



**SAUDI ENERGY COMPANY (FORMERLY SAUDI ELECTRICITY COMPANY)**  
**(A SAUDI JOINT STOCK COMPANY)**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**  
**AND INDEPENDENT AUDITOR'S REVIEW REPORT**  
**FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2026**

**SAUDI ENERGY COMPANY (FORMERLY SAUDI ELECTRICITY COMPANY)**  
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REVIEW REPORT  
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2026**

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**Deloitte and Touche & Co.**  
**Chartered Accountants**  
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**INDEPENDENT AUDITOR'S REVIEW REPORT  
ON INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

To the Shareholders of  
Saudi Energy Company (formerly Saudi Electricity Company)  
(A Saudi Joint Stock Company)  
Riyadh, Kingdom of Saudi Arabia

**Introduction**

We have reviewed the accompanying interim condensed consolidated statement of financial position of Saudi Energy Company (formerly Saudi Electricity Company) ("the Company") and its subsidiaries (together "the Group") as at March 31, 2026, and the related interim condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the three months period then ended and explanatory notes. Management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on this interim condensed consolidated financial information 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" as endorsed in the Kingdom of Saudi Arabia. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing as 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.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with IAS 34 as endorsed in the Kingdom of Saudi Arabia.

**Deloitte and Touche & Co.**  
**Chartered Accountants**

  
**Abdulrahman S Al Suwaiygh**  
Certified Public Accountant  
License No. 461



Dhul Qadah 25, 1447H  
May 12, 2026

**SAUDI ENERGY COMPANY (FORMERLY SAUDI ELECTRICITY COMPANY)**  
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

**AS AT MARCH 31, 2026**

(All amounts in thousands  $\neq$  unless otherwise stated)

	Note	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	9	599,758,545	584,969,993
Intangible assets		1,640,077	1,567,897
Right-of-use assets		479,186	536,734
Investment properties		914,486	943,896
Equity accounted investees		4,808,285	4,696,801
Financial assets at amortized cost		23,361	20,864
Financial assets through other comprehensive income	6.1	1,171,350	214,683
Derivative financial instruments - non-current	12.3	6,229	-
Loans and advances - non-current		954,663	954,663
<b>Total non-current assets</b>		<b>609,756,182</b>	<b>593,905,531</b>
<b>Current assets</b>			
Inventories		1,511,707	1,545,732
Accounts receivable	10	23,509,677	28,729,509
Loans and advances - current		7,730,411	7,419,829
Contract assets		589,817	429,484
Prepayments and other receivables		3,519,681	2,479,444
Derivative financial instruments - current	12.3	60,770	55,642
Cash and cash equivalents		3,208,522	1,258,043
<b>Total current assets</b>		<b>40,130,585</b>	<b>41,917,683</b>
<b>TOTAL ASSETS</b>		<b>649,886,767</b>	<b>635,823,214</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	1	41,665,938	41,665,938
Other reserves		(496,198)	(628,408)
Contractual reserve - Mudaraba instrument	11	3,253,460	1,018,259
Retained earnings		41,617,221	42,019,875
<b>Total equity before Mudaraba instrument (1)</b>		<b>86,040,421</b>	<b>84,075,664</b>
Mudaraba instrument		163,636,000	163,636,000
Fair value adjustment of Mudaraba instrument		9,971,896	9,971,896
<b>Mudaraba instrument (2)</b>	11	<b>173,607,896</b>	<b>173,607,896</b>
<b>Total equity (1+2)</b>		<b>259,648,317</b>	<b>257,683,560</b>

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The accompanying notes from 1 to 25 form an integral part of these interim condensed consolidated financial statements.

**SAUDI ENERGY COMPANY (FORMERLY SAUDI ELECTRICITY COMPANY)**  
(A SAUDI JOINT STOCK COMPANY)

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

**AS AT MARCH 31, 2026**

(All amounts in thousands  $\neq$  unless otherwise stated)

	Note	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Long term loans and facilities	12.2	136,551,005	120,586,098
Sukuks	12.2	53,870,892	44,867,951
Employees' benefits obligation		10,683,302	10,484,455
Non-current portion of deferred revenue		78,882,488	78,620,338
Advances from subscribers		22,781,655	21,997,690
Deferred government grants	21	1,173,797	1,118,039
Derivative financial instruments	12.3	134,644	208,550
Non-current portion of lease liabilities		238,502	288,792
<b>Total non-current liabilities</b>		<b>304,316,285</b>	<b>278,171,913</b>
<b>Current liabilities</b>			
Short term loans and facilities	12.2	12,142,349	15,219,047
Current portion of long term loans and facilities	12.2	5,061,622	18,703,831
Trade payables		9,094,520	13,417,202
Accruals and other payables	13	52,212,430	44,815,390
Provision for other liabilities and charges		787,654	664,082
Refundable deposits from customers		1,908,423	1,908,999
Current portion of deferred revenue		3,140,206	3,115,625
Contract liabilities	21	1,330,687	1,921,984
Current portion of lease liabilities		244,274	201,581
<b>Total current liabilities</b>		<b>85,922,165</b>	<b>99,967,741</b>
<b>Total liabilities</b>		<b>390,238,450</b>	<b>378,139,654</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>649,886,767</b>	<b>635,823,214</b>

		
Executive Vice President and Chief Financial Officer	Chief Executive Officer	Chairman of the Board
Abdulaziz bin Abdulrahman AIMuhaiza	Khaled Salim Al-Ghamdi	Najem Abdullah Alzaid

The accompanying notes from 1 to 25 form an integral part of these interim condensed consolidated financial statements.

**SAUDI ENERGY COMPANY (FORMERLY SAUDI ELECTRICITY COMPANY)**  
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2026**

(All amounts in thousands ₪ unless otherwise stated)

	Note	March 31, 2026 (Unaudited)	March 31, 2025 (Unaudited)
Operating revenue	17	21,336,343	19,500,384
Cost of revenue	18	(17,530,534)	(16,626,378)
<b>Gross profit</b>		<b>3,805,809</b>	<b>2,874,006</b>
Other income, net		135,113	99,668
Research and development expenses		(13,249)	(17,971)
Impairment losses on financial assets		(219,087)	(290,060)
General and administrative expenses		(536,685)	(317,800)
<b>Operating profit for the period</b>		<b>3,171,901</b>	<b>2,347,843</b>
Finance income		12,158	49,168
Finance expense		(1,339,871)	(1,453,972)
<b>Finance costs, net</b>	19	<b>(1,327,713)</b>	<b>(1,404,804)</b>
Share of profit on equity accounted investees		34,238	51,236
<b>Profit for the period before zakat</b>		<b>1,878,426</b>	<b>994,275</b>
Zakat charge		(45,879)	(26,297)
<b>Profit for the period</b>		<b>1,832,547</b>	<b>967,978</b>
<b>Earning / (loss) per share (express in ₪ per share)</b>			
Basic and diluted earnings per share without deducting profits for the Mudaraba instrument	20	0.44	0.23
Basic and diluted loss per share after deducting profits for the Mudaraba instrument	20	(0.10)	(0.29)

		
Executive Vice President and Chief Financial Officer	Chief Executive Officer	Chairman of the Board
Abdulaziz bin Abdulrahman AIMuhaiza	Khaled Salim Al-Ghamdi	Najem Abdullah Alzaid

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**SAUDI ENERGY COMPANY (FORMERLY SAUDI ELECTRICITY COMPANY)**  
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2026**

(All amounts in thousands  $\text{S}$  unless otherwise stated)

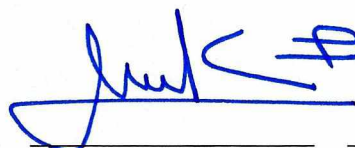
	Note	March 31, 2026 (Unaudited)	March 31, 2025 (Unaudited)
Profit for the period		<u>1,832,547</u>	967,978
<b>Other comprehensive income / (loss):</b>			
<b>Items that may be reclassified subsequently to interim condensed consolidated statement of profit or loss:</b>			
Derivative financial instruments at fair value - effective portion		81,306	(204,367)
Share of derivative financial instruments on equity accounted investees		<u>50,904</u>	(11,548)
<b>Total items that may be reclassified to interim condensed consolidated statement of profit or loss</b>		<u>132,210</u>	(215,915)
<b>Other comprehensive income / (loss) for the period</b>		<u>132,210</u>	(215,915)
<b>Total comprehensive income for the period</b>		<u>1,964,757</u>	<u>752,063</u>

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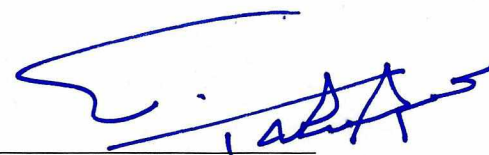
Executive Vice President and Chief  
Financial Officer

Abdulaziz bin Abdulrahman  
AlMuhaiza



Chief Executive Officer

Khaled Salim Al-Ghamdi



Chairman of the Board

Najem Abdullah Alzaid

The accompanying notes from 1 to 25 form an integral part of these interim condensed consolidated financial statements.

**SAUDI ENERGY COMPANY (FORMERLY SAUDI ELECTRICITY COMPANY)**  
**(A SAUDI JOINT STOCK COMPANY)**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2026**  
 (All amounts in thousands \$ unless otherwise stated)

	Other reserves				Contractual reserve for Mudaraba instrument	Retained earnings	Total equity before Mudaraba instrument (1)		Mudaraba instrument (2)	Total equity (1+2)
	Share capital	Fair value of derivatives	Employees' benefits obligation	Financial assets at FVOCI			Mudaraba instrument (1)	Mudaraba instrument (2)		
Balance as at January 1, 2025 (audited)	41,665,938	347,376	(423,829)	(42,511)	(118,964)	984,901	40,919,268	83,451,143	167,920,563	251,371,706
Profit for the period	-	-	-	-	-	967,978	-	967,978	-	967,978
Other comprehensive loss	-	(215,915)	-	-	-	-	(215,915)	-	-	(215,915)
Total comprehensive (loss) / income	-	(215,915)	-	-	-	-	967,978	752,063	-	752,063
Transfer to contractual reserve for Mudaraba instrument (note 11)	-	-	-	-	-	2,161,977	(2,161,977)	-	5,687,333	5,687,333
Additions (note 11)	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2025 (Unaudited)	41,665,938	131,461	(423,829)	(42,511)	(334,879)	3,146,878	39,725,269	84,203,206	173,607,896	257,811,102
<b>Balance as at January 1, 2026 (audited)</b>	<b>41,665,938</b>	<b>(130,087)</b>	<b>(440,374)</b>	<b>(57,947)</b>	<b>(628,408)</b>	<b>1,018,259</b>	<b>42,019,875</b>	<b>84,075,664</b>	<b>173,607,896</b>	<b>257,683,560</b>
Profit for the period	-	-	-	-	-	-	1,832,547	1,832,547	-	1,832,547
Other comprehensive income	-	132,210	-	-	132,210	-	-	132,210	-	132,210
Total comprehensive income	-	132,210	-	-	132,210	-	1,832,547	1,964,757	-	1,964,757
Transfer to contractual reserve for Mudaraba instrument (note 11)	-	-	-	-	-	2,235,201	(2,235,201)	-	-	-
Balance as at March 31, 2026 (Unaudited)	41,665,938	2,123	(440,374)	(57,947)	(496,198)	3,253,460	41,617,221	86,040,421	173,607,896	259,648,317

Executive Vice President and Chief Financial Officer

Abdulaziz bin Abdulrahman AlMuhaiza

Chief Executive Officer

Khaled Salim Al-Ghamdi

Chairman of the Board

Najem Abdullah Alzaid

The accompanying notes from 1 to 25 form an integral part of these interim condensed consolidated financial statements.

**SAUDI ENERGY COMPANY (FORMERLY SAUDI ELECTRICITY COMPANY)**  
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2026**

(All amounts in thousands  $\text{S}$  unless otherwise stated)

	March 31, 2026 (Unaudited)	March 31, 2025 (Unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit for the period before zakat	1,878,426	994,275
<b>Adjustments for:</b>		
Depreciation of property, plant and equipment	5,661,854	5,252,802
Depreciation of right-of-use assets	58,917	48,986
Depreciation of investment properties	3,289	788
Amortisation of intangible assets	40,345	17,381
Foreign currency exchange difference	(43,848)	-
Finance expense	1,339,871	1,453,972
Finance income	(12,158)	(49,168)
Employees' benefits obligation	235,332	195,489
(Reversal) / allowance for slow-moving and obsolete inventories	(7,861)	43,323
Impairment losses on financial assets	219,087	290,060
Share of profit on equity accounted investees	(34,238)	(51,236)
Amortisation of deferred government grant	(16,285)	(34,852)
Loss / (gain) on disposal of property, plant and equipment	70,749	(14,566)
	<b>9,393,480</b>	<b>8,147,254</b>
<b>Changes in operating assets and liabilities:</b>		
Inventories	41,886	(867,558)
Accounts receivable	5,112,247	(2,539,750)
Prepayments and other receivables	(1,151,739)	(2,764,090)
Loans and advances	(310,582)	(606,897)
Contract assets	(160,333)	(231,632)
Trade payables	(4,322,682)	(5,476,269)
Accruals and other payables	6,040,697	8,281,781
Provision for other liabilities and charges	77,693	(20,221)
Refundable deposits from customers	(576)	(2,318)
Contract liabilities	(591,297)	69,826
Advances from subscribers	783,965	1,239,616
Deferred government grant	72,043	-
Deferred revenue	286,731	(115,091)
<b>Cash generated from operations</b>	<b>15,271,533</b>	<b>5,114,651</b>
Employees' benefits obligation paid	(151,899)	(243,101)
<b>Net cash generated from operating activities</b>	<b>15,119,634</b>	<b>4,871,550</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(18,258,805)	(20,687,929)
Proceeds from sale of property, plant and equipment	-	57,740
Purchase of intangible assets	(112,525)	(2,712)
Additional investment in financial assets through other comprehensive income	(956,667)	-
Additional investment in financial assets at amortised cost	(2,497)	-
Finance income received	12,158	49,168
Additions to investment properties	(3,498)	-
Loan to associate and joint ventures	-	(60,108)
<b>Net cash used in investing activities</b>	<b>(19,321,834)</b>	<b>(20,643,841)</b>

The accompanying notes from 1 to 25 form an integral part of these interim condensed consolidated financial statements.

**SAUDI ENERGY COMPANY (FORMERLY SAUDI ELECTRICITY COMPANY)**  
(A SAUDI JOINT STOCK COMPANY)

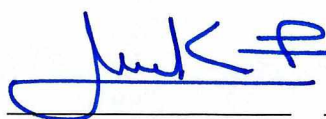
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)**  
**FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2026**  
(All amounts in thousands  $\text{R.S.}$  unless otherwise stated)

	March 31, 2026 (Unaudited)	March 31, 2025 (Unaudited)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from loans and facilities	22,400,600	15,494,177
Proceeds from issuance of sukuk	9,000,000	10,321,298
Repayments of loans and facilities	(23,107,811)	(9,208,626)
Payment for lease liabilities	(13,336)	(61,026)
Dividends paid	(1,793)	(420)
Finance cost paid	(2,124,981)	(1,352,982)
<b>Net cash generated from financing activities</b>	<b>6,152,679</b>	<b>15,192,421</b>
<b>Net change in cash and cash equivalents</b>	<b>1,950,479</b>	<b>(579,870)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>1,258,043</b>	<b>1,631,656</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>	<b>3,208,522</b>	<b>1,051,786</b>

Non-cash transactions are disclosed in note 23.

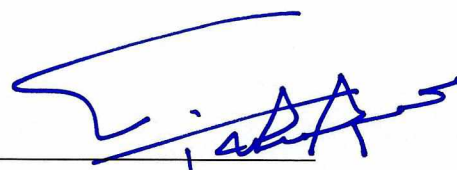
  
Executive Vice President and Chief  
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Chief Executive Officer

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Chairman of the Board

Najem Abdullah Alzaid

The accompanying notes from 1 to 25 form an integral part of these interim condensed consolidated financial statements.

**SAUDI ENERGY COMPANY (FORMERLY SAUDI ELECTRICITY COMPANY)**  
(A SAUDI JOINT STOCK COMPANY)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2026**

(All amounts in thousands ﷲ unless otherwise stated)

**1. CORPORATE INFORMATION**

The Saudi Energy Company (formerly Saudi Electricity Company) (the “Company”) was founded as a Saudi joint stock company pursuant to the Royal Decree No. M/16 dated 6 Ramadan 1420H corresponding to December 13, 1999, in accordance with the Council of Ministers' Resolution Number 153, dated 5th Ramadan 1420H corresponding to December 12, 1999 and the Minister of Commerce's Resolution Number 2047 dated 30 Dhul-Hijjah 1420H corresponding to April 5, 2000 according to the Commercial Registration by Riyadh Number 1010158683 and unified number 7000579370, dated 28 Muhurram 1421H corresponding to May 3, 2000.

The Company's principal activities are generation, transmission and distribution of electricity. The Company is the major provider of electricity all over the Kingdom of Saudi Arabia, serving governmental, industrial, agricultural, commercial, and residential consumers.

The Company is a tariff-regulated company for provision of electricity. Electricity tariffs are determined by the Council of Ministers based on recommendations from the Saudi Electricity Regulatory Authority (the “Authority”).

The Company's share capital is divided into 4,166,593,815 shares of ﷲ 41,665,938,150 with a nominal value of ﷲ 10 per share. The Government of Saudi Arabia's shareholding of 74.31% in the Company was transferred to the Public Investment Fund by Royal Decree No. 47995 dated 19<sup>th</sup> Shawwal 1438H (July 13, 2017).

On 8 Ramadan 1447H corresponding to February 25, 2026, the By laws and commercial register was amended to change in the name of the Company from Saudi Electricity Company to Saudi Energy Company. Additionally, the objectives of the Company were slightly amended.

The address of its registered headquarter is located in Riyadh, Kingdom of Saudi Arabia.

Saudi Energy Company is referred to as (“Company”) or together with its subsidiaries as (“Group”) throughout the financial statements. These interim condensed consolidated financial statements include the assets, liabilities and results of operations of the direct and indirect subsidiaries referred to in the table below. The percentage of voting rights owned by the Company in subsidiaries is not different from that of the ordinary shares held. The financial year of the Group including subsidiaries starts from the first of January and ends at the end of December of each Gregorian year, except newly incorporated companies for which first financial year begins on the date of incorporation and ends on December 31. The Group applies its accounting policies consistently across the Group.

The subsidiaries are listed below:

Subsidiaries	Country of incorporation	Ownership in ordinary shares %		Principal activities
		March 31, 2026	December 31, 2025	
National Grid S.A. Company “Grid Company”	Kingdom of Saudi Arabia	100	100	Transmission
Dawiyat Telecommunication Company	Kingdom of Saudi Arabia	100	100	Telecommunication
Saudi Electricity for Projects Development Co.	Kingdom of Saudi Arabia	100	100	Projects Management
Saudi Electricity Global Sukuk Company - 2	Cayman Islands	100	100	Financing
Saudi Electricity Global Sukuk Company - 3	Cayman Islands	100	100	Financing
Saudi Electricity Global Sukuk Company - 4	Cayman Islands	100	100	Financing
Saudi Electricity Global Sukuk Company - 5	Cayman Islands	100	100	Financing
Saudi Electricity Company for the International Sukuk Program	Cayman Islands	100	100	Financing

**SAUDI ENERGY COMPANY (FORMERLY SAUDI ELECTRICITY COMPANY)**  
(A SAUDI JOINT STOCK COMPANY)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2026**  
(All amounts in thousands  $\text{S}$  unless otherwise stated)

**1. CORPORATE INFORMATION (CONTINUED)**

The subsidiaries are listed below (continued):

Subsidiaries	Country of incorporation	Ownership in ordinary shares %		Principal activities
		March 31, 2026	December 31, 2025	
Solution Valley Company	Kingdom of Saudi Arabia	100	100	Mobile service
Dawiyat Integrated Company for Telecommunications and Information Technology	Kingdom of Saudi Arabia	100	100	Telecommunication
Saudi Energy Production Company	Kingdom of Saudi Arabia	100	100	Energy Generation
Dawiyat Digital for Information Technology Company	Kingdom of Saudi Arabia	100	100	Wireless telecommunication services
Dawiyat Company for Data Centers	Kingdom of Saudi Arabia	100	100	Building, operating, and leasing data centres
United Infrastructure Energy Company	Kingdom of Saudi Arabia	100	100	Developing infrastructure of power project
Ettijahat Advanced Energy Company	Kingdom of Saudi Arabia	100	100	Investing in funds and businesses
Sahl First Energy Company	Kingdom of Saudi Arabia	100	100	Power generation
Sahl Second Energy Company	Kingdom of Saudi Arabia	100	100	Power generation
Sahl Third Energy Company	Kingdom of Saudi Arabia	100	100	Power generation
Ghazal First Energy Company	Kingdom of Saudi Arabia	100	100	Power generation
Ghazal Second Energy Company	Kingdom of Saudi Arabia	100	100	Power generation
Ettijahat Real Estate Company	Kingdom of Saudi Arabia	100	100	Developing, managing, leasing, buying and selling lands and real estate
Global Data Hub Company	Kingdom of Saudi Arabia	100	100	Computer network installation, communications, IT management services
Masarat Alistithmar AlMustadam (a)	Kingdom of Saudi Arabia	100	-	Acquire, grow, and manage non regulated businesses

- a) Masarat Alistithmar AlMustadam Company is a single shareholder simplified joint stock company incorporated in Riyadh, Kingdom of Saudi Arabia Ramadan 20, 1447H (corresponding to March 9, 2026), and registered under Commercial Registration No. 7053845629. The Company has an authorized share capital of  $\text{S}$  12 million of which  $\text{S}$  3 million is paid up. The Company is wholly owned by Saudi Energy Company (formerly Saudi Electricity Company). The main activity is to acquire, grow, and manage non-regulated businesses.

**SAUDI ENERGY COMPANY (FORMERLY SAUDI ELECTRICITY COMPANY)**  
(A SAUDI JOINT STOCK COMPANY)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2026**

(All amounts in thousands ﷲ unless otherwise stated)

**1. CORPORATE INFORMATION (CONTINUED)**

These interim condensed consolidated financial statements include Group's share in joint ventures and associates as below:

<b>Joint Ventures</b>	<b>Country of incorporation</b>	<b>Ownership in ordinary shares</b>	
		<b>March 31, 2026</b>	<b>December 31, 2025</b>
Hajr for Electricity Production Company	Kingdom of Saudi Arabia	50	50
Rabigh Electricity Company	Kingdom of Saudi Arabia	20	20
Al Mourjan for Electricity Production Company	Kingdom of Saudi Arabia	50	50
Dhuruma Electricity Company	Kingdom of Saudi Arabia	50	50
Electric Vehicle Infrastructure Company	Kingdom of Saudi Arabia	24.8	24.8
Sidra One Holding company	Kingdom of Saudi Arabia	40	40
Qudra One Holding company	Kingdom of Saudi Arabia	40	40
Saudi Greek Interconnection Societe Anonyme	Kingdom of Saudi Arabia	50	50
Remal First Holding Company	Kingdom of Saudi Arabia	35	35
Naseem First Holding Company	Kingdom of Saudi Arabia	35	35
Hajr One Holding Company	Kingdom of Saudi Arabia	40	40
Al Mourjan Two Holding Company	Kingdom of Saudi Arabia	40	40
Ashraf Wahj Samidah Company	Kingdom of Saudi Arabia	50	50
Isnad Wahj Samidah Company	Kingdom of Saudi Arabia	50	50
National Innovation Industrial Company (a)	Kingdom of Saudi Arabia	30	-

- a) On 7 Ramadan 1447H (corresponding to February 24, 2026), the Group finalized the acquisition of 30% stake in National Innovation Industrial Company from Saudi Arabian Industrial Investments Company (DUSSUR) and 3D Systems Inc. National Innovation Industrial Company, a limited liability company, is incorporate in Riyadh, Kingdom of Saudi Arabia registered under the Commercial Registration No. 7030193994. The Group's share capital is ﷲ29 million representing 30% of the Company's capital, which is ﷲ98 million. The Company's main activity is advanced digital manufacturing, including 3D printing and the production of customized industrial components for government and semi government sectors.

<b>Associates</b>	<b>Country of incorporation</b>	<b>Ownership in ordinary shares</b>	
		<b>March 31, 2026</b>	<b>December 31, 2025</b>
Gulf Co-operation Council Inter-Connection Authority	Kingdom of Saudi Arabia	31.6	31.6
Gulf Laboratory Company for Testing Electrical Equipment	Kingdom of Saudi Arabia	30	30
Al Fadhly Co-Generation Company	Kingdom of Saudi Arabia	30	30

**2. SIGNIFICANT EVENT**

**Uncertainty**

The Group has considered the potential impact of current macroeconomic and geopolitical events, including the ongoing conflict and geopolitical tensions in the Middle East, on its financial position, performance, and cash flows. The impact of such uncertain economic environment is judgmental, and the group will continue to reassess its position and the related impact on a regular basis as more reliable data becomes available.

## **2. SIGNIFICANT EVENT (CONTINUED)**

### **Uncertainty (continued)**

Based on the assessment as of the reporting date, the Group has concluded that these events do not have a material impact on its operations, financial results, or carrying value of assets and liabilities. The Group will continue to evaluate and closely monitor the current situation to assess the geopolitical situation may have on its business and financial performance. This includes conducting regular stress testing scenarios and assessing implications on key risk indicators, including credit, liquidity, operational and solvency risk. In parallel, management continues its review of credit exposures, with focused assessment of vulnerable sectors and has concluded that no adjustments are required to the expected credit loss model.

## **3. BASIS OF PREPARATION**

### ***a) Statement of compliance***

These interim condensed consolidated financial statements of the Group have been prepared in compliance with International Accounting Standard 34 - Interim Financial Reporting ("IAS 34") as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements endorsed by Saudi Organization for Chartered and Professional Accountants (SOCPA) and the requirements of the laws and regulations in Kingdom of Saudi Arabia.

These interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2025. IAS 34 states that the interim condensed consolidated financial statements are intended to provide an update on the latest complete set of annual financial statements. Hence, IAS 34 requires less disclosure in interim financial statements than IFRS requires in annual financial statements.

The Group has elected to present two sets of interim condensed consolidated statement of comprehensive income and presents its expenses by function.

### ***b) Basis of measurements and presentation***

These interim condensed consolidated financial statements have been prepared on a historical cost basis, except for the following material items in the interim condensed consolidated statement of financial position:

- The employees' benefits obligation, which is recognised at the present value of future obligations using the Projected Unit Credit Method.
- Financial assets through other comprehensive income including derivative financial instruments that are measured at fair value.

These interim condensed consolidated financial statements are presented in Saudi Riyals (ﷲ), which is the functional currency of the Group. These interim condensed consolidated financial statements have been rounded-off to nearest ﷲ thousand, unless otherwise stated.

## **4. MATERIAL ACCOUNTING POLICY INFORMATION**

The accounting policies adopted in preparation of these interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's consolidated financial statements for the year ended December 31, 2025. These interim condensed consolidated financial statements should be read in conjunction with the Group's annual consolidated financial statements as at December 31, 2025.

Accounting policies adopted in preparation of these interim condensed consolidated financial statements are described in note 4 of the Group's consolidated financial statements for the year ended December 31, 2025 and are constant across the Group.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2026**

(All amounts in thousands ﷻ unless otherwise stated)

**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

**4.1 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)**

**New and amended International Financial Reporting Standards (“IFRSs”) Standards that are effective for the current period**

The following standards, interpretations or amendments are effective and are adopted by the Group but do not have an impact on the interim condensed consolidated financial statements of the Group.

<b>New and revised IFRS</b>	<b>Summary</b>	<b>Effective date</b>
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	Under the amendments, certain financial assets including those with ESG-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature. The IASB has amended IFRS 9 to clarify when a financial asset or a financial liability is recognized and derecognized and to provide an exception for certain financial liabilities settled using an electronic payment system.	January 1, 2026
Annual improvements to IFRS - Volume 11	These includes multiple amendments made to IFRS 1 First time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements, and IAS 7 Statement of Cash Flows.	January 1, 2026

**New and revised IFRSs issued but not yet effective and not early adopted**

The standards and amendments that are issued, but not yet effective, as of March 31, 2026 are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective. These standards are not expected to have a material impact on the Group at their effective dates, except IFRS 18, which the Group is currently evaluating the impact of its adoption on the interim condensed consolidated financial statements.

<b>New and revised IFRS</b>	<b>Summary</b>	<b>Effective date</b>
Amendments to IFRS 10 and IAS 28- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations and the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that constitute a business as defined in IFRS 3 is recognized in full.	Effective date deferred indefinitely
IFRS 18 - presentation and disclosure in financial statements	This standard sets out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure the entity provide relevant information that faithfully represents an entity’s assets, liabilities, equity, income, and expenses.	January 1, 2027
IFRS 19 - Reducing subsidiaries disclosures	IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19. A subsidiary may choose to apply the new standard in its consolidated, separate, or individual financial statements provided that, at the reporting date it does not have public accountability and its parent produces consolidated financial statements under IFRS Accounting Standards.	January 1, 2027

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
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(All amounts in thousands ~~ﷲ~~ unless otherwise stated)

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**5. USE OF ESTIMATES AND JUDGEMENTS**

The preparation of the Group's interim condensed consolidated financial statements in accordance with IFRSs as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the SOCPA requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and the disclosure of contingent liabilities, at the reporting date. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the Group's annual consolidated financial statements as of December 31, 2025.

**6. FINANCIAL RISK MANAGEMENT**

**6.1 Fair-value measurement**

The Group measures its financial instruments at fair value at reporting date. 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 Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

All assets and liabilities whose fair values are measured or disclosed in the financial statements are categorized within the fair value hierarchy. This is described, as follows, based on the lowest input level considered significant for the overall measurement:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either, directly (that is, as prices) or indirectly (that is, derived from prices);
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is unobservable inputs).

For assets and liabilities that are recognised in the interim condensed consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The following table presents the Group's financial assets and liabilities that are measured at fair value:

**SAUDI ENERGY COMPANY (FORMERLY SAUDI ELECTRICITY COMPANY)**  
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**6. FINANCIAL RISK MANAGEMENT (CONTINUED)**

**6.1 Fair-value measurement (continued)**

As of March 31, 2026 - Unaudited	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Financial assets through other comprehensive income	-	-	1,171,350	1,171,350
Derivative financial assets	-	66,999	-	66,999
<b>Total financial assets</b>	-	66,999	1,171,350	1,238,349
<b>Financial liabilities</b>				
Derivatives financial liabilities	-	134,644	-	134,644
<b>Total financial liabilities</b>	-	134,644	-	134,644
As of December 31, 2025 - Audited	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Financial assets through other comprehensive income	-	-	214,683	214,683
Derivative financial assets	-	55,642	-	55,642
<b>Total financial assets</b>	-	55,642	214,683	270,325
<b>Financial liabilities</b>				
Derivatives financial liabilities	-	208,550	-	208,550
<b>Total financial liabilities</b>	-	208,550	-	208,550

**Valuation techniques used to derive level two fair-value**

Interest rate swaps are fair valued using the mark-to-market value (or fair value) of the interest rate swap technique. The effects of discounting are generally insignificant for Level two derivatives.

The fair value is calculated as the present value of the estimated future cash flows. Estimates of future floating rate cash flows are based on quoted swap rates, futures prices and interbank borrowing rates. Estimated cash flows are discounted using a yield curve constructed from similar sources and which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps. The fair value estimate is subject to a credit risk adjustment that reflects the credit risk of the Group and of the counterparty; this is calculated based on credit spreads derived from current default swap or bond prices.

**Fair value measurements using significant unobservable inputs (Level three)**

The Group has five investments recorded at financial assets through other comprehensive income i.e.

- 8% Stake in Shuaiba Water and Electricity Company;
- 8% Stake in Shuqaiq Water and Electricity Company;
- 5% Stake in Jubail Water and Power Company; and
- 8% Stake in Shuaiba Expansion Holdings Company; and
- 4.1% stake in Kraken Midco Limited.

The fair valuation of the first four investments is carried out using the dividend valuation model (DVM).

In accordance with this methodology, the expected future dividends from the investments are projected (the historical dividend pay-out pattern is used as a basis for future projections over the investment horizon), and discounted using the cost of equity as the relevant discount rate to ascertain the fair value of these investments.

The investment in Kraken Midco Limited has been initially recorded at fair value and is subsequently fair valued using the income approach.

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**6. FINANCIAL RISK MANAGEMENT (CONTINUED)**

**6.1 Fair-value measurement (continued)**

**Fair value measurements using significant unobservable inputs (Level three) (continued)**

Projected dividends and cost of equity are the main input variables for the utilised model for the fair valuation of financial assets at fair value through other comprehensive income.

There have been no transfers between fair values levels during the three months period ended March 31, 2026.

Movement in fair value financial instruments represented in financial assets at other comprehensive income during the period/year is as follows:

	<b>March 31, 2026 (Unaudited)</b>	December 31, 2025 (Audited)
Balance at the beginning of the period / year	<b>214,683</b>	230,119
Investment made during the period (a)	<b>956,667</b>	-
Change in fair value of the financial assets through other comprehensive income during the period / year	-	(15,436)
Balance at the end of the period / year	<b>1,171,350</b>	214,683

(a) The Group has entered into a shareholder agreements with Kraken Holdco Limited relating to acquiring an equity stake in Kraken Midco Limited, resulting in an approximate 4.1% shareholding. The investee specializes in Artificial Intelligence powered products that integrate for utilities systems.

**Fair value of financial assets and liabilities measured at amortised cost**

The fair value of the financial assets and liabilities approximates their carrying amount.

**Mudaraba instrument**

The fair value of the initial Mudaraba instrument was determined at the initial transfer date to equity.

**6.2 Liquidity risk**

Liquidity risk represents that the Group will encounter difficulty in raising monies to meet commitments associated with financial instruments.

The management objective of liquidity risk is to ensure that the Group has sufficient financing facilities to meet its current and future obligations. The Group aims to maintain adequate flexibility in financing by maintaining appropriate credit facilities. The Group expects to meet its future financial obligations without being affected by the shortfall in working capital, through cash collections of receivables and through bank facilities and loans.

As at March 31, 2026, the Group's current liabilities exceed its current assets by ﷲ45.8 billion (December 2025: ﷲ58.1 billion). This reflects the Group's ongoing large-scale capital expenditure programme aimed at expanding and renewing its power generation, transmission capacity and distribution capacity to meet future demand and regulatory requirements.

**6.3 Credit risk**

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, loans to affiliates, other receivables, as well as credit exposures to sales. The Group assesses the credit quality of the subscribers taking into account its past experience and other factors.

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers, which are settled in SADAD or using major credit cards and various electronic channels.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2026**  
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**7. SEASONALITY OF OPERATIONS**

The operations and revenues of the Group are affected by seasonal weather changes during the year. Revenues are materially lower during the winter months due to lower consumption of electricity whereas higher revenues are earned during summer months due to the increase in consumption of electricity as a result of high temperatures. These changes are reflected in the interim financial results of the Group during the year.

**8. OPERATING SEGMENTS**

The main operating activities of the Group are divided into generation, transmission, distribution and subscriber services which are complementary to each other in the production and delivery of electricity to the consumers. The Group's revenues are mainly realized from the sale of energy to the final consumer as per the official rate set for the system. Almost all operations are carried out within the Kingdom of Saudi Arabia. A significant portion of revenue from external customers is generated within the Kingdom, and all non-current assets of the Group are located within the Kingdom.

Saudi Energy Company's (formerly Saudi Electricity Company) operating segments are established on the basis of those components that are evaluated regularly by the Group Chief Executive Officer, considered to be the Chief Operating Decision Maker (CODM). The Chief Operating Decision Maker monitors the operating results of Saudi Energy's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on revenues, costs and a broad range of key performance indicators in addition to segment profitability.

Information reported to the Group's CODM for the purposes of resource allocation and assessment of segment performance is focused on the type of activity. The group's reportable segments under IFRS 8 are therefore as follows:

<b>Operating activities</b>	<b>Description</b>
Generation	Production of electricity.
Transmission	Transmission of power from generation plants using the transmission network to the distribution network and operation of the electricity transmission and maintenance system.
Distribution and Subscriber Services	Receiving and distributing power from transmission networks to subscribers, issuance and distribution of consumption bills and collections.
Others	Others include telecommunication infrastructure, wireless telecommunication services, project management and temporary power supply.

The financial information presented in the following table is as follows:

- The financial information of the Saudi Energy Company (formerly Saudi Electricity Company) in the following schedule includes the corporate. Corporate activities include primarily supporting services including Human Resources, Finance function, Legal and IT which are managed centrally and are not allocated to other segments or companies.
- For National Grid S.A. Company which includes transmission of electricity and the operation and maintenance of the transmission system; and
- Other segments include the telecommunication and other activities.

The accounting policies used by Saudi Energy Company (formerly Saudi Electricity Company) in reporting segments internally are the same as those described in Note 4 of the consolidated financial statements for the year ended December 31, 2025.

**SAUDI ENERGY COMPANY (FORMERLY SAUDI ELECTRICITY COMPANY)**  
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**8. OPERATING SEGMENTS (CONTINUED)**

Three months period ended March 31, 2026 (Unaudited) (₪ in million)	Corporate	Generation	Distribution and subscribers' services	Transmission	Others	Adjustments/ eliminations	Total
<b>Revenue</b>							
External consumers	-	3,936	19,296	1,824	212	(3,932)	21,336
Between segments	-	-	-	6,300	749	(7,049)	-
<b>Total revenue</b>	-	3,936	19,296	8,124	961	(10,981)	21,336
Purchased power	-	-	(16,410)	(398)	-	10,232	(6,576)
Operating and maintenance costs	(24)	(1,614)	(1,949)	(898)	(493)	469	(4,509)
Construction cost	-	-	-	(894)	-	61	(833)
Depreciation of property, plant and equipment	-	(1,661)	(1,594)	(2,233)	(52)	-	(5,540)
Fuel	-	(13)	-	-	-	-	(13)
Depreciation of right-of-use assets	(59)	-	-	-	-	-	(59)
<b>Gross profit / (loss)</b>	<b>(83)</b>	<b>648</b>	<b>(657)</b>	<b>3,701</b>	<b>416</b>	<b>(219)</b>	<b>3,806</b>
Other income, net							136
Research and development expenses							(13)
Impairment losses on financial assets							(219)
General and administrative expenses							(537)
Finance income							12
Finance expense							(1,340)
Share of profit from equity accounted investees							34
Zakat expenses							(46)
Profit for the period							1,833
<b>As at March 31, 2026 (unaudited)</b>							
Property, plant and equipment	5,855	121,181	179,815	288,041	5,086	(219)	599,759
Total assets	398,713	125,625	194,893	296,794	8,548	(374,686)	649,887
Total liabilities	205,270	120,597	187,915	236,223	4,898	(364,665)	390,238

**SAUDI ELECTRICITY COMPANY**  
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**8. OPERATING SEGMENTS (CONTINUED)**

Three months period ended March 31, 2025 (Unaudited) ( ₪ in million)	Corporate	Generation	Distribution and subscribers' services	Transmission	Others	Adjustments/ eliminations	Total
Revenue							
External consumers	-	3,648	17,527	1,800	168	(3,643)	19,500
Between segments	-	-	-	5,449	708	(6,157)	-
Total revenue	-	3,648	17,527	7,249	876	(9,800)	19,500
Purchased power	-	-	(14,792)	(551)	-	9,092	(6,251)
Operating and maintenance costs	(87)	(1,598)	(1,863)	(873)	(403)	708	(4,116)
Construction cost	-	-	-	(1,035)	-	-	(1,035)
Depreciation of property, plant and equipment	-	(1,702)	(1,370)	(2,005)	(80)	-	(5,157)
Fuel	-	(19)	-	-	-	-	(19)
Depreciation of right-of-use assets	(48)	-	-	-	-	-	(48)
Gross profit / (loss)	(135)	329	(498)	2,785	393	-	2,874
Other income, net							100
Research and development expenses							(18)
Impairment losses on financial assets							(290)
General and administrative expenses							(318)
Finance income							49
Finance expense							(1,454)
Share of profit from equity accounted investees							51
Zakat expenses							(26)
Profit for the period							968
As at December 31, 2025 (Audited)							
Property, plant and equipment	9,297	120,009	175,044	276,934	4,805	(1,119)	584,970
Total assets	394,601	124,446	197,196	283,954	8,103	(372,477)	635,823
Total liabilities	200,189	120,064	189,250	226,287	4,807	(362,457)	378,140

**SAUDI ENERGY COMPANY (FORMERLY SAUDI ELECTRICITY COMPANY)**  
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**9. PROPERTY, PLANT AND EQUIPMENT**

	<b>March 31, 2026 (Unaudited)</b>	December 31, 2025 (Audited)
Net book value at the beginning of the period/year	<b>584,969,993</b>	502,132,641
Additions	<b>20,521,155</b>	106,493,063
Disposals, net	<b>(70,749)</b>	(207,044)
Transfer to investment properties, net	-	(23,845)
Transfers to intangibles assets	-	(1,257,756)
Depreciation for the period/year	<b>(5,661,854)</b>	(22,167,066)
Net book value at the end of the period/year	<b>599,758,545</b>	584,969,993

An amount of ₪ 7.7 billion (December 31, 2025: ₪ 55.12 billion) was transferred from projects under construction to property, plant and equipment. Project under construction as of March 31, 2025 amounted to ₪ 137 billion (December 31, 2025: ₪ 124.49 billion).

Capitalized finance charges during the period on projects under construction amounting to ₪ 1.6 billion (December 31, 2025: ₪ 4.6 billion).

**10. ACCOUNTS RECEIVABLE**

	<b>March 31, 2026 (Unaudited)</b>	December 31, 2025 (Audited)
Governmental institutions (note 21) (a)	<b>6,209,737</b>	11,661,342
Receivables other than government (b)	<b>9,513,212</b>	9,731,165
Due from related parties (note 21)	<b>4,986,767</b>	4,973,091
Receivables for electricity service connection projects	<b>2,597,182</b>	2,317,087
	<b>23,306,898</b>	28,682,685
Add: accrued revenue	<b>3,576,071</b>	3,312,531
	<b>26,882,969</b>	31,995,216
Less: allowance for expected credit losses (c)	<b>(3,373,292)</b>	(3,265,707)
	<b>23,509,677</b>	28,729,509

a) Included in the governmental institutions receivables as of December 31, 2025 is an amount of ₪ 4.7 billion, which was received on January 8, 2026. The balance resulted from the management's estimate of the difference between required revenue and actual regulated revenue for the year 2025. It also includes the required revenue amendments for the year 2024 by the regulator until it is settled in accordance with the approved rules and regulations.

b) Included in receivables is an amount of ₪ 366 million that is currently under litigation. Management has not accounted for a specific allowance against this balance, as it believes it is fully recoverable.

c) The movement in the allowance for expected credit losses during the period / year is as follow:

	<b>March 31, 2026 (Unaudited)</b>	December 31, 2025 (Audited)
Balance as at beginning of the period/year	<b>3,265,707</b>	3,043,244
Charged for the period/year	<b>107,585</b>	359,869
Write off during the period/year	-	(137,406)
Balance as at the end of the period/year	<b>3,373,292</b>	3,265,707

**SAUDI ENERGY COMPANY (FORMERLY SAUDI ELECTRICITY COMPANY)**  
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**11. MUDARABA INSTRUMENT**

As of March 31, 2026 and December 31, 2025 the Mudaraba instrument balances are as follows:

	<b>Mudaraba instrument</b>	<b>Second additional Mudaraba instrument</b>	<b>Total</b>
Mudaraba instrument	159,169,000	4,467,000	<b>163,636,000</b>
Fair value adjustment of Mudaraba instrument	8,751,563	1,220,333	<b>9,971,896</b>
	<b>167,920,563</b>	<b>5,687,333</b>	<b>173,607,896</b>

On 15 Thul Qadah 1446H, corresponding to May 13, 2025, the general assembly approved the increase of contractual reserve to fund the profit payments for the Mudaraba instrument based on the adjusted value effective on the same date.

Movement in the contractual reserve is as follows:

	<b>March 31, 2026 (Unaudited)</b>	<b>December 31, 2025 (Audited)</b>
Balance as at the beginning of the period/year	<b>1,018,259</b>	984,901
Transferred from retained earnings during period/year	<b>2,235,201</b>	8,957,588
Paid during the period/year	-	(8,924,230)
Balance as at the end of the period/year	<b>3,253,460</b>	1,018,259

**12. FINANCIAL INSTRUMENTS**

**12.1 Financial instruments other than interest bearing**

	<b>March 31, 2026 (Unaudited)</b>	<b>December 31, 2025 (Audited)</b>
<b>Derivative financial liabilities</b>		
Derivative financial instruments at fair value (note 12.3)	<b>134,644</b>	208,550
<b>Other financial liabilities carried at amortized cost, other than interest bearing</b>		
Trade payables	<b>9,094,520</b>	13,417,202
Accruals and other payables	<b>52,212,430</b>	44,815,390
Refundable deposits from customers	<b>1,908,423</b>	1,908,999
<b>Total other financial liabilities carried at amortized cost, other than interest bearing</b>	<b>63,215,373</b>	60,141,591

**12.2 Interest bearing liabilities**

Classification of borrowings as appearing on the interim condensed consolidated statement of financial position as of March 31, 2026 is as follows:

	<b>Short term loans and facilities (Unaudited)</b>	<b>Long term loans and facilities (Unaudited)</b>	<b>Sukuks (Unaudited)</b>	<b>Total (Unaudited)</b>
Non-current	-	136,551,005	53,870,892	190,421,897
Current	<b>12,142,349</b>	<b>5,061,622</b>	-	<b>17,203,971</b>
	<b>12,142,349</b>	<b>141,612,627</b>	<b>53,870,892</b>	<b>207,625,868</b>

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**12. FINANCIAL INSTRUMENTS (CONTINUED)**

**12.2 Interest bearing liabilities (continued)**

Classification of borrowings as appearing on the consolidated statement of financial position as of December 31, 2025 is as follows:

	Short term loans and facilities (Audited)	Long term loans and facilities (Audited)	Sukuks (Audited)	Total (Audited)
Non-current	-	120,586,098	44,867,951	165,454,049
Current	15,219,047	18,703,831	-	33,922,878
	<u>15,219,047</u>	<u>139,289,929</u>	<u>44,867,951</u>	<u>199,376,927</u>

Movements in borrowings during the year / period are as follows:

	Short term loans and facilities	Long term loans and facilities	Sukuks	Total
<b>As at January 1, 2025 – Audited</b>	8,000,000	101,094,869	35,150,596	144,245,465
Proceeds from borrowings	11,719,047	56,812,874	12,187,500	80,719,421
Repayments of borrowings	(4,500,000)	(18,585,702)	(2,437,500)	(25,523,202)
Acquisition of a subsidiary during the year	-	296,152	-	296,152
Net charge to deferred costs	-	(328,264)	(32,645)	(360,909)
<b>As at December 31, 2025 – Audited</b>	<b>15,219,047</b>	<b>139,289,929</b>	<b>44,867,951</b>	<b>199,376,927</b>
Proceeds from borrowings	1,932,751	20,467,849	9,000,000	31,400,600
Repayments of borrowings	(5,000,000)	(18,050,612)	-	(23,050,612)
Foreign currency exchange difference	(9,449)	(34,399)	-	(43,848)
Net charge to deferred costs	-	(60,140)	2,941	(57,199)
<b>As at March 31, 2026 – Unaudited</b>	<b>12,142,349</b>	<b>141,612,627</b>	<b>53,870,892</b>	<b>207,625,868</b>

- (a) On 23 Sha'aban 1447H (corresponding to February 16, 2026), the Group has signed a Shari'ah compliant Murabaha refinancing facility with Domestic banks amounting to ﷲ 16 billion for 3 years with an extension option. As at March 31, 2026 the Group has Utilized ﷲ 16 billion.
- (b) On Rajab 13, 1447 (Corresponding to January 2, 2026) the Group signed an International Syndicated Facility with international banks amounting to USD 1 billion ( ﷲ 3.75 billion) for 5 years. As at March 31, 2026 the Group has utilised USD 1 billion ( ﷲ 3.75 billion) from this facility agreement.
- (c) On 10 Shaban 1447H (corresponding to January 29, 2026) a subsidiary of the Group entered into a Bridge to Senior murabaha facility agreement for a total facility amount of USD 850 million ( ﷲ 3.19 billion), As at March 31, 2026 this facility is unutilized.
- (d) On 10 Shaban 1447H (corresponding to January 29, 2026) a subsidiary of the Group entered into a Bridge to Senior murabaha facility agreement for a total facility amount of USD 550 million ( ﷲ 2.06 billion). As at March 31, 2026 this facility is unutilized.

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**12. FINANCIAL INSTRUMENTS (CONTINUED)**

**12.2 Interest bearing liabilities (continued)**

- (e) On 26 Rajab 1447H (corresponding to January 15, 2026) the Group issued a global Sukuk amounting ₪ 9 billion equivalent to (USD 2.4 Billion at par) . The issuance consists of three types of Sukuk certificates. The first with a value of ₪ 1.88 billion (US \$ 500 million), matures after 3 years with a fixed interest rate of 4.31%, the second with a value of ₪ 2.63 billion (US \$ 700 million) is due after 6 years with a fixed rate of 4.52% and the third with a value of ₪ 4.5 billion (USD 1.2 billion) is due after 10 years with a fixed rate of 5.07%.

**12.3 Derivative financial instruments**

The Group has interest rate hedging contracts with multiple banks with notional amount of ₪ 14.25 billion as of March 31, 2026 (December 31, 2025: ₪ 13.25 billion).

On 23 Shaban 1447H (corresponding to February 11, 2026), the Group has signed interest rate swap hedging contract with bank with notional amount of ₪ 1 billion until 2029.

The notional amounts, which provide an indication of the volumes of the transactions outstanding at the end of the period/year, do not necessarily reflect the amounts of future cash flows involved. These notional amounts, therefore, are not indicative of market risk nor of the Group's exposure to credit risk, which is generally limited to the fair value of the derivatives.

All derivatives as at reporting period are classified as cash flow hedges. Derivatives are classified as non-current or current assets and as non-current or current liabilities, depending on the expiration date of the financial instruments.

The fair values of the derivative financial instruments are summarised in the table below:

	<b>March 31, 2026 (Unaudited)</b>	December 31, 2025 (Audited)
<b>Derivative financial instruments assets:</b>		
<b>Interest rate swap</b>		
Non-current	<b>6,229</b>	-
Current	<b>60,770</b>	55,642
<b>Derivative financial instruments liabilities:</b>		
<b>Non-current</b>		
Interest rate swap	<b>126,403</b>	200,070
Structured foreign exchange forward contracts *	<b>8,241</b>	8,480
	<b>134,644</b>	208,550

\* The Group holds several structured foreign exchange forward contracts with a notional amount of 25 million USD (leveraged notional amount USD 50 million) (2025: 25 million USD (leveraged notional amount USD 50 million) being exchanged on a monthly basis, maturing till 2029.

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**13. ACCRUALS AND OTHER PAYABLES**

	<b>March 31, 2026 (Unaudited)</b>	December 31, 2025 (Audited)
Accrued capital projects and other expenses (a)	<b>47,082,843</b>	39,956,764
Accrued finance expenses	<b>2,102,504</b>	3,003,441
Accrued employees' benefits	<b>848,035</b>	1,205,427
Dividends payable	<b>489,452</b>	491,245
Other credit balances under settlement (b)	<b>1,573,693</b>	-
Accrued government fees (c)	<b>82,190</b>	82,190
Others	<b>33,713</b>	76,323
	<b>52,212,430</b>	44,815,390

- a) This includes an amount of ₪ 57.9 million (2025: ₪ 61.6 million) related to liabilities associated with equity accounted investees.
- b) The balance resulted from the management's estimate of the difference between required revenue and actual revenue for the year 2026. It also included the required revenue amendments for the year 2024 by the regulator until it is settled in accordance with the approved rules and regulations. Thus, it is recorded within other operational revenue.
- c) During the period an amount of ₪ 362 million (2025: ₪ 362 million) to be received from electricity consumers and payable to government of KSA has been classified along with the related liability to better reflect the substance of the transaction.

**14. CONTINGENT LIABILITIES**

- (a) There are some claims filed by certain contractors against the Group. These are currently in the arbitration process, and based on the amendment claims filed, the contractor is currently claiming an approximate amount of ₪ 800 million. However, the Group has also filed counter claims against the Contractor amount ranging from ₪ 3.8 to 4.4 billion with the same arbitrator. The management currently believes that there is no basis for recording any further obligation and that the Group's position is strong to date for the remaining claims according to the information available to the Group. On February 25, 2026, the Group received an initial arbitration outcome of one of these claims subject to appeal, the Group has filed an appeal against the decision. The company's position is strong to date according to the information available to the Group.

In addition, there are other capital project claims amounting ₪ 527 million, where the management currently believes that there are no basis for recording any obligation and that the Company's position is strong to date according to the information available to the Group.

- (b) The Group has provided guarantees to some commercial banks and some other parties with a total amount ₪ 1.1 billion as at March 31, 2026 (December 31, 2025: ₪ 1.10 billion).

**15. COMMITMENT**

The capital commitments at the date of the interim condensed consolidated statement of financial position comprises of unexecuted portion of capital contracts conducted by the Group for the development and installation of power plants and other assets amounting to ₪ 169 billion as of March 31, 2026 (December 31, 2025: ₪ 133 billion).

**Contractual obligations**

The Group has signed contracts to supply all the energy produced from the Group's generation units to the Saudi Power Procurement Company for a specific long-term period, and these contracts are irrevocable.

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**16. ZAKAT**

The Group has submitted its zakat returns within the statutory period for the year ended on December 31, 2025.

**17. OPERATING REVENUE**

	<u>For the three months period ended</u>	
	March 31, 2026 (Unaudited)	March 31, 2025 (Unaudited)
Sale of electricity	13,445,014	12,390,706
Meter reading, maintenance and bills preparation tariff	393,395	387,531
Electricity service connection fees	777,102	728,234
Transmission system revenue	503,436	395,233
Other operating revenue*	5,228,483	4,504,594
Construction revenue**	988,913	1,094,086
	<u>21,336,343</u>	<u>19,500,384</u>

\* This item includes an amount of ₪ 4.9 billion, which represents the difference between required revenue and actual regulated revenue based on management's best estimate for the period ending on March 31, 2026 (March 31, 2025: ₪ 4.1 billion).

\*\* The Group has right to payment for performance completed to date, therefore as permitted under IFRS 15, the transaction price allocated to the unsatisfied contracts is not disclosed.

	<u>For the three months period ended</u>	
	March 31, 2026 (Unaudited)	March 31, 2025 (Unaudited)
Estimated difference of required and actual revenue for the period	5,280,518	4,156,843
Ex-post adjustment computation for the year 2024 ***	(429,211)	-
	<u>4,851,307</u>	<u>4,156,843</u>

\*\*\* The management has received the ex-post computation for the year 2024 required revenue. Currently, the management is in communication with the regulator on the inclusion of certain items in line with the required revenue determination methodology impacting 2025.

**18. COST OF REVENUE**

	<u>For the three months period ended</u>	
	March 31, 2026 (Unaudited)	March 31, 2025 (Unaudited)
Fuel	12,743	18,723
Purchased power (note 18.1)	6,576,139	6,250,972
Operations and maintenance	4,510,286	4,116,108
Depreciation of property, plant and equipment	5,539,510	5,156,795
Construction cost	832,939	1,035,246
Depreciation of right-of-use assets	58,917	48,534
	<u>17,530,534</u>	<u>16,626,378</u>

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**18. COST OF REVENUE (CONTINUED)**

**18.1 Purchased power**

	<b>For the three months period ended</b>	
	<b>March 31, 2026 (Unaudited)</b>	<b>March 31, 2025 (Unaudited)</b>
Purchased power	<b>10,507,863</b>	9,893,613
Less: Power supplied to SPPC under Energy Conversion Agreement	<b>(3,931,724)</b>	(3,642,641)
	<b>6,576,139</b>	<b>6,250,972</b>

**19. FINANCE COSTS, NET**

	<b>For the three months period ended</b>	
	<b>March 31, 2026 (Unaudited)</b>	<b>March 31, 2025 (Unaudited)</b>
<b>Finance expense</b>		
Bank loans and Sukuk	<b>2,803,732</b>	2,411,071
Less: Interest capitalised (note 9)	<b>(1,583,935)</b>	(1,068,926)
	<b>1,219,797</b>	1,342,145
Lease contract	<b>4,660</b>	7,430
Interest cost on employees' benefit obligation	<b>115,414</b>	104,397
<b>Total finance expense</b>	<b>1,339,871</b>	1,453,972
<b>Finance income</b>		
Interest income	<b>(12,158)</b>	(49,168)
<b>Total finance income</b>	<b>(12,158)</b>	(49,168)
<b>Net finance costs</b>	<b>1,327,713</b>	1,404,804

**20. (LOSS)/EARNING PER SHARE**

Basic (loss)/earnings per share is calculated by dividing the (loss)/profit attributable to equity holders of the Company less Mudaraba instrument profit by the weighted average number of ordinary shares in issue during the period assuming that all dilutive shares are converted into ordinary shares.

The diluted earnings per share equal to the basic earnings per share for the period ended March 31, 2026 and March 31, 2025 as there are no financial instruments with a dilutive effect on basic earnings per share.

	<b>For the three months period ended</b>	
	<b>March 31, 2026 (Unaudited)</b>	<b>March 31, 2025 (Unaudited)</b>
Profit for the period	<b>1,832,547</b>	967,978
Less: Profit attributable to Mudaraba Instrument	<b>(2,235,201)</b>	(2,161,977)
Adjusted net loss for the period	<b>(402,654)</b>	(1,193,999)
Weighted average number of ordinary shares at the period end ( <i>in thousands</i> )	<b>4,166,594</b>	4,166,594
Basic and diluted loss per share “ﷲ”	<b>(0.10)</b>	(0.29)
<u>Earning per share without deducting profits for the Mudaraba instrument</u>		
Basic and diluted earnings per share “ﷲ”	<b>0.44</b>	0.23

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**21. RELATED PARTY TRANSACTIONS AND BALANCES**

The Group is ultimately controlled by the Government of the Kingdom of Saudi Arabia through the ownership of the main shareholder (Public Investment Fund) and Saudi Aramco and these entities are under common control (all companies ultimately controlled by the Government of the Kingdom of Saudi Arabia). In identifying transactions and balances, the group has applied the exemption of government related entities of IAS 24. Accordingly, only those with significant transactions have been disclosed.

Government entities are defined as ministries, authorities, commissions, and other entities of the Government. On the other hand, Government related entities are defined as PIF, PIF owned entities and related entities.

The transactions with government/government related entities are conducted in the ordinary course of the Group's business based on terms comparable to the terms of transactions enacted with other entities that are not government-related.

**a) Following are the transactions carried out with related parties:**

	<b>For the three months period ended</b>	
	<b>March 31, 2026</b>	March 31, 2025
<b>Government and government related entities</b>		
Sale of electricity	6,396,335	5,894,907
Construction revenue	988,913	1,094,086
Transmission system revenue	503,436	395,233
	<b>7,888,684</b>	<b>7,384,226</b>
<b>Government and government related entities</b>		
Purchase of energy, net	<b>6,576,051</b>	<b>6,250,972</b>

**b) Period/year end balances arising from transactions with related parties:**

	<b>March 31, 2026 (Unaudited)</b>	December 31, 2025 (Audited)
<b>Government and government related entities</b>		
Accounts receivable, gross	11,196,504	16,634,433
Other receivables, gross	130,780	220,289
Contract assets	547,506	429,484
	<b>11,874,790</b>	<b>17,284,206</b>
<b>Government and government related entities</b>		
Trade payables and accruals	1,783,911	210,218
Deferred government grant	1,173,797	1,118,039
Contract liability	1,330,687	1,921,984
	<b>4,288,395</b>	<b>3,250,241</b>

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**21. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)**

**Loans and advances due from related parties, gross**

	<b>March 31, 2026 (Unaudited)</b>	December 31, 2025 (Audited)
<b>Joint ventures and associates</b>		
Al-Fadhli Co-production- loans	<b>232,613</b>	232,613
Sidra One Holding Company - loans	<b>480,129</b>	480,129
Qudra One Holding Company - loans	<b>474,534</b>	474,534
	<b>1,187,276</b>	1,187,276

**c) Compensation of key management personnel**

Key management personal includes the Board of Directors and members of executive committee. The compensation paid or payable to key management personal for employees services is shown below:

	<b>For the three months period ended</b>	
	<b>March 31, 2026 (Unaudited)</b>	March 31, 2025 (Unaudited)
Salaries, compensation and allowances	<b>4,416</b>	3,917
Employees' end of service and other benefits	<b>16,178</b>	14,297
	<b>20,594</b>	18,214

**22. DIVIDENDS**

The Board of Directors of the Saudi Energy Company (formerly Saudi Electricity Company), in their meeting held on 13 Ramadan 1447H (corresponding to March 2, 2026), recommended to the General Assembly of the Group's shareholders to distribute cash dividends for the financial year 2025 to the shareholders of the Group and their equivalent with an amount of  $\text{S}$  2.9 billion at  $\text{S}$  0.70 per share, representing 7% of the par value of the share. Subsequently, on 18 Thul Qadah 1447H, corresponding to May 5, 2026, the general assembly approved the distribution of these cash dividends.

**23. NON-CASH TRANSACTIONS**

The statement of cash flows has been affected by the impact of non-cash transactions as follows:

	<b>For the three months period ended</b>	
	<b>March 31, 2026 (Unaudited)</b>	March 31, 2025 (Unaudited)
Investment in equity accounted investees	<b>30,000</b>	-
Addition in right-of-use assets	<b>1,369</b>	51,367
Lease liabilities recognized	<b>1,369</b>	51,367
Transfer of Mudaraba instrument from accruals to equity	-	5,687,333

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**24. SUBSEQUENT EVENT**

Except for below, there have been no significant subsequent events which would require either a disclosure or have a material impact on these interim condensed consolidated financial statements.

- On Shawwal 24, 1447 (corresponding to April 12, 2026) a subsidiary of the Group has signed a Shari'ah compliant Murabaha refinancing facility with Domestic bank amounting to ﷲ 400 million for 7 years for the purpose of refinancing existing murabaha facilities with a floating rate plus margin.
- On Shawwal 25, 1447 (corresponding to April 13, 2026) a subsidiary of the Group entered into a Bridge to Senior facility agreement for a total facility amount of USD 500 million ( ﷲ 1.875 billion).
- On Shawwal 26, 1447 (corresponding to April 14, 2026) the Group issued a supplementary Sukuk through private placement amounting to ﷲ 1.875 billion (US\$500 million at par), maturing after 8 years tenure with a floating rate plus margin.
- On 28 shawwal 1447H (corresponding to April 16, 2026), a joint venture of the Group signed the Energy Conversion Agreement for purchase of energy produced from Rabigh 2 IPP expansion power plant with the Saudi Power Procurement Company – Principal Buyer ("PB") for large-Scale Combined Cycle Gas Turbine ("CCGT") Power Plant with Readiness to Build Carbon Capture Unit for duration 31 years. The Project is located in Makkah province of Saudi Arabia, with a production capacity of 2313.5MW with contract value amounting ﷲ 11.5 billion.

**25. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

These interim condensed consolidated financial statements for the three months period ended March 31, 2026, were approved for issuance by the Board of Directors of the Group on 18 Thul Qadah 1447H (corresponding to May 5, 2026).