# ACWA POWER COMPANY

(Saudi Listed Joint Stock Company)

**Interim Condensed Consolidated Financial Statements**
**and Independent Auditor's Review Report**

**For the Three and Six Months Periods Ended 30 June 2025**

**KPMG Professional Services Company**
Roshn Front, Airport Road
P.O. Box 92876
Riyadh 11663
Kingdom of Saudi Arabia
Commercial Registration No 1010425494

**Headquarters in Riyadh**

**شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية**
واجهة روشن، طريق المطار
صندوق بريد ٩٢٨٧٦
الرياض ١١٦٦٣
المملكة العربية السعودية
سجل تجاري رقم ١٠١٠٤٢٥٤٩٤

**المركز الرئيسي في الرياض**

# Independent auditor's report on review of interim condensed consolidated financial statements

## To the Shareholders of ACWA Power Company (A Saudi Joint Stock Company)

## Introduction

We have reviewed the accompanying 30 June 2025 interim condensed consolidated financial statements of ACWA Power Company ("A Saudi Joint Stock Company") and its subsidiaries ("the Group") which comprises:

- the interim condensed consolidated statement of financial position as at 30 June 2025;
- the interim condensed consolidated statement of profit or loss for the three-months and six-months periods ended 30 June 2025;
- the interim condensed consolidated statement of comprehensive income for the three-months and six-months periods ended 30 June 2025;
- the interim condensed consolidated statement of cash flows for the six-months period ended 30 June 2025;
- the interim condensed consolidated statement of changes in equity for the six-months period ended 30 June 2025; and
- the notes to the interim condensed consolidated financial statements.

Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

## Scope of Review

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

# Independent auditor's report on review of interim condensed consolidated financial statements

To the Shareholders of ACWA Power Company (A Saudi Joint Stock Company) (continued)

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 June 2025 interim condensed consolidated financial statements of ACWA Power Company ("A Saudi Joint Stock Company") and its subsidiaries ("the Group") are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia.

**KPMG Professional Services Company**

**Dr. Abdullah Hamad Al Fozan**
License Number 348

Riyadh on 6 Safar 1447H
Corresponding to: 31 July 2025

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ترخيص رقم ٤٦
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# ACWA POWER Company

(Saudi Listed Joint Stock Company)

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(All amounts in Saudi Riyals thousands unless otherwise stated)

| | Note | As of 30 Jun 2025 | As of 31 Dec 2024 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 3 | **13,896,949** | 12,060,529 |
| Intangible assets | | **2,127,633** | 2,012,361 |
| Equity accounted investees | 4 | **20,136,894** | 18,939,892 |
| Net investment in finance lease | | **10,911,493** | 10,796,838 |
| Deferred tax asset | | **363,490** | 238,994 |
| Fair value of derivatives | | **476,458** | 1,049,018 |
| Other assets | 21 | **505,232** | 697,246 |
| **Total non-current assets** | | **48,418,149** | 45,794,878 |
| **Current assets** | | | |
| Inventories | | **662,847** | 581,526 |
| Net investment in finance lease | | **452,140** | 328,163 |
| Fair value of derivatives | | **122,082** | 305,693 |
| Due from related parties | 8 | **2,472,014** | 1,952,226 |
| Accounts receivable, prepayments and other receivables | 21 | **4,476,662** | 3,836,425 |
| Short term investments | 6 | **93,000** | 280,800 |
| Cash and cash equivalents | 5 | **4,190,981** | 3,802,995 |
| **Total current assets** | | **12,469,726** | 11,087,828 |
| **Total assets** | | **60,887,875** | 56,882,706 |

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Chairman B.O.D. | CEO | CFO

The attached notes 1 to 22 form an integral part of these interim condensed consolidated financial statements.

# ACWA POWER Company

(Saudi Listed Joint Stock Company)

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

(All amounts in Saudi Riyals thousands unless otherwise stated)

| | *Note* | **As of 30 Jun 2025** | As of 31 Dec 2024 |
|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| **Shareholders' equity** | | | |
| Share capital | | **7,148,765** | 7,148,765 |
| Share premium | | **5,335,893** | 5,335,893 |
| Treasury shares | | **(76,700)** | (106,620) |
| Statutory reserve | | **1,214,643** | 1,214,643 |
| Retained earnings | | **5,791,501** | 4,872,289 |
| **Equity attributable to owners of the Company before other reserves** | | **19,414,102** | 18,464,970 |
| Other reserves | 9 | **2,058,276** | 3,394,115 |
| **Equity attributable to owners of the Company** | | **21,472,378** | 21,859,085 |
| Non-controlling interest | | **2,496,040** | 2,447,127 |
| **Total equity** | | **23,968,418** | 24,306,212 |
| **Liabilities** | | | |
| **Non-current liabilities** | | | |
| Long-term financing and funding facilities | 7 | **27,534,630** | 24,206,926 |
| Due to related parties | 8 | **908,694** | 889,902 |
| Deferred tax liability | | **203,284** | 167,282 |
| Obligation for equity accounted investees | 4 | **473,890** | 238,013 |
| Fair value of derivatives | | **31,231** | 109,709 |
| Deferred revenue | | **170,398** | 170,066 |
| Employee end of service benefits' liabilities | | **277,100** | 252,741 |
| Other liabilities | | **546,698** | 632,430 |
| **Total non-current liabilities** | | **30,145,925** | 26,667,069 |
| **Current liabilities** | | | |
| Accounts payable, accruals and other financial liabilities | | **4,315,042** | 3,501,255 |
| Short-term financing facilities | | **380,868** | 317,054 |
| Current portion of long-term financing and funding facilities | 7 | **1,751,980** | 1,751,045 |
| Due to related parties | 8 | **72,604** | 79,750 |
| Fair value of derivatives | | **8,800** | 72,044 |
| Zakat and taxation | | **244,238** | 188,277 |
| **Total current liabilities** | | **6,773,532** | 5,909,425 |
| **Total liabilities** | | **36,919,457** | 32,576,494 |
| **Total equity and liabilities** | | **60,887,875** | 56,882,706 |

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| Chairman B.O.D. | CEO | CFO |

The attached notes 1 to 22 form an integral part of these interim condensed consolidated financial statements.

# ACWA POWER Company
(Saudi Listed Joint Stock Company)

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
(All amounts in Saudi Riyals thousands unless otherwise stated)

| | Note | For the three months period ended 30 June | | For the six months period ended 30 June | |
|---|---|---|---|---|---|
| | | **2025** | 2024 | **2025** | 2024 |
| **Continuing operations** | | | | | |
| Revenue | 11 | **1,747,464** | 1,562,568 | **3,714,699** | 2,814,325 |
| Operating costs | | **(1,033,332)** | (725,661) | **(1,899,723)** | (1,356,865) |
| **Gross profit** | | **714,132** | 836,907 | **1,814,976** | 1,457,460 |
| Development cost, provisions and write offs, net of reversals | | **(19,999)** | (43,832) | **(54,838)** | (67,080) |
| General and administration expenses | | **(331,354)** | (434,435) | **(720,969)** | (781,980) |
| Share in net results of equity accounted investees, net of zakat and tax | 4 | **177,934** | 127,045 | **233,153** | 173,633 |
| Gain from divestments | | **-** | 401,701 | **-** | 401,701 |
| Other operating income | 12 | **796,323** | 102,835 | **934,667** | 205,119 |
| **Operating income before impairment loss and other expenses** | | **1,337,036** | 990,221 | **2,206,989** | 1,388,853 |
| Impairment expenses, net | 12.3 | **(289,681)** | - | **(297,089)** | (145,799) |
| Other expenses, net | | **(27,196)** | (11,315) | **(35,650)** | (32,033) |
| **Operating income after impairment loss and other expenses** | | **1,020,159** | 978,906 | **1,874,250** | 1,211,021 |
| Other income | 13 | **6,574** | 9,668 | **18,279** | 370,199 |
| Finance income | | **43,401** | 85,530 | **109,280** | 165,285 |
| Exchange gain, net | | **16,617** | 6,582 | **17,117** | 6,025 |
| Financial charges | 14 | **(411,657)** | (384,161) | **(904,844)** | (746,793) |
| **Profit before zakat and income tax** | | **675,094** | 696,525 | **1,114,082** | 1,005,737 |
| Zakat and tax charge | 10.1 | **(87,210)** | (25,997) | **(66,091)** | (67,719) |
| **Profit for the period** | | **587,884** | 670,528 | **1,047,991** | 938,018 |
| **Profit attributable to:** | | | | | |
| Equity holders of the parent | | **481,826** | 630,620 | **908,977** | 926,791 |
| Non-controlling interests | | **106,058** | 39,908 | **139,014** | 11,227 |
| | | **587,884** | 670,528 | **1,047,991** | 938,018 |
| **Basic earnings per share to equity holders of the parent (in SR) – restated** | 15.2 | **0.65** | 0.86 | **1.23** | 1.26 |
| **Diluted earnings per share to equity holders of the parent (in SR) – restated** | 15.2 | **0.63** | 0.82 | **1.19** | 1.21 |

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The attached notes 1 to 22 form an integral part of these interim condensed consolidated financial statements.

# ACWA POWER Company

(Saudi Listed Joint Stock Company)

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(All amounts in Saudi Riyals thousands unless otherwise stated)

| | *Note* | For the three months period ended 30 June | | For the six months period ended 30 June | |
|---|---|---|---|---|---|
| | | **2025** | 2024 | **2025** | 2024 |
| **Profit for the period** | | **587,884** | 670,528 | **1,047,991** | 938,018 |
| **Other comprehensive income / (loss)** | | | | | |
| **Items that are or may be reclassified subsequently to profit or loss** | | | | | |
| Foreign operations – foreign currency translation differences | | **(26,542)** | 6,383 | **(16,834)** | 12,531 |
| Change in fair value of cash flow hedge reserve | | **117,098** | (65,777) | **(347,056)** | 743,972 |
| Settlement of cash flow hedges transferred to profit or loss | | **17,051** | 39,422 | **(68,847)** | 78,672 |
| Cash flow hedge reserve recycled to profit or loss upon discontinuation of hedge relationships | | **-** | - | **-** | (343,423) |
| Cash flow hedge reserve recycled to profit or loss on loss of control of a subsidiary | | **-** | (508,538) | **-** | (508,538) |
| Equity accounted investees – share of OCI | 4, 9 | **(173,855)** | 139,288 | **(955,069)** | 954,057 |
| **Items that will not be reclassified to profit or loss** | | | | | |
| Re-measurement of defined benefit liability | | **2,005** | 2,833 | **5,929** | 4,710 |
| **Total other comprehensive (loss) / income** | | **(64,243)** | (386,389) | **(1,381,877)** | 941,981 |
| **Total comprehensive income / (loss)** | | **523,641** | 284,139 | **(333,886)** | 1,879,999 |
| **Total comprehensive income attributable to:** | | | | | |
| Equity holders of the parent | | **427,563** | 238,920 | **(445,347)** | 1,831,466 |
| Non-controlling interests | | **96,078** | 45,219 | **111,461** | 48,533 |
| | | **523,641** | 284,139 | **(333,886)** | 1,879,999 |

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# ACWA POWER Company

(Saudi Listed Joint Stock Company)

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(All amounts in Saudi Riyals thousands unless otherwise stated)

| | Note | For the six months period ended 30 June 2025 | 2024 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Profit before zakat and tax | | **1,114,082** | 1,005,737 |
| *Adjustments for:* | | | |
| Depreciation and amortisation | | **209,524** | 233,843 |
| Financial charges | 14 | **904,844** | 746,793 |
| Unrealised exchange gain | | **(24,418)** | (8,768) |
| Share in net results of equity accounted investees, net of zakat and tax | | **(233,153)** | (173,633) |
| Charge for employees' end of service benefits | | **33,220** | 24,753 |
| Fair value of cash flow hedges recycled to profit or loss | | **-** | 4,050 |
| Provisions | | **(8,280)** | 80,178 |
| Provision for long-term incentive plan | | **31,394** | 32,179 |
| Gain on disposal of property, plant and equipment | | **(1,745)** | (3,746) |
| Impairment loss | | **297,089** | 145,799 |
| Gain recognised on loss of control in subsidiaries | | **-** | (401,701) |
| Development cost, provisions and write offs, net of reversals | | **54,838** | 67,080 |
| Gain on discontinuation of hedging instruments | 13 | **-** | (343,423) |
| Finance income from shareholder loans and deposits | | **(217,866)** | (265,687) |
| | | **2,159,529** | 1,143,454 |
| *Changes in operating assets and liabilities:* | | | |
| Accounts receivable, prepayments and other receivables | | **(982,257)** | (237,494) |
| Inventories | | **(84,799)** | (62,976) |
| Accounts payable, accruals and other liabilities | | **446,534** | 668,018 |
| Due from related parties | | **(233,977)** | (128,425) |
| Due to related parties | | **(6,241)** | (8,447) |
| Net investment in finance lease | | **32,785** | 47,605 |
| Deferred revenue | | **333** | (7,763) |
| Net cash from operations | | **1,331,907** | 1,413,972 |
| Payment of employees' end of service benefits and long-term incentives | | **(17,221)** | (40,516) |
| Zakat and tax paid | | **(101,557)** | (122,819) |
| Dividends received from equity accounted investees | | **110,006** | 53,772 |
| *Net cash generated from operating activities* | | **1,323,135** | 1,304,409 |
| **Cash flows from investing activities** | | | |
| Addition to property, plant and equipment, and intangible assets | | **(2,064,537)** | (2,000,562) |
| Repayments of funding in relation to construction activities | | **1,087,192** | - |
| Proceeds on disposal of property, plant and equipment | | **44,947** | 6,406 |
| Investments in equity accounted investees | 4 | **(1,796,187)** | (389,144) |
| Finance income from deposits | | **109,280** | 165,285 |
| Acquisition of subsidiary | | **(47,969)** | - |
| Short-term deposits with original maturities of more than three months | 6 | **187,800** | (349,440) |
| Cash deconsolidated on loss of control | | **(261,026)** | (313,050) |
| *Net cash used in investing activities* | | **(2,740,500)** | (2,880,505) |

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# ACWA POWER Company

(Saudi Listed Joint Stock Company)

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(All amounts in Saudi Riyals thousands unless otherwise stated)

| | Note | For the six months period ended 30 June | |
|---|---|---|---|
| | | **2025** | 2024 |
| **Cash flows from financing activities** | | | |
| Proceeds from financing and funding facilities, net of transaction cost | | **3,413,668** | 2,160,404 |
| Repayment of financing and funding facilities | | **(653,861)** | (589,068) |
| Purchase of treasury shares | | **-** | (118,000) |
| Financial charges paid | | **(875,225)** | (815,930) |
| Proceeds from discontinuation of hedge instruments | 13 | **-** | 343,423 |
| Dividends paid | | **(62,548)** | (376,647) |
| Capital contributions from and other adjustments to non-controlling interest | | **-** | 21,247 |
| *Net cash generated from financing activities* | | **1,822,034** | 625,429 |
| **Net increase / (decrease) in cash and cash equivalents during the period** | | **404,669** | (950,667) |
| Cash and cash equivalents at the beginning of the period | | **3,802,995** | 4,740,941 |
| Net foreign exchange difference | | **(16,683)** | 391 |
| **Cash and cash equivalents at the end of the period** | 5 | **4,190,981** | 3,790,665 |

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The attached notes 1 to 22 form an integral part of these interim condensed consolidated financial statements.

# ACWA POWER Company

(Saudi Listed Joint Stock Company)

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(All amounts in Saudi Riyals thousands unless otherwise stated)

| | Share capital | Share premium | Treasury shares | Statutory reserve | Retained earnings | Proposed dividends | Other Reserves (note 9) | Equity attributable to owners of the parent | Non-controlling interests | Total equity |
|---|---|---|---|---|---|---|---|---|---|---|
| Balance at 1 January 2024 | 7,134,143 | 5,335,893 | - | 1,038,937 | 3,247,401 | 328,995 | 2,072,589 | 19,157,958 | 1,550,933 | 20,708,891 |
| Profit for the period | - | - | - | - | 926,791 | - | - | 926,791 | 11,227 | 938,018 |
| Other comprehensive income | - | - | - | - | - | - | 904,675 | 904,675 | 37,306 | 941,981 |
| Total comprehensive income | - | - | - | - | 926,791 | - | 904,675 | 1,831,466 | 48,533 | 1,879,999 |
| Changes to non-controlling interests | - | - | - | - | - | - | - | - | 21,247 | 21,247 |
| Bonus shares issued | 14,622 | - | - | - | (14,622) | - | - | - | - | - |
| Purchase of treasury shares | - | - | (118,000) | - | - | - | - | (118,000) | - | (118,000) |
| Dividends | - | - | - | - | - | (328,995) | - | (328,995) | (47,652) | (376,647) |
| Share-based payment transactions | - | - | - | - | - | - | 69,055 | 69,055 | - | 69,055 |
| Settlement of treasury shares | - | - | 11,380 | - | 6,904 | - | (18,284) | - | - | - |
| **Balance at 30 June 2024** | 7,148,765 | 5,335,893 | (106,620) | 1,038,937 | 4,166,474 | - | 3,028,035 | 20,611,484 | 1,573,061 | 22,184,545 |
| **Balance at 1 January 2025** | **7,148,765** | **5,335,893** | **(106,620)** | **1,214,643** | **4,872,289** | **-** | **3,394,115** | **21,859,085** | **2,447,127** | **24,306,212** |
| Profit for the period | **-** | **-** | **-** | **-** | **908,977** | **-** | **-** | **908,977** | **139,014** | **1,047,991** |
| Other comprehensive loss | **-** | **-** | **-** | **-** | **-** | **-** | **(1,354,324)** | **(1,354,324)** | **(27,553)** | **(1,381,877)** |
| Total comprehensive income / loss | **-** | **-** | **-** | **-** | **908,977** | **-** | **(1,354,324)** | **(445,347)** | **111,461** | **(333,886)** |
| Dividends | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **(62,548)** | **(62,548)** |
| Share-based payment transactions | **-** | **-** | **-** | **-** | **-** | **-** | **58,640** | **58,640** | **-** | **58,640** |
| Settlement of treasury shares | **-** | **-** | **29,920** | **-** | **10,235** | **-** | **(40,155)** | **-** | **-** | **-** |
| **Balance at 30 June 2025** | **7,148,765** | **5,335,893** | **(76,700)** | **1,214,643** | **5,791,501** | **-** | **2,058,276** | **21,472,378** | **2,496,040** | **23,968,418** |

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The attached notes 1 to 22 form an integral part of these interim condensed consolidated financial statements.

## 1 ACTIVITIES

ACWA POWER Company (the "Company" or "ACWA POWER" or the "Group") is a Saudi listed joint stock company established pursuant to a ministerial resolution numbered 215 dated 2 Rajab 1429H (corresponding to 5 July 2008) and is registered in Riyadh, Kingdom of Saudi Arabia, under commercial registration number 1010253392 dated 10 Rajab 1429H (corresponding to 13 July 2008). The Company's Head Office is located at Exit 8, Eastern Ring Road, Qurtubah District, P.O. Box 22616, Riyadh 11416, Kingdom of Saudi Arabia. Shortly after its establishment in 2008, ACWA POWER acquired ACWA Power Projects (APP), which had been active since 2004. The acquired entity notably secured its first major bid in 2005 to develop the Shuaibah Independent Water and Power Project (IWPP) and the Petro-Rabigh Independent Water, Steam, and Power Project (IWSPP).

The Company's main activities are the development, investment, operation and maintenance of power generation, water desalination and green hydrogen production plants and bulk sale of electricity, desalinated water, green hydrogen and / or green ammonia to address the needs of state utilities and industries on long-term, off-taker contracts under utility services outsourcing models in the Kingdom of Saudi Arabia and internationally.

## 2 BASIS OF PREPARATION

### 2.1 STATEMENT OF COMPLIANCE

These interim condensed consolidated financial statements for the three and six months periods ended 30 June 2025 of the Group have been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB"); and IAS 34 issued by IASB as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements as issued by the Saudi Organisation for Chartered and Professional Accountants ("SOCPA"), (collectively referred as "IAS 34 as endorsed in KSA").The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

These interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements as of 31 December 2024. These interim condensed consolidated financial statements for the three and six months period ended 30 June 2025 are not affected significantly by seasonality of results. The results shown in these interim condensed consolidated financial statements may not be indicative of the annual results of the Group's operations.

These interim condensed consolidated financial statements are prepared under the historical cost convention and accrual basis of accounting except for the following:

i) Derivative financial instruments including commodity derivatives, options and hedging instruments which are measured at fair value;
ii) Employee end of service benefits' liability is recognised at the present value of future obligations using the Projected Unit Credit method; and
iii) Assets held for sale which are measured at the lower of their carrying amount and fair value less costs to sell.

These interim condensed consolidated financial statements are presented in Saudi Riyals ("SR") which is the functional and presentation currency of the Company. All values are rounded to the nearest thousand (SR'000), except when otherwise indicated. The Group's financial risk management objectives and policies and the methods to determine the fair values are consistent with those disclosed in the annual consolidated financial statements for the year ended 31 December 2024.

### 2.2 MATERIAL ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024. There are no new standards issued that are effective from 1 January 2025, however, there are a number of amendments to standards which are effective from 1 January 2025 that have been explained in the Group's annual consolidated financial statements for the year ended 31 December 2024, but they do not have a material effect on these interim condensed consolidated financial statements.

### 2.3 SIGNIFICANT ACCOUNTING ESTIMATES

The preparation of the interim condensed consolidated financial statements in conformity with IAS 34 as endorsed in KSA requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the interim condensed consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results may differ from these estimates. The significant estimates and judgments used in the preparation of these interim condensed consolidated financial statements are consistent with those used in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024.

(All amounts in Saudi Riyals thousands unless otherwise stated)

## 3 PROPERTY, PLANT AND EQUIPMENT ("PPE")

| | Note | 30 Jun 2025 | 31 Dec 2024 |
|---|---|---|---|
| At the beginning of the period / year | | **12,060,529** | 10,090,244 |
| Additions during the period / year, net | 3.1 | **2,267,756** | 3,616,238 |
| Depreciation charge for the period / year | | **(193,514)** | (492,282) |
| Disposals / write-offs during the period / year | | **(43,201)** | (5,895) |
| Adjustment for revision of asset retirement obligation | | **-** | (28,168) |
| Impairment reversal | 3.2 | **-** | 282,735 |
| De-recognition on loss of control of a subsidiary | 4.1 | **(203,001)** | (1,393,299) |
| Foreign currency translation | | **8,380** | (9,044) |
| At the end of the period / year | | **13,896,949** | 12,060,529 |

**3.1** Additions during the period primarily represents Capital Work In Progress ("CWIP") in relation to certain of the Group's projects under construction. The additions include borrowing cost capitalised amounting to SR 104.3 million (31 December 2024: SR 91.4 million).

On 28 March 2025, the Group completed the acquisition of 85% effective shareholding in Yanghe New Energy Power Generation Co. Ltd, Yangbu New Energy Technology Co. Ltd and Yanggong New Energy Technology Co. Ltd in China for a total consideration of SR 70 million. The carrying value of the identifiable net assets acquired are SR 74 million. Management assessed the transaction and concluded that it qualifies as an asset acquisition rather than a business combination as defined by IFRS 3. The acquisition has been accounted for in accordance with IFRS standards applicable to asset acquisitions. The Property, Plant, and Equipment, being the primary component of the acquisition, will be measured at cost less accumulated depreciation and impairment losses, in accordance with the Group's accounting policies.

**3.2** During the year ended 31 December 2024, one of the Group's subsidiaries, Barka SAOG, entered into a Power and Water Purchase Agreement (PWPA) with the offtaker, covering an 8 years and 9 months term for the power plant and an initial 3-year term for the MSF water plant, with extension options at the discretion of Oman Power and Water Procurement (OPWP). Based on the revised contractual terms and improved outlook, indicators of impairment reversal were identified. The Company performed an impairment assessment in accordance with IAS-36. The recoverable amount was estimated at SR 571.5 million. As a result, a reversal of impairment amounting to SR 282 million was recognized on the power and MSF plants.

## 4 EQUITY ACCOUNTED INVESTEES

Set out below is the contribution of equity accounted investees in the interim condensed consolidated statement of financial position, the interim condensed consolidated statement of profit or loss and other comprehensive income, and the "Dividends received from equity accounted investees" line of the interim condensed consolidated statement of cash flows.

| | Note | 30 Jun 2025 | 31 Dec 2024 |
|---|---|---|---|
| At the beginning of the period / year | | **18,701,879** | 15,302,894 |
| Additions / adjustments during the period / year, net | 4.1 | **1,796,187** | 1,782,580 |
| Share of results for the period / year | | **233,153** | 694,163 |
| Share of other comprehensive (loss) / income for the period / year | 9 | **(955,069)** | 1,092,029 |
| Dividends received during the period / year | | **(113,146)** | (169,787) |
| At the end of the period / year | | **19,663,004** | 18,701,879 |
| Equity accounted investees shown under non-current assets | | **20,136,894** | 18,939,892 |
| Net obligations for equity accounted investees shown under non-current liabilities | | **(473,890)** | (238,013) |
| | | **19,663,004** | 18,701,879 |

**4.1** The major addition made during the period is in relation to the Group's investment in Noor Energy 1 P.S.C, amounting to SR 1,456 million. During the period ended 30 June 2025, following the divestment of 60% shareholding and subsequent loss of control, two of the Group's subsidiaries, Hajar One Holding Company and Al Mourjan Two Holding Company, have been accounted for as Equity Accounted Investees.

**4.2** During the period ended 30 June 2025, one of the Group's equity accounted investees conducted impairment testing on its asset under construction due to the rising interest rates. The impairment test concluded that no impairment was necessary. The assessment's outcomes are particularly sensitive to changes in the discount rate and technological advancements that could impact operating cost projections. In light of these sensitivities, management remains committed to continue monitoring of both the discount rate and underlying cashflow assumptions. Appropriate impairment adjustments will be recorded if required.

(All amounts in Saudi Riyals thousands unless otherwise stated)

## 5 CASH AND CASH EQUIVALENTS

| | **As of 30 Jun 2025** | As of 31 Dec 2024 |
|---|---|---|
| Cash at bank and cash in hand | **1,853,350** | 1,780,371 |
| Short-term deposits with original maturities of less than three months | **2,337,631** | 2,022,624 |
| Cash and cash equivalents | **4,190,981** | 3,802,995 |

These short-term deposits primarily carry rate of return between 4.00% to 6.00% (31 December 2024: 3.20% to 5.45%) per annum.

## 6 SHORT-TERM INVESTMENTS

| | **As of 30 Jun 2025** | As of 31 Dec 2024 |
|---|---|---|
| Short-term deposits with original maturities of more than three months | **93,000** | 280,800 |

These short-term deposits carry rate of return between 4.53% to 5.78% (31 December 2024: 4.40% to 5.08%) per annum.

## 7 LONG-TERM FINANCING AND FUNDING FACILITIES

| | **As of 30 Jun 2025** | As of 31 Dec 2024 |
|---|---|---|
| **Recourse debt:** | | |
| Financing facilities in relation to projects | **5,166,359** | 4,045,877 |
| Corporate facilities | **1,504** | 1,504 |
| Sukuk | **4,590,308** | 4,588,969 |
| **Non-recourse debt:** | | |
| Financing facilities in relation to projects | **17,555,681** | 15,310,869 |
| Corporate bond (“APMI One bond”) | **1,416,763** | 1,445,501 |
| Loan notes (“APCM bond”) | **555,995** | 565,251 |
| **Total financing and funding facilities** | **29,286,610** | 25,957,971 |
| Less: Current portion of long-term financing and funding facilities | **(1,751,980)** | (1,751,045) |
| Long-term financing and funding facilities presented as non-current liabilities | **27,534,630** | 24,206,926 |

Financing and funding facilities as reported in the Group’s interim condensed consolidated statement of financial position are classified as ‘non-recourse debt’ or ‘recourse debt’ facilities. Non-recourse debt facilities are generally secured by the borrower (i.e., a subsidiary) with its own assets, contractual rights and cash flows and there is no recourse to the Company under any guarantee. The recourse debt facilities are direct borrowings by the Company or those guaranteed by the Company. The Group’s financial liabilities are either fixed special profit bearing or at a margin above the relevant reference rates. The Group seeks to hedge long-term floating exposures using derivatives.

## 8 RELATED PARTY TRANSACTIONS AND BALANCES

In the ordinary course of its activities, the Group transacts business with its related parties. Related parties include the Group equity accounted investees (i.e., “Joint Ventures” or “JVs”), the Company’s shareholders and directors, the key management personnel, and other entities which are under common control through the Company’s shareholders (“Affiliates”). Key management personnel represent directors, the Chief Executive Officer and his direct reports.

The Group transacts business with related parties which include transactions with entities which are either controlled or jointly controlled by Public Investment Fund, being the sovereign wealth fund of the Kingdom of Saudi Arabia. The Group has used the exemptions in respect of related party disclosures for government-related entities in IAS 24 “Related Party Disclosures”.

The transactions with related parties are made on mutually agreed terms and approved by the Board of Directors as necessary. Significant transactions with related parties during the period and significant balances at the reporting date are as follows:

(All amounts in Saudi Riyals thousands unless otherwise stated)

## 8 RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

| | Note | Relationships | *For the three month period ended 30 June* 2025 | 2024 | *For the six month period ended 30 June* 2025 | 2024 |
|---|---|---|---|---|---|---|
| ***Transactions:*** | | | | | | |
| Revenue | | JVs/ Affiliates | **712,725** | 679,080 | **1,392,629** | 1,240,990 |
| Group services fees | 12.2 | JVs | **76,532** | 53,204 | **161,209** | 104,717 |
| Finance income from shareholder loans | 12 | JVs | **54,919** | 49,631 | **108,586** | 100,402 |
| Financial charges on loans from related parties | 14 | JVs /Affiliates | **8,944** | 11,582 | **17,887** | 23,126 |
| Key management personnel compensation | | | | | | |
| Long-term incentive plan* | | - | **4,077** | 3,566 | **28,992** | 19,835 |
| End of service benefits | | - | **853** | 1,046 | **1,808** | 1,707 |
| Remuneration including director's remuneration | | - | **36,141** | 30,654 | **50,600** | 47,166 |

**This includes share-based payments and provision for long-term incentive plan for the key management personnel.*

| | Note | Relationships | *As of* 30 Jun 2025 | 31 Dec 2024 |
|---|---|---|---|---|
| ***Due from related parties*** | | | | |
| ***Current:*** | | | | |
| Hajar Two Electricity Company | | Joint venture | **471,715** | - |
| Hajr for Electricity Production Co. | (a) | Joint venture | **200,974** | 208,011 |
| Noor Energy 1 P.S.C. | (a) | Joint venture | **181,907** | 131,245 |
| Al-Mourjan for Electricity Production Co. | (a) | Joint venture | **139,668** | 115,999 |
| ACWA Power Sirdarya | (a) | Joint venture | **128,578** | 113,384 |
| Dhofar O&M Company LLC | (a) | Joint venture | **119,771** | 113,935 |
| ACWA Power Solarreserve Redstone Solar TPP | | Joint venture | **117,377** | 44,671 |
| Hassyan Energy Phase 1 P.S.C | (a) | Joint venture | **91,016** | 72,029 |
| Marafiq Red Sea for Energy | (a) | Joint venture | **81,536** | 78,515 |
| Rabigh Electricity Co. | | Joint venture | **52,527** | 56,021 |
| Shinas Generating Company SAOC | | Joint venture | **51,697** | 34,744 |
| Shuqaiq Services Company for Maintenance | (a) | Joint venture | **50,247** | 54,076 |
| NEOM Green Hydrogen Co. Ltd. | | Joint venture | **49,422** | 56,564 |
| ACWA Power Solafrica Bokpoort CSP Power Plant (Pty) Ltd. | (a) | Joint venture | **49,249** | 35,347 |
| Sudair 1 Holding Company | | Joint venture | **48,668** | 39,497 |
| ACWA Power Dzhankeldy Wind LLC | | Joint venture | **48,274** | 46,999 |
| ACWA Power Bash Wind LLC | | Joint venture | **48,243** | 46,573 |
| Ad-Dhahirah Generating Company SAOC | (a) | Joint venture | **46,735** | 21,109 |
| Jazan Integrated Gasification and Power Company | | Joint venture | **38,186** | 38,186 |
| ACWA Power Uzbekistan Wind Project Holding Company Ltd | | Joint venture | **35,891** | 35,834 |
| Haya Power & Desalination Company B.S.C | (a) | Joint venture | **32,376** | 33,624 |
| Shuaa Energy 3 P.S.C. | (a) | Joint venture | **29,589** | 25,001 |
| ACWA Guc Isletme Ve Yonetim Sanayi Ve Ticaret | (a) | Joint venture | **27,767** | 9,030 |
| Jazlah Water Desalination company | (a) | Joint venture | **21,795** | 13,816 |
| Shuaibah Expansion Project Co. | (a) | Joint venture | **15,075** | 11,544 |
| ACWA Power Bash Wind Project Holding Company | | Joint venture | **14,319** | - |
| Shuaibah Holding Company | | Joint venture | **13,877** | 4,411 |
| Shuaibah 3 Water Desalination Company | | Joint venture | **13,873** | 6,520 |
| Ar Rass Solar Energy Company | (a) | Joint venture | **13,864** | 15,708 |
| ACWA Power Uzbekistan Project Holding Co | | Joint venture | **13,788** | 13,746 |
| Al Mourjan Two Electicity Company | | Joint venture | **13,713** | - |
| Ishaa Holding Company | | Joint venture | **13,599** | 5,505 |
| Layla Solar Energy Company | (a) | Joint venture | **13,372** | 12,408 |
| Shuaibah Water & Electricity Co. Ltd | (a) | Joint venture | **13,182** | 30,972 |
| Naqa'a Desalination Plant LLC | (a) | Joint venture | **12,321** | 13,967 |
| Oasis Holding Company | | Joint venture | **11,278** | 1,534 |
| Taweelah RO Desalination Company LLC | (a) | Joint venture | **9,309** | 17,447 |
| Remal Energy Company | | Joint venture | **-** | 144,825 |
| Naseem Energy Company | | Joint venture | **-** | 144,825 |
| Other related parties | | Joint venture | **137,236** | 104,604 |
| | | | **2,472,014** | 1,952,226 |

(All amounts in Saudi Riyals thousands unless otherwise stated)

## 8 RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

| | *Relationships* | As of | |
|---|---|---|---|
| | | **30 Jun 2025** | 31 Dec 2024 |
| ***Due to related parties*** | | | |
| ***Non-current:*** | | | |
| Water and Electricity Holding Company CJSC | Shareholder's subsidiary | **823,740** | 805,853 |
| Loan from a minority shareholder of a subsidiary | - | **84,954** | 84,049 |
| | | **908,694** | 889,902 |
| ***Current:*** | | | |
| Loans from minority shareholders of a subsidiary | - | **46,925** | 43,675 |
| ACWA Power Africa Holdings (Pty) Ltd | Joint venture | **11,671** | 11,978 |
| Other related parties | Joint ventures | **14,008** | 24,097 |
| | | **72,604** | 79,750 |

(a) These balances mainly include amounts due from related parties to First National Holding Company ("NOMAC") (and its subsidiaries) for operation and maintenance services provided to the related parties under operation and maintenance contracts. In certain cases, the balances also include advances provided to related parties that have no specific repayment date.

(All amounts in Saudi Riyals thousands unless otherwise stated)

## 9 OTHER RESERVES

Movement in other reserves is given below:

| | Cash flow hedge reserve | Currency translation reserve | Share in OCI of equity accounted investees (note 4) | Re-measurement of defined benefit liability | Equity-settled share-based payment | Others | Total |
|---|---|---|---|---|---|---|---|
| Balance as of 1 January 2024 | 938,841 | (17,471) | 1,209,393 | (30,994) | - | (27,180) | 2,072,589 |
| Change in fair value of cash flow hedge reserve net of settlements | 677,143 | - | 1,126,075 | - | - | - | 1,803,218 |
| Cash flow hedge reserve recycled to profit or loss upon discontinuation of hedge relationships | (15,491) | - | - | - | - | - | (15,491) |
| Cash flow hedge reserve recycled to profit or loss upon loss of control of subsidiaries | (508,538) | - | - | - | - | | (508,538) |
| Settlement of treasury shares under long term incentive plan | - | - | - | - | (18,284) | - | (18,284) |
| Other changes | - | 24,269 | (34,046) | (10,560) | 80,958 | - | 60,621 |
| Balance as of 31 December 2024 | 1,091,955 | 6,798 | 2,301,422 | (41,554) | 62,674 | (27,180) | 3,394,115 |
| Change in fair value of cash flow hedge reserve net of settlements | **(388,350)** | **-** | **(955,069)** | **-** | **-** | **-** | **(1,343,419)** |
| Share-based payment transactions | **-** | **-** | **-** | **-** | **(40,155)** | **-** | **(40,155)** |
| Other changes | **-** | **(16,834)** | **-** | **5,929** | **58,640** | **-** | **47,735** |
| Balance as of 30 June 2025 | **703,605** | **(10,036)** | **1,346,353** | **(35,625)** | **81,159** | **(27,180)** | **2,058,276** |

*Cash flow hedge reserve*
The cash flow hedge reserve represents movements in Group's share in mark to market valuation of hedging instruments net of deferred taxes in relation to the Group's subsidiaries. The cumulative deferred gain or loss on the hedge is recognised in profit or loss when the hedged transaction impacts the profit or loss. Under the terms of the long-term financing and funding facilities, the hedges are required to be held until maturity. Changes in the fair value of the undesignated portion of the hedged item, if any, are recognised in the interim condensed consolidated statement of profit or loss.

As at the reporting date, the cash flow hedge reserve includes an amount of SR 311 million relating to hedge instruments that have been terminated. This amount is expected to be reclassified to profit or loss in future periods, upon the determination that the forecasted transactions to which the hedges relates to are no longer expected to occur.

(All amounts in Saudi Riyals thousands unless otherwise stated)

## 10 ZAKAT AND TAXATION

### 10.1 Amounts recognised in profit or loss

| | Note | For the three months period ended 30 June | | For the six months period ended 30 June | |
|---|---|---|---|---|---|
| | | **2025** | 2024 | **2025** | 2024 |
| Zakat and tax charge* | 10.2 | **(108,073)** | (46,356) | **(157,518)** | (83,185) |
| Deferred tax credit** | | **20,863** | 20,359 | **91,427** | 15,466 |
| Zakat and tax charge reflected in profit or loss | | **(87,210)** | (25,997) | **(66,091)** | (67,719) |

**Zakat and tax charge for the six months and three months periods ended 30 June 2025 includes provision on prior year assessments amounting to SR 21.8 million and SR 21.8 million respectively (six months and three months periods ended 30 June 2024 amounting to SR 11 million and SR 11 million respectively).*

***Deferred tax credit for the six months and three months periods ended 30 June 2025 includes positive impact from foreign exchange rate movements amounting to SR 154 million and SR 71 million respectively (six months and three months periods ended 30 June 2024: negative impact of SR 15.1 million and SR 0.5 million respectively) on Group's subsidiaries in Morocco whereby foreign currency denominated assets and liabilities are carried in local currency for tax base purposes.*

### 10.2 Significant zakat and tax assessments

The Company

The Company has filed zakat and tax returns for all the years up to 2024. The company has closed its position with the Zakat, Tax & Customs Authority (the "ZATCA") until year 2018. The ZATCA is currently performing audits for the year 2021 to 2024. During May 2025, the ZATCA made certain proposed amendments to the Company's zakat declarations for the years 2021 and 2022 amounting to SR 35.9 million and SR 40.5 million for the years 2021 and 2022 respectively. The ZATCA is yet to issue formal Zakat assessment for these respective years, the company is going through discussion with ZATCA and has provided requested information and awaiting outcome. Should there be any formal Zakat demand from ZATCA for years 2021 and 2022, the company is confident of defending its position. The company has not made any provisions against this specific matters.

Subsidiaries and associates

With its multi-national operations, the Group is subject to taxation in multiple jurisdictions around the world with complex tax laws including KSA. The Company's subsidiaries / associates in KSA and other jurisdictions submit their income tax and zakat returns separately. Certain subsidiaries / associates have received assessments from ZATCA / tax authorities, which have led to additional liability totalling to SR 151 million (ACWA Power share is SR 79 million). As of 30 June 2025, the management has recognised provisions of SR 151 million (ACWA Power share is SR 79 million) against these assessments, where appropriate. Currently. these subsidiaries / associates have lodged objections against these assessments. The objections are currently undergoing review by the ZATCA and the General Secretariat of Tax Committees ("GSTC") / Appellate authorities. Management is confident that adequate provisions been recognised and anticipates no further liabilities arising from these assessments once they are finalized.

Other aspects

The Group is in the scope of Pillar Two based on the revenue threshold of EUR 750 million and conducting operations in multiple jurisdictions.

As of 30 June 2025, the Kingdom of Saudi Arabia, where the Parent Company is incorporated, has not enacted Pillar Two income tax legislation.

As of 30 June 2025, there are 9 jurisdictions where company is required to comply with local Pillar Two rules. The Company has performed impact assessment related to Pillar Two rules at Jurisdiction level, the Company is of the view that there is no additional material tax liability impacting its financial statements due to implementation of the OECD Pillar Two initiative in these jurisdictions.

Further, due to the uncertainties and on-going developments in respect to Pillar Two rules implementation in other countries in the world, the Group is not able to provide a reasonable estimate at the reporting date and is continuing to assess the impact of the Pillar Two income taxes legislation on its future financial performance at consolidated financial statement level.

(All amounts in Saudi Riyals thousands unless otherwise stated)

## 10 ZAKAT AND TAXATION (CONTINUED)

### 10.2 Significant zakat and tax assessments (continued)

*Other aspects (continued)*

The Group has applied the temporary exception issued by the IASB in May 2023 from the accounting requirements for deferred taxes in IAS 12. Accordingly, the Group neither recognizes nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

## 11 REVENUE

| | Note | For the three months period ended 30 June | | For the six months period ended 30 June | |
|---|---|---|---|---|---|
| | | **2025** | 2024 | **2025** | 2024 |
| Sale of electricity | | | | | |
| Development and construction management services | | **251,863** | 127,025 | **705,125** | 150,706 |
| Capacity charges | 11.3 | **255,235** | 198,576 | **487,132** | 395,326 |
| Energy output | | **124,992** | 88,384 | **234,792** | 146,337 |
| Finance lease income | | **77,552** | 132,875 | **137,190** | 186,524 |
| Operation and maintenance | | **645,202** | 568,479 | **1,265,047** | 1,066,710 |
| | | **1,354,844** | 1,115,339 | **2,829,286** | 1,945,603 |
| Sale of water | | | | | |
| Development and construction management services | | - | 15,224 | **72,750** | 15,224 |
| Capacity charges | 11.2, 11.3 | **226,936** | 239,290 | **450,456** | 480,193 |
| Water output | 11.2 | **48,932** | 83,217 | **126,957** | 160,638 |
| Finance lease income | | **24,098** | 24,873 | **48,153** | 49,896 |
| Operation and maintenance | | **85,488** | 79,556 | **169,644** | 153,347 |
| | | **385,454** | 442,160 | **867,960** | 859,298 |
| Other services | 11.1 | **7,166** | 5,069 | **17,453** | 9,424 |
| | | **1,747,464** | 1,562,568 | **3,714,699** | 2,814,325 |
| Operating lease | | **482,171** | 437,866 | **937,588** | 875,519 |
| Finance lease | | **101,650** | 157,748 | **185,343** | 236,420 |
| Lease Component | | **583,821** | 595,614 | **1,122,931** | 1,111,939 |
| Non-Lease Component | | **1,163,643** | 966,954 | **2,591,768** | 1,702,386 |
| | | **1,747,464** | 1,562,568 | **3,714,699** | 2,814,325 |

*Refer to note 17 for the geographical distribution of revenue.*

**11.1** This represents net underwriting insurance income from ACWA Power Reinsurance business (Captive Insurer).

**11.2** Includes revenue from sale of steam of SR 94.2 million for the three months and SR 194 million for the six months periods ended 30 June 2025 (30 June 2024: SR 99.3 million for three months and SR 196.3 million for six months).

**11.3** This represents revenue in relation to the Group's operating lease assets. The finance lease income includes energy generation shortfall amounting to SR 24.6 million for the three months and shortfall of SR 63.9 million for the six months period ended 30 June 2025 (30 June 2024: excess of SR 30.2 million for the three months and shortfall of SR 18.0 million for the six months). Energy generation shortfalls / excess represent difference between actual production as compared to original estimated production levels of certain plants accounted for as finance leases.

Finance lease principal amortisation for the three months and six months periods ended 30 June 2025 is SR 110.6 million and SR 212.5 million respectively (30 June 2024: SR 99.3 million for three months and SR 201.9 million for six months).

(All amounts in Saudi Riyals thousands unless otherwise stated)

## 12 OTHER OPERATING INCOME

| | Note | For the three months period ended 30 June | | For the six months period ended 30 June | |
|---|---|---|---|---|---|
| | | **2025** | 2024 | **2025** | 2024 |
| Performance liquidated damages and insurance recovery | 12.1 | **664,872** | - | **664,872** | - |
| Group services fees | 12.2 | **76,532** | 53,204 | **161,209** | 104,717 |
| Finance income from shareholder loans | 8 | **54,919** | 49,631 | **108,586** | 100,402 |
| | | **796,323** | 102,835 | **934,667** | 205,119 |

**12.1** During the period, one of the Group's subsidiaries settled SR 318 million (30 June 2024: Nil) claim with the EPC contractor, related to delays and performance issues during the project's commissioning and early operations. Further, the subsidiary has also finalized an insurance claim of SR 246 million (30 June 2024: Nil) covering historical losses incurred by it due to the plant performance issues.

**12.2** Group services fees relates to management advisory, and ancillary support provided by the Group to its various equity accounted investees.

**12.3** Impairment expenses

One of the Group's subsidiaries recognized an impairment charge of SR 7 million (2024: SR 146 million) represented by loss of generation, due to a leakage in its molten salt tank. The outage was resolved and the plant commenced operations during April 2025.

Furthermore, during the period, the same subsidiary has reassessed the recoverability of its finance lease receivables and ongoing capital expenditure on a new molten salt tank (new tank). In doing so, the subsidiary has revised certain critical generation assumptions including reduction in capacity assumption for the existing molten salt tank (until the commissioning of a new tank). Consequently, an additional impairment charge of SR 290 million was recognized in the current period resulting in the overall impairment charge amounting to SR 297 million.

## 13 OTHER INCOME

| | Note | For the three months period ended 30 June | | For the six months period ended 30 June | |
|---|---|---|---|---|---|
| | | **2025** | 2024 | **2025** | 2024 |
| Income in relation to discontinuation of hedging instruments | 13.1 | **-** | - | **-** | 343,423 |
| Delayed liquidated damages recovery | | **-** | 88 | **-** | 11,805 |
| Others | | **6,574** | 9,580 | **18,279** | 14,971 |
| | | **6,574** | 9,668 | **18,279** | 370,199 |

**13.1** During the period, an amount of SR Nil (30 June 2024: SR 343.4 million) was recognized in the condensed consolidated statement of profit or loss, relating to the release of the cash flow hedge reserve. This release occurred as the hedged risk was no longer expected to occur, resulting in the discontinuation of hedge accounting. Accordingly, the cumulative gains previously recognized in other comprehensive income were reclassified to profit or loss.

## 14 FINANCIAL CHARGES

| | Note | For the three months period ended 30 June | | For the six months period ended 30 June | |
|---|---|---|---|---|---|
| | | **2025** | 2024 | **2025** | 2024 |
| Financial charges on borrowings | | **381,518** | 358,512 | **839,826** | 697,432 |
| Financial charges on letters of guarantee | | **11,303** | 8,983 | **24,818** | 15,381 |
| Financial charges on loans from related parties | 8 | **8,944** | 11,582 | **17,887** | 23,126 |
| Other financial charges | | **9,892** | 5,084 | **22,313** | 10,854 |
| | | **411,657** | 384,161 | **904,844** | 746,793 |

## 15 EARNINGS PER SHARE

**15.1** The weighted average number of shares outstanding during the period (in thousands) are as follows:

| | For the three months period ended 30 June | | For the six months period ended 30 June | |
|---|---|---|---|---|
| | **2025** | 2024 | **2025** | 2024 |
| Issued ordinary shares as at | **732,562** | 732,562 | **732,562** | 732,562 |
| Weighted average number of ordinary shares outstanding during the period ended | **736,990** | 737,150 | **736,990** | 737,150 |
| Weighted average number of ordinary shares for the purpose of diluted earnings per share | **766,490** | 766,490 | **766,490** | 766,490 |

**15.2** The basic and diluted earnings per share are calculated as follows:

| | For the three months period ended 30 June | | For the six months period ended 30 June | |
|---|---|---|---|---|
| | **2025** | 2024 | **2025** | 2024 |
| Net profit for the period attributable to equity holders of the Parent | **481,826** | 630,620 | **908,977** | 926,791 |
| Profit for the period attributable to equity holders of the Parent | **481,826** | 630,620 | **908,977** | 926,791 |
| Basic earnings per share to equity holders of the Parent (in SR) – restated *(note 19.1)* | **0.65** | 0.86 | **1.23** | 1.26 |
| Diluted earnings per share to equity holders of the Parent (in SR) - restated *(note 19.1)* | **0.63** | 0.82 | **1.19** | 1.21 |

## 16 CONTINGENCIES AND COMMITMENTS

As of 30 June 2025, the Group had outstanding contingent liabilities in the form of letters of guarantee, performance guarantees and corporate guarantees issued in relation to bank facilities for project companies amounting to SR 24.56 billion (31 December 2024: SR 22.13 billion). The amount also includes the Group's share of equity accounted investees' commitments.

Below is the breakdown of contingencies as of the reporting date:

| | **As of 30 June 2025** | As of 31 Dec 2024 |
|---|---|---|
| Guarantees in relation to equity bridge loans and equity LCs * | **13,027,445** | 10,600,307 |
| Guarantees on behalf of joint ventures | **83,454** | 210,226 |
| Debt service reserve account ("DSRA") standby LCs | **1,502,823** | 1,469,206 |
| Guarantees for funded facilities of joint ventures | **22,707** | 23,311 |
| **Financial Obligations** | **14,636,429** | 12,303,050 |
| Performance / development securities and completion support Letters of Credit ("LCs") | **6,261,628** | 6,447,535 |
| Guarantees on behalf of joint ventures | **3,441,864** | 3,186,016 |
| Bid bonds for projects under development stage | **221,349** | 189,795 |
| **Performance Obligations** | **9,924,841** | 9,823,346 |
| ***Total Contingencies and Commitments*** | **24,561,270** | 22,126,396 |

* This primarily represents the Group's equity commitments towards its subsidiaries and joint ventures (the "Investees"). In addition, the Group's other future equity commitments towards the Investees amounts to SR 2.70 billion (31 December 2024: SR 4.37 billion).

The Group also has a loan commitment amounting to SR 598.20 million in relation to mezzanine debt facilities ("the Facilities") taken by certain of the Group's equity accounted investees. This loan commitment arises due to symmetrical call and put options entered in by the Group with the lenders of the Facilities.

In addition to the above, the Group also has contingent assets and liabilities with respect to certain disputed matters, including claims by and against counterparties and arbitrations involving certain issues, including a claim received in relation to one of its divested equity accounted investees. These contingencies arise in the ordinary course of business. Based on the best estimates of management, the Company has adequately provided for all such claims, where appropriate.

(All amounts in Saudi Riyals thousands unless otherwise stated)

## 17 OPERATING SEGMENTS

The Group has determined that the Management Committee, chaired by the Chief Executive Officer, is the chief operating decision maker in accordance with the requirements of IFRS 8 'Operating Segments'.

Revenue is attributed to each operating segment based on the type of plant or equipment from which the revenue is derived. Segment assets and liabilities are not reported to the chief operating decision maker on a segmental basis and are therefore not disclosed.

The accounting policies of the operating segments are the same as the Group's accounting policies. All intercompany transactions within the reportable segments have been appropriately eliminated. There were no inter-segment sales in the period presented below. Details of the Group's operating and reportable segments are as follows:

| | |
|---|---|
| (i) Thermal and Water Desalination | The term Thermal refers to the power and water desalination plants which use fossil fuel (oil, coal, gas) as the main source of fuel for the generation of electricity and production of water, whereas Water Desalination refers to the stand-alone reverse osmosis desalination plants. The segment includes all four parts of the business cycle of the business line (i.e., develop, invest, operate and optimize). These plants include IPPs (Independent Power Plants), IWPPs (Independent Water and Power Plants) and IWPs (Independent Water Plants). |
| (ii) Renewables | This includes the Group's business line which comprises of PV (Photovoltaic), CSP (Concentrated Solar Power), Wind plants and Hydrogen. The segment includes all four parts of the business cycle of the business line (i.e., develop, invest, operate and optimize). |
| (iii) Others | Comprises certain activities of corporate functions and other items that are not allocated to the reportable operating segments and the results of the ACWA Power reinsurance business. |

**Key indicators by reportable segment**

*Revenue*

| | For the three months period ended 30 June | | For the six months period ended 30 June | |
|---|---|---|---|---|
| | **2025** | 2024 | **2025** | 2024 |
| (i) Thermal and Water Desalination | **1,157,830** | 1,151,795 | **2,622,883** | 2,192,954 |
| (ii) Renewables | **582,470** | 405,704 | **1,074,363** | 611,947 |
| (iii) Others | **7,164** | 5,069 | **17,453** | 9,424 |
| Total revenue | **1,747,464** | 1,562,568 | **3,714,699** | 2,814,325 |

*Operating income before impairment and other expenses*

| | For the three months period ended 30 June | | For the six months period ended 30 June | |
|---|---|---|---|---|
| | **2025** | 2024 | **2025** | 2024 |
| (i) Thermal and Water Desalination | **540,069** | 646,565 | **1,408,319** | 1,230,968 |
| (ii) Renewables | **1,021,234** | 616,659 | **1,234,043** | 638,710 |
| (iii) Others | **5,982** | 4,851 | **15,817** | 8,886 |
| Total | **1,567,285** | 1,268,075 | **2,658,179** | 1,878,564 |
| ***Unallocated corporate operating income / (expenses)*** | | | | |
| General and administration expenses | **(233,866)** | (290,550) | **(478,700)** | (519,263) |
| Depreciation and amortization | **(13,988)** | (8,702) | **(22,681)** | (18,358) |
| Provision for long-term incentive plan | **(6,479)** | (15,910) | **(31,394)** | (32,179) |
| Provision raised/ (reversal) on due from related party | **(57)** | - | **5,036** | - |
| Other operating income | **24,141** | 37,308 | **76,549** | 80,089 |
| Total operating income before impairment and other expenses | **1,337,036** | 990,221 | **2,206,989** | 1,388,853 |

(All amounts in Saudi Riyals thousands unless otherwise stated)

## 17 OPERATING SEGMENTS (CONTINUED)

### Key indicators by reportable segment (continued)

*Segment profit*

| | Note | For the three months period ended 30 June 2025 | For the three months period ended 30 June 2024 | For the six months period ended 30 June 2025 | For the six months period ended 30 June 2024 |
|---|---|---|---|---|---|
| (i) Thermal and Water Desalination | | **348,631** | 402,500 | **995,208** | 743,577 |
| (ii) Renewables | | **523,294** | 531,112 | **551,142** | 330,530 |
| (iii) Others | | **6,886** | 5,467 | **17,513** | 10,202 |
| Total | | **878,811** | 939,079 | **1,563,863** | 1,084,309 |
| ***Reconciliation to profit for the period from continuing operations*** | | | | | |
| General and administration expenses | | **(233,866)** | (290,550) | **(478,700)** | (519,263) |
| Income in relation to discontinuation of hedging instruments | 13 | **-** | - | **-** | 343,423 |
| Provision for long-term incentive plan | | **(6,479)** | (15,910) | **(31,394)** | (32,179) |
| Arbitration claim | | **-** | - | **-** | (15,998) |
| Corporate social responsibility contribution | | **(27,196)** | (11,315) | **(35,650)** | (16,035) |
| Provision reversal on due from related party | | **(58)** | - | **5,036** | - |
| Discounting impact on loan from shareholder | 14.1 | **(8,944)** | (8,563) | **(17,887)** | (17,126) |
| Depreciation and amortization | | **(13,988)** | (8,702) | **(22,681)** | (18,358) |
| Other operating income | | **24,141** | 37,308 | **76,549** | 80,089 |
| Other income | | **968** | 71,522 | **41,090** | 112,548 |
| Financial charges and exchange loss, net | | **867** | (11,409) | **(8,668)** | (14,169) |
| Provision for zakat and tax on prior year assessments | 10.1 | **(21,800)** | (11,000) | **(21,800)** | (11,000) |
| Zakat and tax charge | | **(4,572)** | (19,932) | **(21,767)** | (38,223) |
| Profit for the period from continuing operations | | **587,884** | 670,528 | **1,047,991** | 938,018 |

### Geographical concentration

The Company is headquartered in the Kingdom of Saudi Arabia. The geographical concentration of the Group's revenue and non-current assets is shown below:

| | Revenue from continuing operations | | Non-current assets | |
|---|---|---|---|---|
| | **30 Jun 2025** | 30 Jun 2024 | **30 Jun 2024** | 31 Dec 2024 |
| Kingdom of Saudi Arabia | **1,937,844** | 1,452,028 | **24,368,847** | 24,638,922 |
| Middle East and Asia | **1,427,469** | 1,029,787 | **14,300,178** | 12,400,906 |
| Africa | **349,386** | 332,510 | **9,749,124** | 8,755,050 |
| | **3,714,699** | 2,814,325 | **48,418,149** | 45,794,878 |

### Information about major customers

During the period, two customers (2024: two) individually accounted for more than 10% of the Group's revenues. The related revenue figures for these major customers, the identity of which may vary by period, were as follows:

| | Revenue | |
|---|---|---|
| | **30 Jun 2025** | 30 Jun 2024 |
| Customer A | **567,919** | 575,060 |
| Customer B | **282,641** | 224,872 |

The revenue from these customers is attributable to the Thermal and Water Desalination reportable operating segment.

(All amounts in Saudi Riyals thousands unless otherwise stated)

## 18 FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the assets or liabilities either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable input).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their level in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

| | | **Fair value** | | | |
|---|---|---|---|---|---|
| | **Carrying amount** | **Level 1** | **Level 2** | **Level 3** | **Total** |
| **As of 30 June 2025** | | | | | |
| *Financial liabilities / (asset)* | | | | | |
| Fair value of derivatives used for hedging | **(558,509)** | **-** | **(558,509)** | **-** | **(558,509)** |
| Long-term financing and funding facilities | **29,286,610** | **1,404,973** | **27,869,847** | **-** | **29,274,820** |
| As of 31 December 2024 | | | | | |
| *Financial liabilities / (asset)* | | | | | |
| Fair value of derivatives used for hedging | (1,172,959) | - | (1,172,959) | - | (1,172,959) |
| Long-term financing and funding facilities | 25,957,971 | 1,466,775 | 24,512,470 | - | 25,979,245 |

Fair value of other financial instruments have been assessed as approximate to the carrying amounts due to frequent re-pricing or their short-term nature. Management believes that the fair value of net investment in finance lease is approximately equal to its carrying value because the lease relates to a specialised nature of asset whereby the carrying value of net investment in finance lease is the best proxy of its fair value.

***Valuation technique and significant unobservable inputs***

| **Type** | **Valuation technique** | **Significant unobservable input** | **Inter-relationship between significant unobservable inputs and fair value measurement** |
|---|---|---|---|
| Derivatives used for hedging*<br>Bank borrowings ** | Discounted cash flows: the valuation model considers the present value of expected payments or receipts discounted using the risk adjusted discount rate or the market discount rate applicable for a recent comparable transaction. | Not applicable | Not applicable |

** The instruments were measured at fair value in the interim condensed consolidated statement of financial position.*
*** The fair value of these instruments were measured for disclosure purpose only.*

## 19 OTHER SIGNIFICANT DEVELOPMENTS DURING THE PERIOD

**19.1** On 30 June 2025 (corresponding to 05/01/1447H), the Company's Extraordinary General Assembly approved the increase of the Company's capital from SR 7,325.6 million to SR 7,664.9 million by way of a Rights Issue, offering 33,928,570 ordinary Shares at an Offering Price of SR 210 per Share, with a total value of SR 7,124.9 million. The trading and subscription of the rights on the Saudi Exchange were completed in July 2025, with net proceeds expected to be received subsequently. The impact of right issuance would be reflected in Q3 2025 financial statements.

**19.2** During the period ended 30 June 2025, The Group has entered into a Share Purchase Agreement ("SPA") to acquire an 17.5% stake in Az-Zour North in Kuwait, 45% stake in Al Ezzel, 45% stake in Al Dur and 30% stake in Al Hidd in Bahrain. The above acquired entities own gas-fired power generation (4.6GW), water desalination (1,114k m3/day) and related Operations and Maintenance companies in both Kuwait and Bahrain. The acquisition was done through a newly created SPV under ACWA Power for total transaction amount of SR 2,599 million. Completion of the transaction is subject to the satisfaction of the conditions precedent (CP) in the SPA, including the securing of all the necessary regulatory approvals.

## 20 SUBSEQUENT EVENTS

Subsequent to the period ended 30 June 2025, the Group in accordance with the nature of its business has entered into or is negotiating various agreements. Management does not expect these to have any material impact on the Group's interim condensed consolidated results and financial position as of the reporting date.

## 21 COMPARATIVE FIGURES

Certain figures for the prior period have been reclassified or adjusted to conform to the presentation in the current period Summary of reclassifications/adjustments are as follows:

- Reclassification from Accounts receivable, prepayments and other receivables to Other assets (non-current) of SR 296.32 million.

## 22 APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These interim condensed consolidated financial statements were approved by the Board of Directors and authorised for issue on 6 Safar 1447H, corresponding to 31 July 2025.