currency with fixed interest rate. The Bonds may be issued in USD and/or in EUR. In case Bonds are issued in EUR, the aggregate nominal value theoreof shall correspond to the maximum amount defined in this prospectus (the **Prospectus**), based on the exchange rate applicable on the date of the issue. The maturity term of the Bonds may be defined as one of the following terms: 1) 1 year; 2) 2 years; 3) 3 years; 4) 4 years; 5) 5 years.

The interest rate of the Bonds and the Maturity Date, as well as the Terms and Conditions of the Bonds and the rights of the Bondholders, shall be determined by the given Prospectus, the Terms and Conditions of the Bonds (the **Terms of the Bonds** or **Terms**) and the Final Term Sheet Document of the Bonds (the **Final Term Sheet**).

The final coupon (interest) rate applicable to the nominal value of the Bonds shall be determined during the bond offering process to potential investors, based on the volume and terms of demand expressed for the purchase of the Bonds (Book-building process). The final coupon rate, falling within the determined range, shall be specified in the Preliminary Term Sheet provided to potential investors during the offering process. For each public offering, the book-building process shall not commence prior to the submission of the Preliminary Term Sheet to the National Bank of Georgia and its publication. Furthermore, the formation of the final coupon rate within the range defined in the preliminary term sheet shall not constitute a material change and will only require reflection in the Final Term Sheet/Prospectus.

The Terms of the Bonds and the rights of the Bondholders are governed by: this Prospectus, including these Terms, and the agreement concluded between the Issuer and the Bondholders' Representative. For the avoidance of doubt, in the event of any conflict or inconsistency between the prospectus approved by the National Bank of Georgia and the agreement executed with the Bondholders' Representative, the provisions of the prospectus shall prevail.

In addition to Terms of the Bonds described in other chapters of this Prospectus (including the general terms of the offering), this chapter on the Terms and Conditions of the Bonds also sets out certain additional terms applicable to the Bonds. Payment of principal and interest shall be made in accordance with the terms of the Calculation and Paying Agent Agreement executed by the Company and JSC Galt & Taggart, the latter acting as Calculation and Paying Agent. Each Bondholder shall be entitled to review a copy of the Calculation and Paying Agent Agreement and the agreement executed with the Bondholders' Representative available at the address of the Calculation and Paying Agent specified in this Prospectus.

Information Regarding the Securities Offered

2.1. Type and Class of Security Offered / Admitted to Trading

The Bonds represent the direct, unsecured obligations of the Company, ranking *pari passu* with each other and with all other unsecured and unsubordinated obligations of the Company. The Bonds are not obligations of any government.

2.2. Governing Law of the Bonds

The Bonds are issued in accordance with the laws of Georgia.

2.3. Information Regarding the Depository

JSC Georgian Central Securities Depository (identification code: 204935400), Telephone: (+995 32) 2 50 02 11, Address: 71 Vazha-Pshavela Avenue, 10th floor, Tbilisi, Georgia.

2.4. Currency of Denomination of the Securities

For each individual issuance (with the final issuance occurring no later than 12 months following the approval of the Prospectus, as specified in the relevant Final Term Sheet), the Bonds are issued in dematerialized form, with a nominal value of USD 1,000 (one thousand) or EUR 1,000 (one thousand) per Bond. The denomination for each respective issuance shall be specified in the applicable Final Term Sheet.

2.5. Ranking of Securities in Issuer's Capital Structure in Case of Insolvency

The Bonds constitute unsecured obligations of the Company, ranking *pari passu* with each other and with all other unsecured and unsubordinated obligations of the Company. Accordingly, claims related to the Bonds will not be secured by any specific immovable or movable assets of the Company. Therefore, in the event of the Company's insolvency, pursuant to the Law of Georgia on Rehabilitation and Collective Satisfaction of Creditors' Claims, the Bondholders will be satisfied as unsecured creditors, meaning that secured creditors (those whose claims are secured by the Company's assets via mortgage or pledge) will have priority over unsecured creditors with respect to the collateral. Article 104 of the aforementioned law governs the order and priority of distribution of the insolvency estate, and under subparagraph (c.c) of Paragraph 1 of Article 104, the Bondholders' claims fall under the category of unsecured claims.

2.6. Description of the Rights and Restrictions Applicable to the Securities and the Procedure for the Exercise of Such Rights

The Terms of the Bonds and the rights of the Bondholders are defined by this Prospectus, including the present Terms, and the Agreement executed between the Issuer and the Bondholders' Representative.

2.6.1. Appointment of the Bondholders' Representative

By acquiring the Bonds (whether through primary placement or on the secondary market), each Bondholder and/or Account Provider appoints the Bondholders' Representative as its representative in all matters related to the Bonds that are governed by these Terms and the Agreement, and authorizes the Bondholders' Representative to act on behalf of such Bondholder and/or Account Provider (without obtaining prior consent, unless obtaining such consent is explicitly required under the Terms, the Agreement, and/or applicable legislation) in any legal proceedings related to the Bonds recorded in the name of such Bondholder or Account Provider.

Each Bondholder and/or Account Provider shall, upon request, promptly provide the Bondholders' Representative with any documentation, including a written power of attorney (in a form and substance acceptable to the Bondholders' Representative), that the Bondholders' Representative deems necessary to perform its rights and/or obligations under the Terms and/or Agreement and to protect the interests of the Bondholders under the Prospectus (including the Terms) and the Agreement (excluding the declaration of an Event of Default and the commencement of enforcement procedures). The Bondholders' Representative shall not be obligated to represent any Bondholder that (or the Account Provider of which) fails to comply with this requirement.

Bondholders shall be entitled to act directly against the Issuer in accordance with the Terms. This does not affect or negate/cancel the right of the Bondholders' Representative to receive any information specified herein or to issue the consents/waivers contemplated herein, provided, however, that in the event of an Event of Default, the Bondholders' Representative shall act solely pursuant to a Special Resolution and within the scope of authority granted thereby, if such exists.

In performing its functions, the Bondholders' Representative shall consider the interests of the Bondholders as a class and not the individual interests of any particular Bondholder and shall not be obligated to take into account any specific individual consequences that may affect individual Bondholders due to, *inter alia* and without limitation, such Bondholder's place of residence, nationality, or the jurisdiction of any specific territory or political subdivision. Accordingly, neither the Bondholders' Representative may demand, nor may any Bondholder or Account Provider assert any claim against the Issuer for the reimbursement or payment of any tax liabilities incurred by any individual Bondholder as a result of the actions of the Bondholders' Representative in the performance of its functions.

2.6.2. Covenants

(a) Restriction on the Creation of Security Interests

For as long as any Bond remains outstanding, the Issuer shall not, directly or indirectly, create or permit to subsist any Security Interest (or any other legal restriction) over any existing or future assets of the Issuer to secure any Indebtedness, unless the Free Assets ratio is at least 80% (eighty percent), where the ratio is calculated as the value of Free Assets divided by the principal amount of the placed Bonds.

When calculating Free Assets, all types of Free Assets will be considered, except for the following asset categories that shall be excluded:

i) right-of-use assets;

ii) issued loans;

iii) investments.

(b) Continuation of Business, Maintenance of Authorizations, and Legal Validity

Notwithstanding any and all other provisions of the Prospectus, the Issuer shall take all necessary actions to maintain its corporate existence and to continue its business operations and to utilize all material permits related to its business, including obtaining all required consents, licenses, confirmations, and authorizations.

The Issuer shall also take all necessary actions to maintain the legal force of such permits, confirmations, licenses, and consents, and shall take all measures required by Georgian legislation and regulations to lawfully fulfill its obligations arising out of the Bonds and to ensure the legality, validity, enforceability, and admissibility as evidence of the Bonds in Georgia.

(c) Merger:

The Issuer shall not, without the prior written consent of the Bondholders:

(x) undergo any type of reorganization (through merger, division, or transformation into another legal-organizational form); or

(y) directly or indirectly, through/as part of one or more related transactions, merge or consolidate one or more companies; or

(z) sell, dispose of, transfer, lease, or otherwise dispose of all or a substantial part of the Issuer's property or assets in case/within the merger,

except where:

A. Immediately upon the completion of any transaction listed in subparagraphs (x), (y), or (z): the resulting or remaining entity or transferee (Successor) shall be the Issuer or, if not the Issuer, such Successor shall fully assume all rights and obligations of the Issuer arising from the Bonds;

B. Immediately upon the completion of any transaction listed in subparagraphs (x), (y), or (z): the Successor (if not the Issuer) retains or acquires all rights and obligations of the Issuer arising under all material permits, licenses, approvals, and authorizations, and complies with all material regulatory requirements in each jurisdiction where it operates;

C. As a result of such transaction, no Event of Default shall occur or continue; and

D. The relevant transaction described in subparagraphs (x), (y), or (z) does not have a material adverse effect on the Issuer's or Successor's ability to timely pay obligations arising under the Bonds or any other Financial Indebtedness, or on the Company's business prospects and financial condition.

(d) Disposals:

(d.a) Unless otherwise provided in these Terms, and without prejudice to the provisions of clause 2.6.2(c) (Merger) of the Terms, the Issuer shall not, in one or more transactions (whether or not related), sell, transfer, lease, or otherwise dispose of all or any part of its income or assets to any Person, except to the Issuer itself. This restriction shall not apply if the aggregate amount of such disposals does not exceed 10% of the Issuer's assets, as reflected in the latest IFRS-based standalone (individual) balance sheet prepared in accordance with IFRS. For the avoidance of doubt, the term disposal/disposals in this paragraph does not include using assets as security, which is regulated by the applicable specific provisions.

(d.b) If at the Bondholders' meeting, convened to approve a disposal exceeding 10% of the Issuer's assets, the required Special Resolution that it in favor of the Company is not passed, the Company shall have the right to redeem the portion of the Bonds held by Bondholders who voted against the disposal. Such Bondholders shall be obliged to sell their Bonds to the Company at 100% of their nominal value.

(d.c) The restrictions provided under this clause 2.6.2(d) of the Terms shall not apply to the following transactions:

(i) Any such encumbrance of any property (including cash, securities, and intangible assets) that falls under Security Interest definition shall not be considered a Disposal for the purposes of this paragraph and shall be subject to clause 2.6.2(a);

(ii) Disposals related to leasing, sale, creation, purchase, or disposal of assets if it is conducted within the ordinary course of business;

(iii) Full or partial sale of shares by the Issuer in Hisni by Biograpi LLC (ID 404614681), Sakeni by Biograpi LLC (ID 404651015), and Matiani Biograpi LLC (ID 404614707).

(d.d) For the avoidance of doubt, none of the cases listed under subparagraph (d.c) above shall in any case include or apply to the disposal of licenses and/or permits related to advertising services held by the Issuer at any time.

(e) Tax Payments:

The Issuer shall pay, within the prescribed timeframe, any Taxes assessed in connection with its income, profits, or property. For the purposes of this Prospectus, the Issuer shall not be liable for the non-payment of any Taxes if:

(i) the amount, applicability, or validity of such Taxes is being contested in good faith through appropriate legal proceedings and adequate reserves have been established in accordance with IFRS; or

(ii) the amount of such Taxes, together with all other such Taxes or similar claims, does not in aggregate exceed 2% (two percent) of the Issuer's total standalone assets (calculated in accordance with IFRS).

(f) Financial Indebtedness:

(i) The Issuer is prohibited from incurring or otherwise undertaking liability for any kind of Financial Indebtedness if:

a. such Financial Indebtedness would result in the occurrence of an Event of Default; or

b. at any Reporting Date prior to the Maturity Date, the Issuer's net Financial Indebtedness (taking into account such new Financial Indebtedness) would exceed 4.5 times the Issuer's EBITDA* based on the most recent audited or semi-annual unaudited financial statements prepared in accordance with IFRS.

***EBITDA** (Earnings Before Interest, Taxes, Depreciation, and Amortization) means:

Profit from the Company's operating activities + depreciation and amortization expenses, -(+) net income (loss) from disposal of a subsidiary, -(+) net income (loss) from sale of participation in a subsidiary, -(+) other net income (loss), + impairment of investments in other companies, - reversal of impairment of non-current assets, + change in impairment allowance of financial assets, +(-) net loss/(gain) from sale of non-current assets.

****Financial Indebtedness** means, with respect to any Person at any specified time (without duplication):

1. all indebtedness of such Person for borrowed money, excluding cash-collateralized obligations;
2. all obligations of such Person evidenced by Bonds, promissory notes, or similar instruments;
3. any lease obligations recognized as finance leases under IFRS;
4. any other financial obligations recognized in accordance with IFRS.

*****Net Financial Indebtedness** means, with respect to any Person at any specified time, Financial Indebtedness minus cash and cash equivalents, excluding restricted cash.

(g) Financial Information:

(i) The Issuer undertakes to provide the Bondholders, in accordance with the procedures set out in these Terms, and to publish on the Issuer's website, by no later than 15 May following the end of each financial year, copies of its standalone (individual) and audited financial statements for such financial year, prepared in accordance with IFRS, together with the relevant Auditor's opinion.

(ii) The Issuer undertakes to provide the Bondholders, in accordance with the procedures set out in these Terms, and to publish on the Issuer's website, by no later than 30 August following the end of the second quarter of each financial year, copies of its standalone (individual) and unaudited financial statements (balance sheet, profit and loss statement, cash flow statement) for the six-month period, prepared in accordance with IFRS. In case of immaterial discrepancies, submission may be made through a so-called Letter of Immateriality, which shall be deemed as proper submission of the statements.

(iii) If the Bondholders' Representative or Bondholders who, directly or through an Account Provider, hold more than 25% of the outstanding Bonds reasonably believe that an Event of Default has occurred, they shall have the right to request, and the Issuer shall be obligated to provide, information directly related to the alleged Event of Default. In such case, the Issuer must promptly deliver the requested information to the Bondholders' Representative or to the Bondholders and the Account Provider that submitted the relevant written request. Such written request may be made in one or more documents of the same form, each signed by one or more Bondholders and/or Account Providers and/or by the Bondholders' Representative or on their behalf. Such request may also be made in the form of a resolution adopted by the Meeting of Bondholders.

(h) Maintenance of Insurance:

The Issuer shall insure its assets, where such insurance is reasonably available in the market, with insurers that, in the Issuer's assessment, are in good financial standing. The insurance must cover loss or damage risks to the extent generally insured for similar types of property in Georgia by companies that operate in a comparable manner and own similar property.

(i) Compliance with Applicable Law:

The Issuer shall, at all times, take every effort to fully comply with all provisions of applicable law, including legal acts and regulations issued by governmental authorities, any violation of which could have a material adverse effect on the Company's operations or could significantly harm the interests of the Bondholders.

(j) Change of Business:

The Issuer must ensure that there is no material change in the nature and scope of its business activities as carried out as of the Issue Date.

(k) Change of Control:

The Issuer shall ensure that no Change of Control occurs prior to the full repayment of obligations owed to the Bondholders. For the purposes of this section, Change of Control means, directly or indirectly, as a result of one or more related transactions:

(1) the transfer of all or substantially all of the Issuer's assets or property (taken as a whole) to any other Person; or

(2) the transfer, in each case, to any Person other than an Affiliated Person, of:

(i) 50.0% or more of the Issuer's equity interest; or

(ii) 50.0% or more of the Issuer's voting rights (whether by proxy, contract, or otherwise); or

(3) the transfer of any amount of voting rights (whether by proxy, contract, or otherwise) to any Person other than an Affiliated Person that grants such Person the right to appoint a director or a majority of the directors/members of the board of directors.

(l) Prohibited Payments

The Issuer shall not permit or make (directly or indirectly) any of the following: declare or pay dividends, in cash or in any other form; make any other distribution (including by way of redemption, repurchase, or otherwise) in respect of its capital, except in favor of the Issuer itself; grant any loan; or make any contribution (whether direct or indirect) to any Issuer's Equity Participation Enterprise (each such payment or action being deemed a Prohibited Payment), if:

(a) At the time of such payment, an Event of Default or Potential Event of Default has occurred and is continuing or would be expected to occur as a result of making such payment; and/or

(b) At the time of and immediately after such payment, the Debt Service Coverage Ratio is less than 1.1.

(m) Transactions with Affiliated Persons

(I) The Issuer shall not, directly or indirectly, engage in or permit any activity or transaction (including the purchase, sale, disposal, transfer, lease, or exchange of property or services) with or for the benefit of any Affiliated Person (the "**Transaction with Affiliated Persons"**), including granting or receiving loans, unless the terms and conditions of such transaction (taking into account the status of the relevant Affiliated Person) are on an arm's length basis and are no less favorable to the Issuer than those that would be obtainable at Fair Market Value, in a transaction with a Person that is not an Affiliated Person of the Issuer.

(II) In case of a Transaction with an Affiliated Person, where one or more transactions (whether or not such transactions are related) in aggregate exceed, within any 12 months period the greater of USD 10,000,000 or 10% of the Issuer's individual total assets as reported in the standalone (individual) balance sheet prepared in accordance with IFRS for the most recent fiscal period, the Issuer shall, prior to entering into such transaction(s), provide the Bondholders' Representative with a written opinion from an Independent Appraiser confirming that the Transaction with an Affiliated Person (or series of transactions) will be carried out at Fair Market Value and is fair from a financial point of view of the Issuer, given the circumstances.

(III) The following transactions shall not be considered Transactions with Affiliated Persons and shall therefore not be subject to the restrictions set forth in sub-clauses (I) and (II):

(a) Employment, service, or management contracts entered into by the Issuer within the ordinary course of its business that are consistent with the Issuer's past practice; and other contracts concluded within the ordinary course of the Issuer's business, carried out on an arm's length basis;

(b) Transactions between the Issuer and its Subsidiary where the transaction value does not exceed the greater of 10% of the Issuer's standalone (individual) total assets based on the most recent reporting period or USD 10,000,000;

(c) Reasonable compensation paid to the members of governing bodies who are not otherwise Affiliated Persons of the Issuer;

(d) Any loan or other financing provided to the Issuer by its direct or indirect founder/shareholder for the purpose of financing the Issuer's operations.

2.6.3 Interest

(a) Interest Payment Dates

Interest on each Bond shall accrue in accordance with the Final Term Sheet.

All payments shall be made on the specified Interest Payment Date or the Maturity Date, as applicable, based on the list of investors/first-level Account Providers authorized by the investor, prepared by the Central Depository (ID No. 204935400), who are recorded as securities holders three (3) Business Days prior to the applicable Interest Payment Date or Maturity Date, by the close of business hours (the "**Record Date**"), except when the Interest Payment Date or Maturity Date falls on a non-Business Day in Georgia, in which case payment shall be made on the first succeeding Business Day following the Interest Payment Date or Maturity Date. For the purposes of these Terms, the day on which payment is made by the Payment and Calculation Agent shall be deemed the payment date, and accordingly, the Issuer's obligation shall be considered fulfilled, regardless of when the amount is credited to the Bondholder's account.

(b) Interest Calculation

Interest shall be calculated based on actual calendar days in the relevant Interest Accrual Period, using the following convention: 30/360 ISMA, also known as the 30/360 European or Eurobond Basis Day Count Convention (DCC) = numerator / 360.

Numerator formula:

(1) If D1 = 31, then D1 = 30

(2) If D2 = 31, then D2 = 30

(3) The last day of February is not treated separately

(4) Numerator = (D2 - D1) + 30 × (M2 - M1) + 360 × (Y2 - Y1),

where D stands for day, M for month, and Y for year.

Interest accrues from the previous Interest Payment Date or the Settlement Date (for purposes of these Terms, the **"Settlement Date"** means the date on which each Investor makes payment of the relevant funds in exchange for receiving the Bonds) to the next Interest Payment Date or Maturity Date (excluding such date).

For the avoidance of doubt, if an Interest Payment Date is postponed to the next Business Day, interest will accrue up to (but excluding) that date, and the number of actual days in that period may exceed 180 days. Since the next period is then calculated from the (postponed) Interest Payment Date to the following Interest Payment Date (excluding that date), it may contain fewer than 180 days, assuming the next Interest Payment Date falls on a Business Day.

If the interest amount payable on the Bonds calculated under these Terms is not a multiple of USD 0.01, such amount shall be rounded to the nearest multiple of USD 0.01 (amounts from USD 0.005 to USD 0.009 shall be rounded up).

Interest accrual on the Bonds shall cease as of their Maturity Date, except in cases where it is proven, upon submission of appropriate evidence, that the principal amount was wrongfully withheld or refused. In such cases, interest shall continue to accrue until the redemption of the Bonds or until notice of payment of the redemption amount to the Payment and Calculation Agent is provided to the Bondholders.

The **Interest Accrual Period** means a period of 180 (one hundred eighty) calendar days beginning on an Interest Payment Date and ending the day before the next Interest Payment Date, except for the first period, which begins on the Settlement Date and ends the day before the following Interest Payment Date, and the last period, which begins the day before the last Interest Payment Date and ends on the Maturity Date (excluding that date).

(c) Settlement and Payments

Settlement:
(i) Settlement shall be made in the relevant currency on the Interest Payment Date, for the benefit of the Bondholders and the Account Providers, by transferring the amount to the brokerage account held with the Placement Agent. If a Bondholder holds the Bonds directly with the Central Depository, such Bondholders and the Account Provider must provide the Depository with updated, complete, and accurate information about their bank accounts where any payments related to the Bonds will be made. Additionally, if the Bondholders do not hold the Bonds directly with the Central Depository, the Bondholder must ensure that updated, complete, and accurate bank account information is provided to the Account Provider for such payments.

Neither the Issuer, the Depository, nor the Payment and Calculation Agent shall be liable for any failure or inability to make payments if the Bondholder and/or Account Provider fails to timely provide the Depository with their bank account details or fails to update such information by the Interest Determination Date despite a request from the Issuer or the Depository.

(ii) If the brokerage account specified above is not opened with the Placement Agent by the Bondholder or the Account Provider, service fees may be deducted from the executed payments.

(iii) The Issuer is obligated to deposit the required funds in US Dollars or Euros (depending on the currency of the respective Bond) into the Payment and Calculation Agent's bank account no later than 1 (one) Business Day prior to the applicable payment date, and to instruct the Payment and Calculation Agent to make the relevant transfers. The Payment and Calculation Agent shall be authorized, but not obligated, to execute without a specific instruction the transfer of matured payments (interest and/or principal) relating to the securities, provided that the Issuer has deposited sufficient funds in its account with the Payment and Calculation Agent. These transfers shall be made to the accounts of Account Providers supplied by the Depository, proportionally to the securities held in their names, and the Payment and Calculation Agent shall inform the Depository accordingly. If the Issuer fails to deposit sufficient funds in the Agent's account, the Payment and Calculation Agent shall notify the Issuer, the Account Providers, and the Depository.

(iv) Without prejudice to the Bondholders' rights under these Terms to receive full amounts of principal and accrued interest, if the amount paid on any payment date is less than the amount due on such date, the Issuer shall proportionately allocate the available funds among the Bondholders based on their respective shares.

(v) Settlement procedures and restrictions are further defined by applicable legislation, as well as by the rules and procedures developed by the Depository and other relevant securities market participants, and in accordance with the agreement entered into with the Payment and Calculation Agent.

Delayed Payments / Non-Business Days:

A Bondholder may not demand any penalty for late payment of any amount due if the scheduled payment date does not fall on a Business Day. Payment of the matured amount shall be made on the next Business Day, along with the accrued interest, adjusted for the number of days of the delayed payment.

2.6.4 Early Redemption of Bonds

(a) Early redemption of the Bonds shall not be permitted, except in cases specifically defined by this Prospectus.

(b) The Issuer shall always have the right to repurchase its own Bonds on the market under conditions agreed with the relevant Bondholder and may subsequently either reissue or cancel them.

(c) The Issuer shall have the right, prior to the Maturity Date, to offer the Bondholder(s) redemption of the Bonds, in whole or in part, by paying the outstanding principal amount together with the accrued and unpaid interest as of the redemption date. Upon acceptance of such offer by the Bondholder(s), the respective portion of the Bonds shall be deemed redeemed by the Issuer through payment of the outstanding principal and accrued and unpaid interest by the redemption date. For the avoidance of doubt, the relevant portion of the Bonds shall be considered redeemed only upon acceptance by the respective Bondholder(s) of the Issuer's offer, and the decision to accept or reject such offer shall remain entirely and unconditionally at the sole discretion of the respective Bondholder(s). If the Bonds are not redeemed, repurchased, or cancelled prior to the Maturity Date, redemption shall occur on the specific date set forth in the Final Term Sheet.

(d) Beginning on the date falling one (1) year after the Bond issuance date, the Issuer shall have the right, but not the obligation, to redeem the Bonds, in whole or in part, by providing no less than fifteen (15) and no more than sixty (60) days' prior written notice. The redemption shall be effected at 100.5% of the nominal value of the Bonds, together with any accrued but unpaid interest on the Bonds being redeemed, if any, up to the applicable redemption date. Interest shall cease to accrue on the Bonds (or the portion thereof) that are subject to such redemption from the relevant redemption date, except in cases where the Issuer fails to pay the redemption price.

2.6.5 Ownership and Taxation

(a) Ownership

Since the transfer of ownership rights to the Bonds credited to the respective individual segregated account held at the Central Depository or with the Account Provider occurs through the crediting of dematerialized securities to the securities account opened in the name of the Investor, the Company and the Calculation and Paying Agent shall consider only the Bondholders as the legitimate owners for the purposes of payment and any other purposes (regardless of any notification regarding ownership rights), whether or not the Bond or, in the case of interest payment, such payment is overdue. All payments made to such Bondholders shall be deemed as proper and sufficient performance by the Company and the Calculation and Paying Agent of their obligations with respect to such Bond, within the amount paid.

Bondholders are entitled to transfer the Bonds, provided they duly notify the Depository or the Account Provider of such transfer. In case of failure to meet this obligation, the transferor shall bear full responsibility, without recourse to the Issuer or the Account Provider.

For the avoidance of doubt, pursuant to the Prospectus and applicable Georgian legislation, in the event of transfer of the Bonds, assignment of claims arising from or related to the Bonds, and full acquisition by the New Bondholder, the extract issued by the Account Provider, confirming the New Bondholder's ownership of the Bonds, shall constitute sufficient evidence for verification purposes and no additional documentation shall be required for such verification.

(b) Taxation

Payments of principal and interest on the Bonds by or on behalf of the Issuer shall be made net of all applicable withholding taxes, if any, at source. If, under the applicable legislation, the Issuer determines that the interest payment is exempt from withholding tax, the Issuer shall not withhold such tax, and the Bondholder shall be entitled to receive the full amount without any tax deduction.

2.6.6. Events of Default

(I) If any of the following events (each, an Event of Default) occurs and continues, the Bondholders shall be entitled, by means of a Special Resolution, either personally or through the provision of relevant instructions to the Bondholders' Representative, to declare all claims arising from the Bonds to be immediately due and payable by sending written notice to the Issuer, and to require the Issuer to redeem the Bonds immediately and pay 100% (one hundred percent) of the principal amount (nominal value) and any accrued interest (if any):

(a) Payment Default: The Issuer fails to pay any amount of principal or interest due on any Bond on its due date and such failure continues for a period of 5 (five) Business Days after the due date; or

(b) Breach of Other Obligations: The Issuer fails to perform or breaches any other obligation(s) under the Bonds, including financial covenants and other terms stipulated under this Prospectus, which, in the argumented and reasonable opinion of the Bondholder(s) or the Bondholders' Representative:

(i) is not capable of being remedied and is material or recurrent in nature, or

(ii) is capable of being remedied but has not been remedied within 30 (thirty) calendar days following the delivery of written notice of such breach by the Bondholders' Representative to the Issuer;

or

(c) Cross-Default:

a) Any borrowed or otherwise raised funds of the Issuer become, or are capable of being declared, due and payable prior to their stated maturity as a result of any default (as defined in the respective agreement), or

b) any Debt is not paid when due or within any applicable grace period;

provided, however, that an Event of Default shall not be deemed to have occurred under this clause (c) if at least one of the following conditions applies:

i) the total amount of the relevant Debt, in one or multiple cases affected under this clause 2.6.6(c), does not exceed 2% (two percent) of the Issuer's Total Standalone (Individual) Assets (calculated based on the results of the last financial year in accordance with IFRS), or the equivalent amount in any other currency; or

ii) the Issuer, in good faith and on reasonable grounds, disputes the obligation to make such payment.

(d) Insolvency:

(i) The occurrence of any of the following events:

a. the Issuer initiates voluntary liquidation or insolvency proceedings;

b. an insolvency petition is filed by any Person against the Issuer and is not dismissed within 90 (ninety) calendar days of filing;

c. negotiations commence between the Issuer and its creditors regarding a general settlement of all or subsentially all of its debts outside of court;

d. liquidation proceedings are initiated against the Issuer on the basis of a criminal court decision; or
(ii) the Issuer is unable or fails ensure to pay its debts as they fall due; or

(iii) the Issuer's partners approve any plan for liquidation or dissolution of the Issuer.

(e) Unsatisfied Judgments or Government Actions:

A final and binding judgment, decree, ruling, or order is issued by a court or other competent government authority requiring the Issuer to pay a monetary amount:

(i) in excess of 2% (two percent) of the Issuer's Total Standalone (Individual) Assets (calculated in accordance with IFRS) or its equivalent in any other currency/currencies; or

(ii) resulting in:

a. full or partial dismissal of the Issuer's executive officer(s) or a full or partial restriction on the Issuer's ability to conduct business; or

b. confiscation, seizure, nationalization, expropriation, or compulsory disposal of revenues or assets (in whole or in part) with a book value equal to or exceeding 10% of the Issuer's total standalone income or total standalone (individual) assets.

(f) Enforcement:

Any enforcement proceeding is initiated against all or a substantial part of the Issuer's property, revenues, or assets, or a secured party (creditor) takes possession of or disposes of such property.

(g) Authorizations and Consents:

The Issuer fails to take necessary actions or breaches any condition (including obtaining or maintaining all required consents, approvals, authorizations, filings, licenses, orders, registrations, or other governmental permits) required:

(i) to lawfully enter into, exercise rights under, and fulfill payment obligations under the Bonds, or to comply with the covenants and other material obligations specified in this Prospectus;

(ii) to ensure the legal binding nature and enforceability of such obligations; and

(iii) to permit the submission of the Prospectus as evidence in a Georgian court.

(h) Invalidity or Illegality: The Issuer disputes the validity of the Bonds or this Prospectus, denies any obligation under them, or any of the Issuer's obligations becomes or is declared illegal, unenforceable, or no longer valid or legally binding.

(II) The Issuer has undertaken to immediately notify the Bondholders' Representative of the occurrence of any Event of Default or of any event or circumstance which, upon notice, lapse of time and/or the issuance of a certificate, would constitute an Event of Default (the "**Potential Event of Default**").

(III) The Issuer has also undertaken to deliver to the Bondholders' Representative, within 14 (fourteen) days of (a) the preparation of its annual audited financial statements, (b) each Interest Payment Date, and (c) any written request from the Bondholders' Representative, a certificate signed by its Director and Chief Financial Officer confirming that, to the best of their knowledge and belief following due inquiry, no Event of Default or Potential Event of Default has occurred as of the date of the certificate (the "**Confirmation Date**") since the date of the latest prior Confirmation Date (or in case no such prior Confirmation Date is applicable, from the Issue Date), or if such event has occurred, providing details thereof.

(IV) The Bondholders' Representative shall, on its part, notify the Bondholders of the occurrence of any Event of Default and explain their rights in relation to declaring an Event of Default and commencing enforcement. For the purposes of declaring an Event of Default and commencing enforcement, the Bondholders' Representative shall act only on the basis of a Special Resolution and within the scope of authority granted thereby, if such resolution exists.

2.6.7. Notices

The Issuer shall send any notices to the Bondholders to the Account Provider / Central Depository at the email address or physical address specified in this Prospectus. Bondholders shall send notices to the Account Provider at the email address or physical address indicated in this Prospectus, unless the Account Provider notifies the Investor otherwise in writing. Notices must also be sent to the Bondholders' Representative.

For the avoidance of doubt, if the notice under this clause is sent in physical form to the relevant address, such notice shall be deemed duly delivered and shall not require additional transmission via email. The Issuer shall provide the Account Provider with the information on convening a Bondholders' meeting and shall publish the relevant notice through the LEPL Legislative Herald of Georgia.

For the purpose of disclosing regulated information, the website https://alma.ge/ shall be used. Regulated information will be published on this website, including information for the purposes of ensuring compliance with the obligations under Article 9 of the Order No. 181/04 of the President of the National Bank of Georgia, dated 7 October 2020, on the Adoption of Rules for the Information Transparency of Issuers and Appointment of the Securities Registrar for Issuers (the "**Transparency Rule**"):

- Any change to the rights of a public security holder, including changes in the terms of the securities that may indirectly affect the rights of the security holder, or that arise from changes to the loan conditions or interest rates;
- Information about the interest rate, periodic payments, conversion/exchange, repurchase or cancellation rights, or redemption of the debt securities;
- Any information necessary for the proper exercise of the rights of public security holders;
- Information on the venue, time, agenda of the general meeting, and the right to participate in such general meeting.

2.6.8. Meeting of Bondholders

***(a) Meeting of Bondholders:**

(i) Decisions on matters affecting the interests of Bondholders, including any amendments to these Terms, must be made at a duly convened and held meeting by a majority of not less than 75% of the votes cast (the "**Special Resolution**").

(ii) Any other decision made by the Bondholders that does not qualify as a Special Resolution shall be deemed valid and binding if adopted by a majority of not less than 51% of the votes cast (the "**Ordinary Resolution**"), and only if adopted as such.

(iii) The Bondholders' meeting shall only consider those matters that are included in the agenda determined by the Issuer, in accordance with sub-clause 2.6.8(c)(i) of these Terms.

(b) Authority to Convene the Bondholders' Meeting:

The right to initiate a Bondholders' meeting rests solely with the Issuer. For the avoidance of doubt, this authority applies to matters requiring both a Special Resolution and an Ordinary Resolution.

However, this does not affect or revoke the right of the holder(s) of at least 25% of the total outstanding principal amount of the Bonds to convene a Bondholders' meeting and propose a resolution to declare an Event of Default and initiate enforcement proceedings against the Issuer.

For the avoidance of doubt:

(1) enforcement proceedings against the Issuer may only be initiated following a declaration of an Event of Default;

(2) each Bondholder acknowledges that only the Bondholders' meeting may declare an Event of Default, and no individual Bondholder is authorized to carry out any enforcement action provided in this Prospectus;

(3) any Special Resolution adopted by Bondholders for declaring an Event of Default and initiating enforcement must comply with the procedures outlined in this Prospectus.

Such resolution must also include:

(a) a decision as to which enforcement action(s) will be taken and in what order;

(b) the designation of the person(s) authorized and/or responsible for implementing the decision; and

(c) regulation of any other matter deemed necessary by the Bondholders in relation to administering the Event of Default.

No enforcement action shall be initiated within 30 (thirty) Business Days following the declaration of an Event of Default and the entry into force of the corresponding Special Resolution, during which the Issuer may appeal the Special Resolution to the dispute resolution body designated under this Prospectus.

(b^1) Special Right to Individual Enforcement:

Any Bondholder shall have the right to initiate enforcement proceedings against the Issuer only if:

(a) an Event of Default defined under Article 10(i) (failure to meet payment obligations) of the Terms occurred;

(b) no Special Resolution has been adopted at a duly convened and held Bondholders' meeting under the Terms; and

(c) 3 (three) months have passed since such meeting and the Issuer's payment obligation remains unfulfilled.

(c) Convening the Bondholders' Meeting:

(i) The Issuer must notify the Bondholders of the meeting at least 14 (fourteen) calendar days in advance (excluding the dates of sending the notice and holding the meeting), in accordance with clause 2.6.7 of these Terms. Such notice must include the date, time, and location of the Bondholders' meeting, and the agenda of decisions to be adopted (for the avoidance of doubt, only the Issuer may modify the agenda of the meeting).

The notice must also include relevant timeframes and instructions on how Bondholders may appoint representatives.

(ii) In accordance with clause 2.6.7, the Issuer shall additionally notify Bondholders of the confirmed time and location of the meeting no later than 3 (three) days following the holding of such meeting.

(iii) The meeting may be held either physically or remotely (via electronic means).

The Issuer may hold the meeting remotely (via electronic means) if the decision of this is made by the shareholders of the Issuer and the following requirements are met:

a. the use of electronic means does not depend on the citizenship or residence of the Bondholder or its representative;
b. appropriate identification measures are in place to ensure timely and effective delivery of information to the Bondholder or its representative exercising voting rights; and

c. the Bondholders are able, at any time, to request delivery of information in writing via communication with the Issuer.

(d) Appointment of a Representative by the Bondholders:

(i) A Bondholder is entitled to appoint a representative (the "**Representative**") to act on its behalf in relation to any Bondholders' meeting (including any Adjourned Meeting), by submitting to the Issuer no later than 48 (forty-eight) hours before the relevant meeting a written document in Georgian (or, if drawn up in another language, a bilingual document, one of which must be Georgian) (the "**Power of Attorney"**), which in the case of a natural person must be signed by the Bondholder and notarized, and in the case of a legal entity, (a) must bear the stamp of the legal entity (if applicable) and be signed by its authorized director or other duly authorized person, or (b) must be notarized.

(ii) Any Representative appointed in accordance with the above shall, during the term of such appointment, be deemed the Bondholder for the purposes of the Bondholders' Meeting or Adjourned Meeting in respect of which the appointment has been made.

(iii) Any vote cast by a Representative in accordance with the terms of the relevant Power of Attorney shall be deemed valid, provided that no written notice of revocation, cancellation and/or amendment of such Power of Attorney has been delivered to the Issuer at least 24 (twenty-four) hours prior to the commencement of the relevant meeting.

(e) Chairperson of the Bondholders' Meeting:

(i) The Chairperson of the Bondholders' meeting shall be appointed in writing by the Issuer. If the Issuer does not appoint a Chairperson, or if the appointed Chairperson does not appear at the Meeting within 15 (fifteen) minutes of the scheduled starting time, an Adjourned Meeting shall be convened.

(ii) It is not required that the Chairperson of an Adjourned Meeting be the same person who chaired the original Meeting.

(f) Attendance at the Bondholders' Meeting:

(i) The following persons are authorized to attend and speak at the Meeting:

a. Bondholders and their Representatives;

b. The Chairperson; and

c. The Issuer, as well as its financial, legal, or other advisors.

(ii) No other persons shall have the right to attend or speak at the Meeting.

(g) Quorum of the Bondholders' Meeting:

(i) **Special Resolution:** The quorum for any meeting convened to consider a Special Resolution shall be (i) two or more persons holding or representing more than half of the aggregate principal amount of the Bonds at the time of the Meeting, or (ii) at any Adjourned Meeting, two or more Bondholders regardless of the principal amount of Bonds held or represented by them, unless such Adjourned Meeting considers proposals on the following Special Resolutions:

a) Any change to the date of payment of principal or interest under the Bonds;

b) Any change to the method of calculating any amount payable in respect of the Bonds;

c) Any change to the amount of principal or interest payable under the Bonds;

d) Any conversion of the Bonds into shares or other securities of the Issuer;

e) Any change to the currency of payment of the Bonds (except where required by regulatory legislation);

f) Any change to the quorum or majority requirements for Bondholders' Meetings or for the adoption of Special Resolutions;

g) Any change to the definition of Events of Default under these Conditions;

h) Declaration of an Event of Default.

In such cases, the required quorum shall be two or more persons holding or representing at the given time not less than two-thirds of the principal amount of the Bonds, or not less than one-third at an Adjourned Meeting.

(ii) **Ordinary Resolution**: The quorum for any meeting convened to consider an Ordinary Resolution shall be two or more persons holding or representing more than half of the aggregate principal amount of the Bonds at the time of the Meeting, or at any such Adjourned Meeting, two or more persons attending or representing Bondholders, regardless of the principal amount of the Bonds held or represented.

(h) Validity and Adjournment of the Bondholders' Meeting:

(i) No matter (other than the election of the Chairperson) shall be decided at any meeting unless the quorum required in respect of that matter is present at the meeting. If the quorum is not present within 15 (fifteen) minutes from the scheduled starting time, the meeting shall be adjourned and reconvened not earlier than the 7th and not later than the 30th calendar day following the original meeting. If the quorum is not present within 30 (thirty) minutes from the scheduled starting time of such Adjourned Meeting, the meeting shall be dissolved.

(ii) The time and place of the Adjourned Meeting shall be determined by the Issuer. Only those matters that were admissible for decision at the original meeting shall be decided at the Adjourned Meeting.

(iii) Notice of the Adjourned Meeting shall be made in the same manner as the notice for the original meeting.

(i) Voting:

(i) All matters presented to the Meeting of Bondholders shall be decided by a show of hands, except where the Chairperson, the Issuer, or one or more persons representing in total 10% of the Bonds, request (either before the procedure begins or upon announcement of the result of the show of hands) a secret ballot.

(ii) If a secret ballot is not requested, the chairperson's declaration that a resolution has or has not been passed shall constitute conclusive evidence of the fact, without requiring proof of the number of votes cast in favor or against such resolution.

(iii) If a secret ballot is requested, the resolution must be adopted in such form and the ballot shall be conducted immediately or at an adjourned meeting, as determined by the Chairperson. The result of the ballot shall be deemed to be the decision of the meeting at which it was requested and on the date when it was taken. The request for a ballot shall not preclude the meeting from deciding on other matters for which a ballot is not requested.

(iv) A ballot requested regarding the election of the Chairperson or the adjournment of the meeting must be conducted immediately.

(v) When voting by a show of hands, each person present at the meeting who is a Bondholder or its Representative shall have one vote for each EUR/USD 1,000 of principal amount of the Bonds they hold or represent. A person with more than one vote is not obliged to use all votes or to vote them all the same way.

(j) Decisions of the Meeting of Bondholders:

(i) **Special Resolution:** A written decision signed by Bondholders representing 75% or more of the then-outstanding Bonds (either personally or through representatives) shall constitute a Special Resolution. Such written decision may be composed of one or several documents of identical form and content, each signed by one or more Bondholders or their representatives.

(ii) **Ordinary Resolution:** A written decision signed by Bondholders representing 51% or more of the then-outstanding Bonds (either personally or through representatives) shall constitute an Ordinary Resolution. Such a written decision may be composed of one or several documents of identical form and content, each signed by one or more Bondholders or their representatives.

(k) Effectiveness of the Meeting of Bondholders Decisions:

(i) Any decision adopted at a Meeting of Bondholders, whether it is a Special Resolution or not, shall be binding on all Bondholders regardless of their attendance at the meeting.

(ii) Any decision adopted at a Meeting of Bondholders shall be immediately published on the Issuer's website and shall enter into force upon such public disclosure.

(l) Meeting Minutes:

Minutes must be drawn up at each meeting regarding all resolutions and procedures and signed by the Chairperson of that meeting. Such minutes constitute conclusive evidence of the matters resolved therein. Unless proven otherwise, any meeting for which minutes have been prepared and signed shall be deemed duly convened and held, and all decisions made and procedures conducted thereat shall be considered duly adopted and executed.

(m) Issuance Tranches:

The provisions of subparagraphs (a)-(l) of Section 2.6.8 (Meeting of Bondholders) shall apply individually to each issuance conducted within the framework of the Prospectus.

(n) Enforcement:

After the declaration of an Event of Default, the Bondholders' Representative may initiate enforcement proceedings only if:

(a) it has received the relevant instruction from the Bondholders by means of a Special Resolution, and has been appointed as the authorized enforcement agent; and

(b) the Bondholders' Representative is adequately protected against potential liability and/or has been prepaid for potential costs in a manner acceptable to it.

Each Bondholder acknowledges that declaring an Event of Default is within the exclusive authority of the Meeting of Bondholders and that they are not individually entitled to carry out any enforcement actions under the Prospectus. Furthermore, enforcement proceedings shall not be initiated within thirty (30) Business Days following the declaration of the Event of Default and the effectiveness of the corresponding Special Resolution, during which time the Issuer is entitled to appeal such Special Resolution to the dispute resolution authority specified in the Prospectus.

(o) Protection of the Bondholders' Representative from Liability:

The Agreement includes provisions on the protection and indemnification of the Bondholders' Representative.

The Bondholders' Representative may, without incurring any obligation towards the Bondholders, rely on any reports, confirmations, certificates, or advice prepared by any accountant, financial advisor, financial institution, or other expert, regardless of whether such materials were prepared specifically for it or whether the relevant document limits the scope of liability (by condition, contract with the Bondholders' Representative, or otherwise) through monetary thresholds, specified methodologies, or other disclaimers.

2.6.9. Subsequent Issuances

The Company shall be entitled, without the consent of the Bondholders and subject to compliance with the financial covenants, undertakings, and limitations set forth in this Prospectus, to issue, from time to time, additional securities under the same or different terms and conditions, as determined by the Company at its sole discretion, based on market conditions prevailing at the time of such issuance.

2.6.10. Governing Law and Jurisdiction

(a) *Governing Law:* This Prospectus and the Bonds shall be governed by and construed in accordance with the laws of Georgia.

(b) *Jurisdiction:* The courts of Georgia shall have exclusive jurisdiction over any dispute arising out of or in connection with this Prospectus and/or the Bonds.

2.6.11. Severability and Legal Effect

The invalidity or unenforceability of any provision of these Terms shall not affect the validity or enforceability of the remaining provisions. If any provision of these Terms is deemed overly broad to the extent that it becomes unenforceable, such provision shall be enforced to the maximum extent permitted by law.

These Terms are drafted in the Georgian language; however, taking into account the broader circle of investors, they may subsequently be translated into another language. In the event of any discrepancy between the Georgian version and any translation thereof, the Georgian version shall prevail.

2.6.12. Definitions

Unless the context requires otherwise, the terms used in these Terms shall have the following meanings:

- **Adjourned Meeting** means a meeting of the Bondholders convened following a previous meeting that failed to reach the quorum required to conduct business.
- **Bond** or **Bonds** means any debt securities issued under this Prospectus, regardless of their currency.
- **Bondholder** or **Investor** means the holder of a securities account (who may, inter alia, be an Account Provider) acting solely for their own benefit with respect to dematerialized securities.
- **Business Day** means any day (other than Saturday or Sunday) on which commercial banks in Tbilisi carry out transfers and conduct normal business operations (including foreign exchange transactions).
- **IFRS or International Financial Reporting Standards** means the International Financial Reporting Standards issued by the International Accounting Standards Board (IASB), formerly known as International Accounting Standards, and interpretations issued by the IFRS Interpretations Committee of the IASB (as amended, supplemented, or reissued from time to time).
- **IFRS Financial Period** means any financial period for which the Issuer has prepared standalone financial statements in accordance with IFRS, which have been audited or reviewed by the Independent Appraisers.
- **Debt** means, in respect of any Person at any time:

  (a) all indebtedness for borrowed money;

  (b) all obligations evidenced by bonds, debentures, notes or similar instruments;

  (c) all obligations relating to letters of credit or similar instruments (including reimbursement obligations);

  (d) all obligations to pay the deferred purchase price of property, goods or services;

  (e) all indebtedness secured by a Security Interest in any asset of such Person (the value of which, for the purposes hereof, shall be determined by reference to the respective balance sheet value as stated in the latest annual financial statements prepared in accordance with IFRS), whether or not the Person has assumed or is liable for such indebtedness;

  (f) all indebtedness guaranteed or indemnified by the Issuer or secured by the Issuer's assets in the amount guaranteed or indemnified;

  (g) any amounts raised under or in connection with the issue of securities which are repayable;

  (h) net obligations under any currency or interest rate hedging agreements;

  (i) any other transaction (including, but not limited to, any purchase agreement with or without deferred payment terms) having the economic or commercial effect of a borrowing;

  the amount of Debt on any date being the outstanding balance of such obligations or, in the case of contingent obligations, the maximum liability that would arise upon the occurrence of the condition giving rise to such obligation.
- **Account Provider** means a financial institution (including the Central Depository) authorized under Georgian law to open and maintain a securities account for a client.
- **Person** means any individual, company, corporation, firm, partnership, joint venture, association, trust, entity, organization, government or other undertaking, whether or not a separate legal entity.
- **Interest Payment Date** means any date on which interest is payable as specified in the Terms. Interest Determination Date means the Business Day two Business Days prior to the first Business Day of the relevant Interest Period.
- **Terms/Terms of the Bonds** means the Terms and Conditions of the Bonds provided in this Prospectus.
- **Repo** means a repurchase or reverse repurchase agreement, securities lending or leasing agreement, or any similar agreement having equivalent effect or purpose in relation to securities.
- **Securities Regulatory Law** means the Law of Georgia on Securities Market dated 24 December 1998, as amended from time to time.

- **Security Interest** means any pledge/mortgage (including restrictions on cash use), guarantee, charge, lien, encumbrance or obligation (including any legal analog thereof) that provides priority or preference to a creditor. For the purposes of these Terms, any such priority granted to a creditor shall qualify as a Security Interest regardless of its classification as a security under the Georgian Civil Code.
- **Unencumbered Asset** means any asset that is not subject to a Security Interest.
- **Subsidiary** in relation to any Person (First Person) means, at any time, any other Person (Second Person): (a) whose business or policies are controlled, directly or indirectly, by the First Person; or (b) in which the First Person owns, directly or indirectly, more than 50% of the capital or voting rights.
- **Tax** means any tax, duty, levy, charge or other deduction, including penalties, interest and any related additions, regardless of origin, assessment or form.
- **Prospectus** unless the context indicates otherwise, means this Prospectus duly approved by the NBG.
- **Reporting Date** means any date on which the Issuer has disclosure obligations towards Bondholders under clause 2.6.2(g) of this Prospectus.
- **Record Date** means the close of business on the 3rd (third) Business Day prior to an Interest Payment Date or Maturity Date.
- **Debt Service Coverage Ratio** means the ratio calculated using the following figures from the Issuer's standalone IFRS financial statements:
  - **Numerator:** EBITDA for the last 12 months + change in working capital - payments for acquisition of fixed, intangible, and investment property assets + proceeds from sale of fixed and investment assets - loans issued - dividends/capital reductions + loan proceeds + equity issuance + loan repayments.
  - **Denominator:** sum of the following over the last 12 months:

    (a) Finance Costs;

    (b) scheduled and voluntary repayments of any Debt;

    (c) any principal repayment for finance or similar leases.

  No amount should be double-counted or omitted.
- **Finance Costs** means total interest, fees, penalties, premiums, or capitalized costs relating to Debt over the past 12 months, including:

  (a) financial lease (lease liabilities and other obligations) interest (excluding principal);

  (b) all commissions, discounts, and fees under interest rate hedging agreements payable by the borrower, excluding any amounts payable for the benefit of the borrower.

  No amount should be added (or subtracted) more than once.
- **Event of Default** has the meaning given in clause 2.6.6(I).
- **Potential Event of Default** has the meaning given in clause 2.6.6(II).
- **Independent Appraiser** means an Audit Firm or third-party expert selected by the Issuer and either (a) a member of the Big Four (Deloitte & Touche, Ernst & Young, KPMG, PricewaterhouseCoopers and affiliates), or (b) approved by the Bondholders' Representative, provided such appraiser is not an Affiliate of the Issuer.
- **Affiliate** in relation to any specific Person means:

  (a) any other Person who directly or indirectly controls such specific Person, or is controlled directly or indirectly by such specific Person, or is under common control (directly or indirectly) with such Person (for the purposes of this definition, **control**, when used with respect to any Person, shall mean the power to direct or determine the management or policy direction of such Person, whether through the ownership of voting securities, contractual arrangements, or otherwise), or

  (b) any other Person who is a director, member of the supervisory board, or officer of such specific Person, its Subsidiary, or any other Person described in paragraph (a).
- **Fair Market Value** in relation to a transaction shall mean the value that would be received in a commercial transaction conducted on an arm's length basis between unrelated parties, where the seller (who is informed and willing, and under no pressure or compulsion to sell) and the buyer (who is also informed and willing, and under no pressure or compulsion to buy) engage in a transaction. The Bondholders' Representative shall be entitled to rely on a report issued by an Independent Appraiser regarding the Fair Market Value of a transaction without the need for further investigation or evidence.
- **Transparency Rule** means Order No. 181/04 of the President of the National Bank of Georgia, dated 7 October 2020, on the Adoption of Rules for the Information Transparency of Issuers and Appointment of the Securities Registrar for Issuers,.

- **Depository** or **Central Depository** means JSC Georgian Central Securities Depository (ID No. 204935400), or any of its legal successors.
- **Agreement** means the agreement entered into between the Issuer and the Bondholders' Representative concerning the terms and conditions of representation.
- **Issuer's Equity Participation Enterprise** means any company or commercial entity in which the Issuer directly or indirectly holds an ownership interest, regardless of the percentage of such participation.
- **Arm's Length Principle** means the principle applied in commercial transactions that requires transactions between Affiliated Persons to be structured and assessed in the same way as they would be between independent third parties.

2.7. Securities Holders' Representative and its Website

The securities holders' representative:

LLC Nodia, Urumashvili & Partners

Address: 71 Vazha-Pshavela Ave., Tbilisi

Tel.: +995 32 220 74 07

Email: info@nplaw.ge

Website: www.nplaw.ge

2.8. Description of the Rights Attached to the Securities, Including Any Limitations and the Procedure for Exercising Those Rights

Same as specified in Section 2.6.

2.9. Description of Any Restrictions on the Free Transferability of the Securities

No such restrictions have been identified.

2.10. Summary of Legislative Requirements Regarding the Acquisition of a Controlling Interest

Not applicable.

2.11. Note on the Possibility of Acquisition of the Issuer's Controlling Interest in Public Shares by a Third Party

Not applicable.

2.12. Credit Ratings of the Issuer or Its Debt Securities, if Applicable

The Issuer does not have a credit rating.

3. Terms of the Public Offer

3.1. terms of the offer, expected schedule, and procedures required for participation:

3.1.1. Conditions the Offer must Meet

The offer must comply with the requirements set forth under Georgian legislation and this Prospectus.

3.1.2. indicative amount of the total issuance/offer:

The amount of Bonds offered is up to 40 Million USD, which will be issued in one or more tranches, denominated in U.S. Dollars or Euros.

3.1.3. period during which the issued securities may be purchased and the description of the process of participation in such purchase:

The validity period of the Bond offering and the Prospectus is defined as 12 months from the approval of the preliminary prospectus. The offering process will be carried out in accordance with the procedure outlined below.

(a) Bond Offering Process

The Placement Agent will conduct the offering of the Bonds on behalf of the Issuer, based on a contract entered into with the Issuer. Prior to the start of the offer, to facilitate potential investor interest, the Placement Agent and/or its authorized intermediary(-ies) may distribute the approved Preliminary Term Sheet to potential Qualified Investors.

Potential investors may express their interest in purchasing the Bonds by submitting an application/notice to the Placement Agent. This interest may be communicated through electronic means or any other method recognized by the Placement Agent. The final date for receipt of applications will be determined by agreement between the Issuer and the Placement Agent. If this final date is not a Business Day, the previous Business Day shall be deemed the final application date.

The interest rate applicable to the Bonds will be determined during the offering process to potential investors and will be reflected in the Final Term Sheet/Prospectus.

If, during the offering process, potential investors express interest in acquiring a quantity of Bonds greater than the one offered under the Preliminary or Final Term Sheet/Prospectus, such requests will be partially satisfied either *pro rata* to the quantity requested in each application or by another method determined at the sole discretion of the Issuer. In the case of partial satisfaction, the potential investor shall have the right to either withdraw or continue participating in the purchase process. Notice of such decision must be sent to the Placement Agent in writing, electronically, or through another format no later than 14:00 (Tbilisi time) on the Business Day following the investor's receipt of the revised allocation. Failure to notify the Placement Agent entitles the latter to either proceed with the original application or reject it entirely, at its sole discretion.

After the conclusion of the Bond offering process, the Placement Agent will issue an announcement confirming the closure of the offer and will notify investors (individually or collectively) whose applications (including corrected quantities) have been accepted. Such notification must include the applicable interest rate and the number of Bonds allocated. From the moment of the announcement, satisfied applications become irrevocable and binding upon such investors (the **"Investors"**).

Investors must transfer the full amount required for the purchase of their allocated Bonds to a brokerage account no later than 2 Business Days before the Issue Date. Investors must open such brokerage accounts with one of the Placement Agents. The Issuer will deliver the purchased Bonds on the Issue Date to the same brokerage account. In exceptional cases, the Placement Agent may, at its discretion, allow the Investor to transfer the required funds to an Issuer account opened with the Placement Agent (instead of the Investor's brokerage account). In this case, delivery of the Bonds will be made to the Investor's account opened with the Depository or another Account Provider.

If, during the primary placement period, an investor purchases Bonds after the Issue Date, the investor will be required to pay both the nominal value of the Bonds and the accrued coupon up to the date of purchase.

As an exception, with the Issuer's prior consent, the Issuer and/or Placement Agent may offer certain concessions on deadlines or conditions to potential investors (including, but not limited to, Purchaser Investors).

After placement, Bondholders will be entitled to hold the Bonds in book-entry form through the Central Depository if they are participants in the Central Depository system or through another Account Provider.

If the Bonds are transferred to another Account Provider, Bondholders must ensure that the respective Account Provider provides the Payment and Calculation Agent, upon request and as soon as possible, with information regarding the Investors and their tax status.

(b) Changes During the Offering Process

If, during the offering process (i.e., the period from the start of the offer until the Issue Date), the Issuer decides to change material terms related to the Bonds (subject to re-approval by the National Bank, which is not guaranteed), such as the number of securities, price, interest rate, offer period, etc., the Issuer must give Investors at least 14 calendar days to cancel their applications. After this deadline, the Issuer may proceed with the offer under the revised conditions.

If any material (essential) fact changes - as defined by Order No. 179/04 of the President of the National Bank of Georgia dated 7 October 2022 - Investors that have already purchased Bonds will have the right to cancel the purchase and request immediate redemption of the Bonds for their principal amount and any accrued interest. Investors who do not cancel will remain subject to the revised terms of the offer.

If a non-material change occurs during the offer period, the Issuer must notify Bondholders prior to amending the Prospectus and provide them with a document reflecting such change.

(c) Notifications

The Issuer's notification to the Bondholders shall be sent to the Central Depository at the email address or physical address specified in this Prospectus, and the Central Depository shall, in turn, notify all relevant Account Providers.

The Bondholders shall send notifications to the Account Provider at the email address or physical address specified in this Prospectus, unless the Account Provider notifies the Bondholders otherwise in writing.

For the avoidance of doubt, if the notification under this section is sent in material form to the relevant address, it shall be deemed to have been duly delivered and shall not require additional transmission via email. For the purpose of disclosing regulated information, the website https://alma.ge/ shall be used. Regulated information will be published on this website, including information for the purposes of ensuring compliance with with the obligations defined under Article 9 of the Transparency Rule:

- Any changes to the rights of the holders of publicly offered securities, including changes in the terms of the securities that may indirectly affect the rights of the holders or that result from changes in loan terms or interest rates;
- Information regarding the interest rate, periodic payments, conversion/exchange, purchase or cancellation rights, or redemption of the debt securities;
- Information necessary for the proper exercise of the rights of the holders of publicly offered securities;
- Information on the time, place, agenda of the general meeting, and the right to participate in the general meeting.

3.1.4. Indication of when and under what circumstances the offer may be canceled or suspended, and whether the offer may be canceled after the start of sales.

If the Bonds or any portion thereof are not placed or sold to the relevant investors, such Bonds or their respective portion shall first be returned to the Company and subsequently canceled.

3.1.5. Description of the possibility of refunding excess amounts paid by applicants.

If an applicant transfers more funds during the offering stage than corresponds to the number of Bonds allocated to them, they are entitled to contact the Placement Agent, who shall ensure the return of the excess amount within 10 (ten) Business Days.

3.1.6. Description of methods and timelines for payment, transfer of ownership, and delivery of securities.

The methods and timelines for payment, transfer of ownership, and delivery of securities are set forth in Section 3.1.3 (a) on Bond offering process.

3.1.7. Indication of the period during which the investor may revoke their application, if applicable.

Investors shall not have the right to revoke an official application sent to the Placement Agent.

3.1.8. Means and timeline for disclosure of the offer results.

The placement report shall be submitted to the National Bank within 1 (one) month after the completion of the public offering of securities.

3.1.9. Procedures for exercising pre-emptive rights, potential changes to such rights, and treatment in case of non-exercise.

Pre-emptive rights do not apply to the Bonds.

3.2. Allocation and Allotment Plan

3.2.1. Categories of potential investors to whom the securities are being offered.

Given the nature of the Bonds, the offering is intended for all persons permitted by the Securities Law.

3.2.2. Process for notifying applicants of the number of securities allotted to them.

Upon completion of the offering process to potential investors, the Placement Agent shall issue a statement regarding the completion of the offering and notify those investors (individually or in groups) whose applications (including quantity-adjusted applications) have been satisfied. Such notice shall include the applicable interest rate on the Bonds and the number of Bonds allocated to the respective applicants. Once the statement of completion is issued, the applications of the successful investors shall become irrevocable and binding. Trading shall not commence before such notice is received.

3.2.3. Indication of whether the issuer's management, directors, or shareholders intend to participate in the offering.

Such information is unknown to the Issuer.

3.3. Pricing

3.3.1. Indication of the offering price of the securities, including any investor-borne costs or taxes.

The Bonds shall be placed at a price equal to 100% of the nominal value. The Issuer does not contemplate any alternative pricing. However, should the final price differ from the stated offering price, investors will have the right to withdraw their application for purchase or subscription within at least 2 (two) Business Days following the public disclosure of the final price.

3.3.2. Description of the process for setting the final offering price and communicating it to investors.

The offering shall be made at 100% of the nominal value, and the Issuer does not anticipate any alternative pricing.

3.4. Placement

3.4.1. Name and contact information of any legal entities or Bondholders' Representatives involved in the offering/placement.

Not applicable to this issuance.

3.4.2. Name, address, and contact details of the settlement agents.

JSC Galt & Taggart (Identification Code: 211359206)

Address: 3 Pushkin Street, Tbilisi 0105, Georgia

Email: gt@gt.ge; sales@gt.ge

Phone: (+995 32) 2 40 11 11

3.4.3. Name and contact details of the placement agent(s), along with the key terms of the contract, including quantities and placement fees.

1. **TBC Capital LLC** (Identification Code: 204929961)

Address: 7 Marjanishvili Street, 0102 Tbilisi, Georgia

Email: info@tbccapital.ge

Tel: (+995 32) 227 27 97

2. **JSC Galt & Taggart** (Identification Code: 211359206)

Address: 3 Pushkin Street, 0105 Tbilisi, Georgia

Email: gt@gt.ge; sales@gt.ge

Tel: (+995 32) 2 40 11 11

The net proceeds received by the Issuer from the placement of the Bonds (net of the placement fee) shall be at least [1.5]% of the total placement amount.

The placement of the Bonds is carried out on the basis of engagement letters signed with Placement Agent 1 and Placement Agent 2 on 28 October 2024.

3.4.4. Indication of when the Placement Agreement shall be deemed fulfilled.

The Placement Agreement shall be deemed fulfilled upon completion of the placement of the Bonds, unless the term is extended by mutual agreement between the Company and the Placement Agent.

Taxation of Bonds in Georgia

The information below provides a general description of the key tax issues related to the Bonds. Accordingly, it does not constitute an exhaustive assessment of the tax treatment of the Bonds. Potential purchasers of the Bonds should consult their own tax advisers regarding the acquisition, holding, and disposal of the Bonds, as well as the receipt of interest, principal, and/or other income from the Bonds and the tax consequences of such actions. This overview is based on the legislation in force as of the date of preparation of this Prospectus, which may be amended after that date. The information and analysis provided in this section pertain solely to tax matters and should not be used by potential investors for any other purposes, including for assessing the validity of transactions related to the Bonds.

Taxation of Interest Income

Interest paid on the Bonds to resident individuals and to non-resident legal entities and individuals (provided the interest is not attributable to a permanent establishment of the non-resident in Georgia) is exempt from income tax and corporate profit tax, provided that the Bonds are issued through a public offering in Georgia before 1 January 2026 and are admitted to trading on an organized market recognized by the National Bank of Georgia, subject to a positive resolution of the Supervisory Board of JSC Georgian Stock Exchange. The Company intends to apply to the JSC Georgian Stock Exchange for the Bonds to be admitted to trading on the said market. As of the date of approval of this Prospectus, JSC Georgian Stock Exchange is recognized by the National Bank of Georgia as a regulated market only with respect to the A and B category listing segments of the Exchange.

Interest received on the Bonds by resident legal entities (except for banks, credit unions, microfinance organizations, loan issuers, and insurance companies) is included in the taxable profit of the resident legal entity and is subject to 15% corporate profit tax only upon profit distribution.

Interest received by banks, credit unions, microfinance organizations, and loan issuers is included in the gross income of these entities and, after applicable deductions, is subject to corporate profit tax at a rate of 20%.

Taxation of Bond Disposals

Income received by a resident individual, or a non-resident individual or legal entity, from the sale of the Bonds (generally, the positive difference between the sale and purchase prices of the security, excluding interest accrued and unpaid as of the moment of disposal, in accordance with applicable tax legislation) is exempt from income and corporate profit tax, provided the income is not attributable to a permanent establishment in Georgia of the non-resident, and the Bonds are issued through a public offering in Georgia and are admitted to trading on an organized market recognized by the National Bank of Georgia, subject to a positive resolution of the Supervisory Board of JSC Georgian Stock Exchange.

A resident legal entity (other than a bank, credit union, microfinance organization, loan issuer, or insurance company) is required to pay corporate profit tax at a rate of 15% on profit from the disposal of Bonds, only upon profit distribution.

Income received from the disposal of Bonds by banks, credit unions, microfinance organizations, and loan issuers is included in the gross income of such entities and, after applicable deductions, is subject to corporate profit tax at a rate of 20%.

Taxation of Principal Repayment

The principal amount received by Bondholders upon redemption of the Bonds is not considered taxable income and is not subject to taxation in Georgia, provided the redemption price at maturity does not exceed the original issue price.

Value Added Tax

The sale (supply) of the Bonds is exempt from value added tax in Georgia.