

NEXIA CORPORATE CONSULTANTS (PVT) LTD.

(PV 106)

Corporate Secretaries & Management Consultants

27th July 2023.

Mr. Renuka Wijayawardhane
Chief Regulatory Officer,
Colombo Stock Exchange,
04 – 01, West Block,
World Trade Centre, Echelon Square, Colombo 1.

Dear Sir,

WINDFORCE PLC – CORPORATE DISCLOSURE
UNDER SECTION 8 OF THE LISTING RULES

Keeping in line with the Company's strategy to achieve sustainable growth in the Renewable Energy sector, WindForce PLC is pleased to announce the acquisition of a 92% equity stake in Kebithigollewa Solar Power (Private) Limited, which will develop a 10 MW Solar Power plant, in Kebithigollewa, Anuradhapura District.

The total investment envisaged by the Company for the acquisition and development of the project is approximately LKR 2,709,735,234. The Company intends to utilize LKR 427,345,456 from IPO proceeds (which were allocated for "Other Projects" in the Prospectus of the Company) and the balance from retain earnings of the Company for this project.

UPDATE ON TORORO PHASE II POWER PROJECT IN UGANDA

We refer to the announcement published on CSE on 28th June 2022, on the expansion of Tororo PV Solar Power plant in Uganda (Tororo Phase II), and wish to inform, that we will no longer pursue this project due to the drop in IRR to 12% as a result of increase in global raw material prices and the new Kebithigollewa project showing more lucrative prospects in returns with an IRR of 15%.

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SUMMARY OF FUND RE-ALLOCATIONS SINCE THE IPO (LKR)

	Original	1st Change	1st Revision	2nd Change	2nd Revision	3rd Change	3rd Revision	4th Change	4th Revision
1 Hiruras	927,000,000	617,345,456	1,544,345,456	-	1,544,345,456	955,654,544	2,500,000,000	-	2,500,000,000
2 Senagal	1,383,000,000	-	1,383,000,000	(1,383,000,000)	-	-	-	-	-
3 Other Projects	931,845,456	(617,345,456)	314,500,000	1,383,000,000	1,697,500,000	(955,654,544)	741,845,456	-	741,845,456
Sky Solar	79,500,000	-	79,500,000	-	79,500,000	-	79,500,000	-	79,500,000
Solar Universe	168,000,000	-	168,000,000	-	168,000,000	-	168,000,000	-	168,000,000
Craneless Tools	67,000,000	-	67,000,000	-	67,000,000	-	67,000,000	-	67,000,000
EOI Hambantota	257,345,456	(257,345,456)	-	-	-	-	-	-	-
Tororo	360,000,000	(360,000,000)	-	1,383,000,000	1,383,000,000	(955,654,544)	427,345,456	(427,345,456)	-
Kebithigollewa	-	-	-	-	-	-	427,345,456	427,345,456	427,345,456
	3,241,845,456	-	3,241,845,456	-	3,241,845,456	-	3,241,845,456	-	3,241,845,456

CORRECTED TABLE - UTILIZATION OF FUNDS RAISED BY THE IPO (LKR)

Objective Number	Objective as per Prospectus/Circular	Amount Allocated as per Prospectus/Circular in LKR	Proposed Date of Utilization as per Prospectus/Circular	Amount allocated from Proceeds in LKR (A)	% of Total Proceeds	Amounts Utilized in LKR (B)	% of Utilization against Allocation (B/A)	Clarification if not fully utilized including where the funds are invested
1	Mannar Wind Power Project	927,000,000	2022 Q1	927,000,000	29%	927,000,000	100%	Project completion : FY 2023/24 Q2
	Cost Escalation - Mannar WPP	1,573,000,000		1,573,000,000	49%	1,389,131,874	88%	
2	Other on-going Projects and future projects	741,845,456	Not disclosed					
2.1	Sky Solar Private Ltd			79,500,000	2%	79,500,000	100%	Project completed
2.2	Solar Universe Private Ltd			168,000,000	5%	168,000,000	100%	Project completed
2.3	Crane-less Wind Equipment			67,000,000	2%	25,000,000	37%	Project completion : FY 2023/24 Q2
2.4	Kebithigollewa Solar Power Project			427,345,456	13%	-	0%	Project completion : FY 2024/25 Q2
		3,241,845,456		3,241,845,456	100%	2,588,631,874	80%	

Note: We refer to the above table in the Q4 Interim Financial Statements as at 31st March 2023, published on the CSE website, we have mentioned the Automotive projects Satva Automotive & Bluesky due to an oversight. The projects have not utilized any funds raised by the IPO. (The corrected table, will be presented at the Q1 FY 23/24, Interim Financial Statements of the company)

As shown above, LKR 427,345,456 of IPO proceeds will be allocated for the Kebithigollewa Solar Power Project. This will be allocated from the LKR 931,845,456 that was initially allocated for "Other projects" as per the prospectus. Hence, shareholder approval will not be sought for the above allocation. However, Shareholder ratification for the deviations pertaining to the IPO fund utilization will be obtained at the next immediate General Meeting of the Company.

Yours faithfully,
NEXIA CORPORATE CONSULTANTS (PRIVATE) LIMITED

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PV 106



SECRETARIES TO
WINDFORCES

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