

# AWPT Earning and Business Presentation

## Q4 2023

## FY 2023



الخریفة لتقنية المياه والطاقة  
Alkhorayef Water & Power Technologies

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Riyadh, Kingdom of Saudi Arabia, 23<sup>rd</sup> of August 2022

## CEO Message - Alkhorayef Water and Power Technologies (AWPT): Performance driven

Allow me to express our excitement to meet again and share with you AWPT's performance and achievements in light of the great water sector opportunities announced recently. At Alkhorayef Water and Power Technologies, we continuously work to improve and develop our operational framework and control systems, which has contributed to the growth of the company's revenues and profits over the years and its acquisition of the largest market share in the water and wastewater sector.

During 2023, the company signed contracts close to 12 billion riyals. Number of these contracts were with new clients, further strengthening diversification of our client base. Prime examples are the award of Long-Term O&M Contracts for Sewage Treatment Plants Package 5 with a value of 1.62B and Package 6 with a value of 2.18B, where the company will perform Design, Rehabilitation Works, testing and commissioning, full operation and maintenance, handover, of the existing sewage treatment plants (STPs). The total design treatment capacity is 700,000 m<sup>3</sup>/d for the plants of LTOM5 located at Manfouha-Riyadh: Manfouha North STP (MNN), Manfouha East STP (MNE) and Manfouha Phase 4 STP (MN4), while the total design treatment capacity is 870,000 m<sup>3</sup>/d for the plants of LTOM6 located in Heet and AlHayer-Riyadh: Heet 01 STP (HT1), Heet 02 STP (HT2) and Heet 03 STP (HT3), Al-Hayer STP (AHR). The Rehabilitation for each of these projects shall be completed in two phases with total period of 36 months from the contract date. As well as the Operation and Maintenance for 15 years (180 months) from contract date, in conjunction with commencement of rehabilitation work.



**Mr. Rami Moussilli**  
*Chief Executive Officer*

Furthermore, Alkhorayef Water and Power Technologies' Consortium has achieved the financial closing for the development of Rayis – Rabigh Independent Water Transmission Pipeline Project (IWTP) with capital expenditure equal to 2.4 billion SAR and contract value of 8.4 billion SAR. Alkhorayef Water and Power Technologies' Consortium was selected by Saudi Water Partnership Company (SWPC) as the main contractor for this project with a levelized cost of 1.25678 SAR/m<sup>3</sup>.

Rayis – Rabigh IWTP is the first of its kind that will be developed on a Build-Operate-Transfer (BOT) Model in the Kingdom of Saudi Arabia. The project will be developed with a transmission capacity of 500,000 m<sup>3</sup>/day and a length of 150 km to provide Makkah and Madinah regions with drinking water by Q1 2026 for 35 years. Alkhorayef Water and Power Technologies owns 50% of the Consortium in partnership with the Spanish Company Grupo Cobra.

## CEO Message - Alkhorayef Water and Power Technologies (AWPT): Performance driven – Continued

On the financial side as at 12M 2023, company revenue grew by 108% compared to same period previous year, gross profit grew by 40% at a margin of 15.4%, with net income before zakat growth of 33% at Sar 155.22 million at a margin of 9.1%. Shareholders' equity reached 537.59 million, with a return on equity at 33% and return on asset at 10.75%.

Moreover, we maintained good sector diversification, growth and profitability, with each of the company's sectors registering remarkable growth YTD 9M 2022 Vs 12M 2023. The integrated water solutions sector which is an indicator of the company's strength in performing broad spectrum integrated water solutions grew at 16% vs same period previous year, water segment revenue grew at 221%, and wastewater segment grew at 33%. The integrated water solutions recorded gross profit margin of 11%, the water at gross margin of 17% and wastewater sector recorded gross margin of 12%.

The value of remaining revenue from company's contracts to be recognized "Backlog", grew by 150% 12M 2023 compared to year end 2022 and a staggering 440% from year end 2021. Backlog stands at Sar 8.9B as of 12M 2023 with awards of new contracts reaching 12B for 2024 (more than 7 billion SAR considering our share 50% from the award of IWTP Rayis-Rabigh).

In addition to the continuous growth in current operation & maintenance business in which the company occupies the leading market share in the Kingdom and project services contracts in the water and wastewater sector, we are actively working to further expand our client base and win additional long-term operation and maintenance contracts with contractual duration extending from 10 to 15 years for sewage treatment plants in various regions of the Kingdom. We are also actively participating in privatization proposals such as the Independent Water Transmission Pipeline and the Independent Sewage Treatment Plants projects offered by Saudi Water Partnerships Company, where we are positioned as one of the most qualified local companies to implement these projects dwelling on our long successful track record in the sector, deep experience, and leadership in the sector.

At the end, I thank and appreciate the company's team for the great work, commitment and dedication, the company's board of directors for their continued support, and shareholders for their trust in the company.

# AWPT Key Figures

## AWPT at a glance

AWPT is a market leader in the Kingdom's water and wastewater sector, with a long-standing history of successful operations across the country.

Ranked 14th global water company by GWI, a high-profile ranking serving as a testament to the company's leadership.

Rank	Company	Country	Water revenues	People served	Notes
1	Veolia	France	€10.8bn	141,600,000	Suez merger drove growth in the Americas and Spain
2	Beijing Enterprises Water	China	HK\$27.9bn	112,206,958	Steady growth at home; eyeing O&M-related contracts overseas
3	VA Tech Wabag	India	INR29.8bn	88,896,154	2022 number higher, despite international contract expiries
4	Suez	France	€4.125bn	88,634,996	Portfolio slimmed down due to asset disposals to Veolia
5	Beijing Capital	China	RMB14.3bn	60,000,000	Secured projects under the Yellow River Basin Eco initiative
6	Acciona Agua	Spain	€1,052m	50,594,192	Big wins in Saudi Arabia, Egypt & Spain, with more desal to come
7	SIIC Environment Holdings	China	RMB5.5bn	44,226,457	Active in water and wastewater projects nationwide
8	China Water Affairs	China	HK\$12.3bn	41,814,882	Rapid expansion nationwide; may spin off water supply business
9	Aqualia	Spain	€1.17bn	35,500,000	Expansion in Egypt, Colombia, Georgia, and France
10	Guangdong Investment	China	HK\$17.8bn	35,026,497	Successful under China's "urban-rural integration" initiative
11	Beijing Origin Water	China	RMB8.0bn	35,000,000	Paid \$148m compensation to its state backer after acquisition
12	Sabesp	Brazil	BRL19.5bn	28,400,000	Out-of-state concession expansion remains a long-term objective
13	Chongqing Water Group	China	RMB7.3bn	26,639,540	Acquired seven water concessions in Kunming in November 2022
14	Alkhorayef WPT	Saudi Arabia	SAR569m	26,500,000	The market leader in Saudi water infrastructure outsourcing
15	China Everbright Water Ltd.	China	HK\$6.7bn	25,827,788	Expanded overseas through new wastewater O&M in Mauritius
16	Shanghai Chengtong Group	China	RMB13.9bn	24,259,065	Includes Shanghai Chengtong Water and Shanghai Env. Group
17	General Water of China	China	HK\$2.4bn	20,998,387	Owned by CECEP Capital (55%) & Shanghai Ind. Hldgs (45%)
18	CECEP Guozhen Environment	China	RMB4.5bn	20,758,217	Leveraging state-owned stakeholder's robust access to finance
19	Tianjin Capital Environmental	China	RMB3.8bn	20,655,777	Water & wastewater utility for Tianjin, with projects nationwide
20	Vishvaraj Infrastructure	India	INR3.8bn	21,300,000	New orders drive sharp post-COVID surge in population served

## KEY FACTS AND FIGURES



Established  
1985



Population served  
Over 26.5 million



HQ  
Riyadh



Water & wastewater treated  
3,950,000 m<sup>3</sup>/day



Employees  
7,000+



Networks managed  
42,650,000 m



Ownership  
Stock-listed



Backlog over  
8.9 Billion SAR

# AWPT Activities Across Full Value Chain of Water & Wastewater

AWPT offering and capabilities

We offer integrated services along the entire water and wastewater value chain, through all relevant delivery models.

## DELIVERY MODEL



Construction (EPC)



Operation & Maintenance (O&M)



Public-Private Partnerships (PPP)



Value-Added Services (e.g. City Management)

## AWPT'S COVERAGE ACROSS MULTIPLE DIMENSIONS



Desalination



Water Treatment



Water Transmission



Water Distribution



Wastewater Networks



Stormwater Networks



Wastewater Treatment



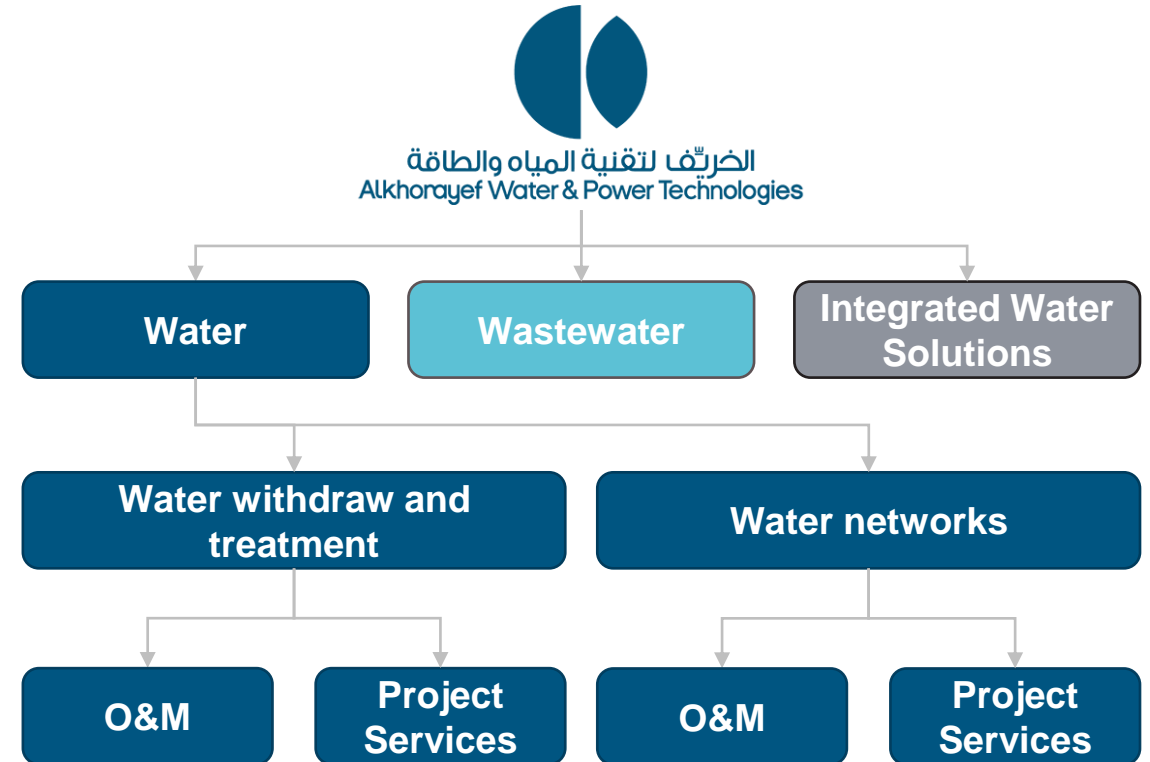
Sludge Management



Treated Sewage Effluent Networks

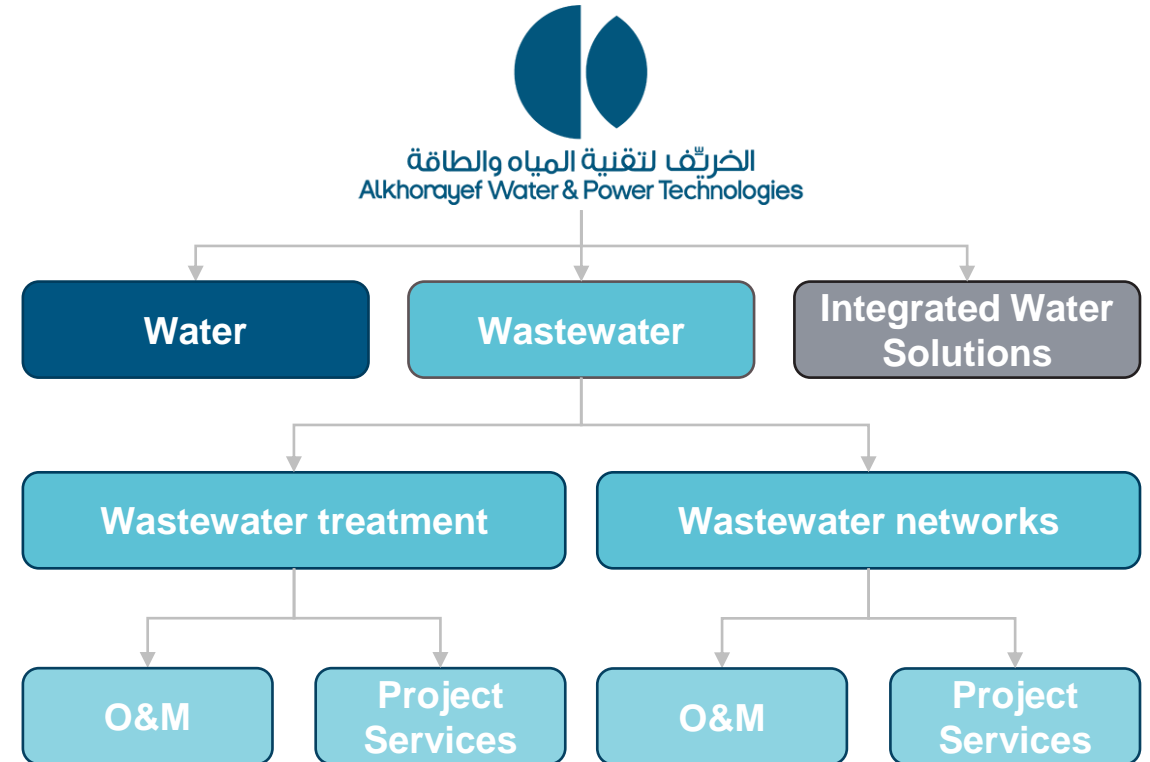
# The Water Segment

- Our Water segment includes **water withdraw and treatment** services and **water networks** services
- **Water withdraw and treatment** encompasses:
  - Water Treatment Plants – Engineering, procurement, rehabilitation, construction and O&M of large capacity and centralized sea water and brackish water reverse osmosis plants
  - O&M of water treatment plants
  - Deep Water Wells – Design, drilling, installation, commissioning and O&M of deep-water wells (depth range between 300m to 2500 m) including probing and assessment of aquifer properties
  - O&M of deep water wells
- **Water networks** encompasses:
  - Engineering, procurement, rehabilitating and upgrading of **potable water networks**, including pumping stations and networks lines between and within cities
  - O&M of water networks
  - Engineering, procurement, rehabilitating and upgrading of **firewater networks**, including main and auxiliary fire networks, fire pumps, fire hydrants, integrated building fire protection systems, and fire alarm systems
  - O&M of firewater networks



# The Wastewater Segment

- Our Wastewater segment includes **wastewater treatment** services and **wastewater networks** services
- **Wastewater treatment** encompasses:
  - **Sewage Wastewater Treatment Plants** - Engineering, procurement, execution, commissioning, upgrading and rehabilitating of advanced large-scale plants, serving a critical role in municipalities objectives while complying with environmental regulations and producing compliant Treated Sewage Effluent Water
  - O&M of **sewage wastewater treatment plants**
  - **Industrial Wastewater Treatment Plants** - Engineering, procurement, execution, commissioning, upgrading and rehabilitating of large-scale industrial wastewater treatment plants with wide range of solutions extending from pre-treatment to complete nutrient-removal
  - O&M of **industrial wastewater treatment plants**
- **Wastewater networks** encompasses:
  - **Wastewater Networks** - Engineering, procurement, execution, commissioning, upgrading and rehabilitating of long-distance wastewater trunk lines, wastewater collection networks within cities, large scale lifting stations, tunneling and wastewater connections
  - O&M of **wastewater networks**
  - **Treated Sewage Effluent (TSE) Networks** - Engineering, procurement, execution, commissioning, and rehabilitating of **TSE networks** and pumping stations collecting TSE from wastewater treatment plants and distributing to irrigation, cooling and others
  - O&M of **TSE networks**



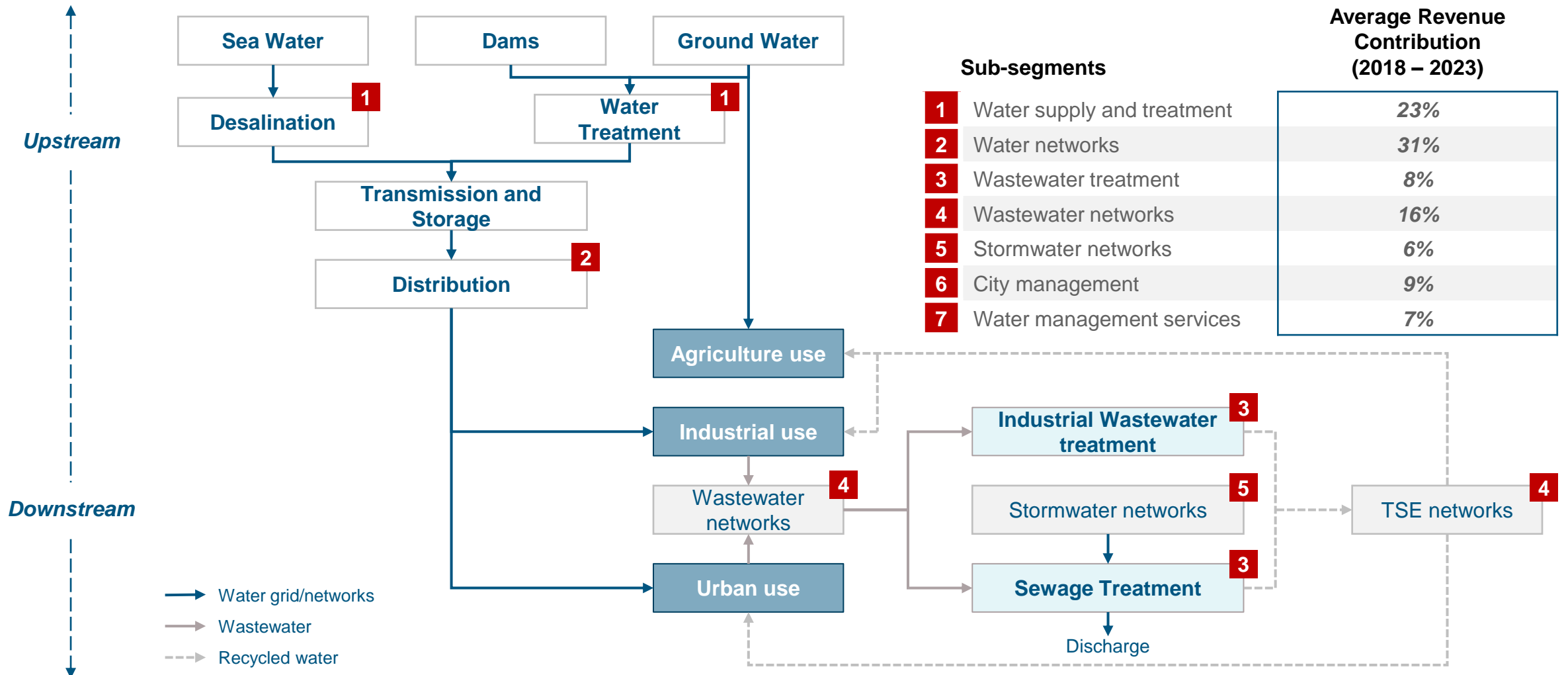


# The Integrated Water Solutions Segment

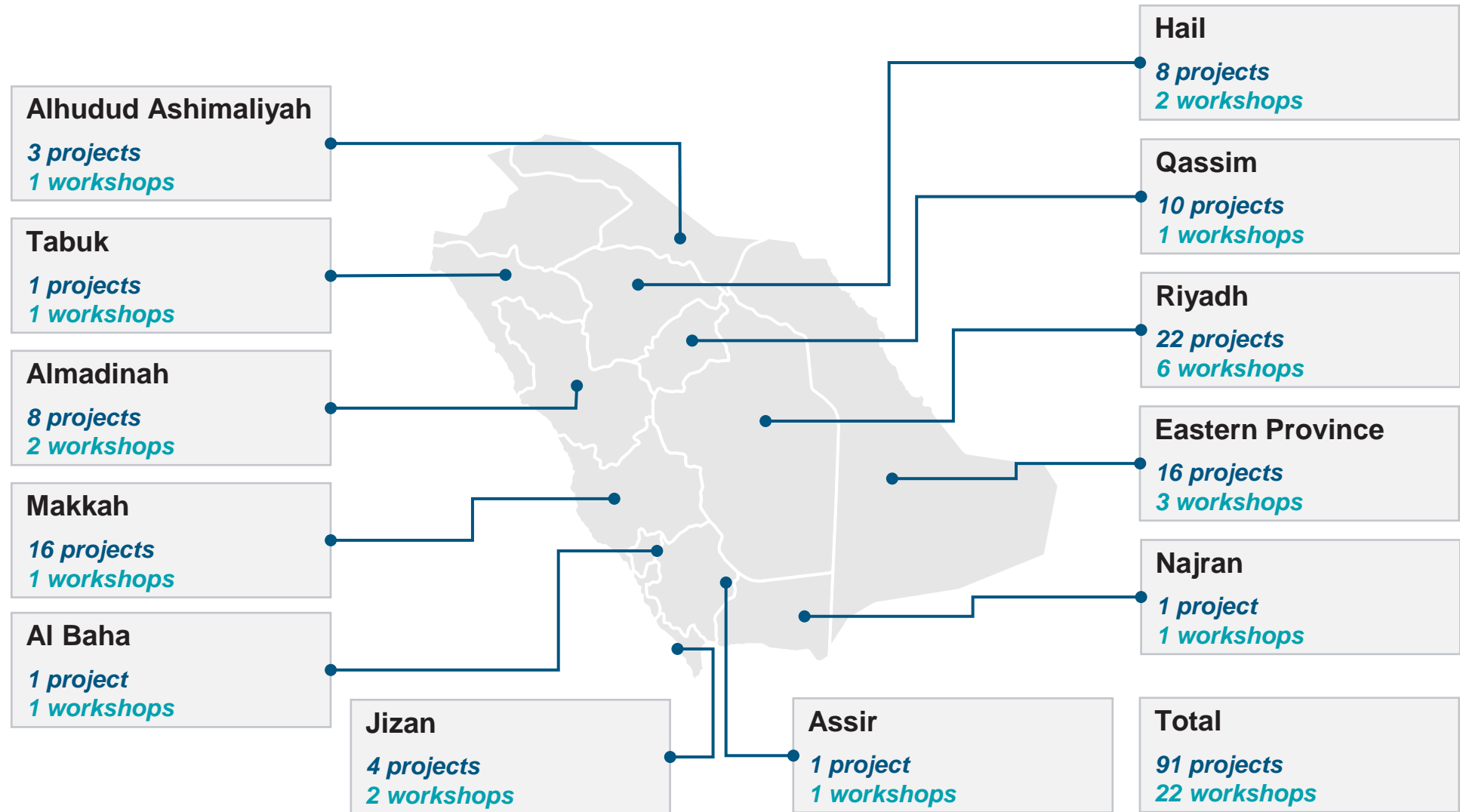
- Our Integrated Water Solutions segment includes **stormwater networks services, city management services** and **water management services**
- **Stormwater networks encompasses:**
  - Stormwater Network - Engineering, procurement, execution, commissioning, upgrading, rehabilitating and O&M of large-scale lifting stations, underground tunneling, combined sewage overflow systems, underground storm water detention system, auxiliary systems, grit removal systems, pumping solutions and emergency storm control systems
- **City management encompasses:**
  - City Water Management - encompassing the full-scale strategic planning, strategic operations and maintenance of supply chain of water starting from water wells, brackish water reverse osmosis treatment plants, sea water desalination plants, water and wastewater distributions, networks and pressure management, support service networks, metering, client service, wastewater treatment and the treated sewage effluent reuse
- **Water management services encompasses:**
  - Complementary services to the core business activities of the Company, offering a full spectrum of water and wastewater solutions to clients, including fabrication workshops, laboratories, leak detection, asset services and others



# Through its long operational history, AWPT has established strong presence across the water value chain in O&M and Project Services



# Amassed extensive local knowledge and diversified experience, enabling significant geographical footprint expansion



# Executive Summary for AWPT Performance – PTD Q4 2023 Vs Q4-2022 & Vs Q3-2023

Sustainable and adaptive company achieving continued growth and outstanding 360-degree performance

## Financial Performance

### Q4 2023 vs Q4 2022

#### Tremendous growth Q4 2023 Vs Q4 2022

- Top line growth of over 86%
- Net profit after Zakat growth 7% increased from 27.68M Q4-22 to 29.69M in Q4-23.
- Growth in operating profit ( EBIT) 15% from 38.49M To 44.43M
- Growth in EBTIDA over 17% from 40.20M to 47.23M.

### Q4 2023 vs Q3 2023 (current quarter vs previous quarter)

#### Tremendous growth Q4 2023 Vs Q3 2023

- Top line growth of over 7%
- Net profit after zakat growth of decrease -29% from 42.02 M compared to 29.691M for previous quarter.
- Growth in operating profit ( EBIT) decrease -22% from 56.83M to 44.43M
- Decrease in EBTIDA decrease -40% from 79.17M to 47.23M.

Statement of Profit or Loss	PTD Q4 2023 Actual	PTD Q4 2022 Actual	YoY % Change	PTD Q4 2023 Actual	PTD Q3 2023 Actual	YoY % Change
<b>Revenue</b>	<b>502.40</b>	<b>270.58</b>	<b>86%</b>	<b>502.40</b>	<b>468.77</b>	<b>7%</b>
Cost of revenue	(429.89)	(217.08)	98%	(429.89)	(397.41)	8%
<b>Gross profit</b>	<b>72.51</b>	<b>53.49</b>	<b>36%</b>	<b>72.51</b>	<b>71.35</b>	<b>2%</b>
S&A expenses	(0.20)	(0.27)		(0.20)	(0.30)	
G&A expenses	(29.82)	(14.34)		(29.82)	(14.17)	
Impairment loss on trade receivables including contract assets	(1.13)	(2.72)		(1.13)	(1.80)	
Other income	2.97	1.44		2.97	1.69	
Gain on sale of property and equipment	0.09	0.88		0.09	0.06	
<b>Operating Profit (EBIT)</b>	<b>44.43</b>	<b>38.49</b>	<b>15%</b>	<b>44.43</b>	<b>56.83</b>	<b>-22%</b>
Finance charges	(9.26)	(8.43)	10%	(9.26)	(10.06)	-8%
Finance income	0.78			0.78		
Profit(Loss) From the associate	(3.64)	(1.92)		(3.64)	(1.01)	
<b>PROFIT BEFORE ZAKAT</b>	<b>32.31</b>	<b>28.14</b>	<b>15%</b>	<b>32.31</b>	<b>45.76</b>	<b>-29%</b>
ZAKAT	(2.62)	(0.46)	466%	(2.62)	(3.74)	-30%
<b>Net Profit after Zakat</b>	<b>29.69</b>	<b>27.68</b>	<b>7%</b>	<b>29.69</b>	<b>42.02</b>	<b>-29%</b>
<b>EBITDA</b>	<b>47.23</b>	<b>40.20</b>	<b>17%</b>	<b>47.23</b>	<b>79.17</b>	<b>-40%</b>
<b>EBITDA Margin</b>	<b>9.4%</b>	<b>14.9%</b>		<b>9.4%</b>	<b>16.9%</b>	

# Executive Summary for AWPT Performance – YTD FY 2023 Vs 2022

Sustainable and adaptive company achieving continued growth and outstanding 360-degree performance

## Financial Performance

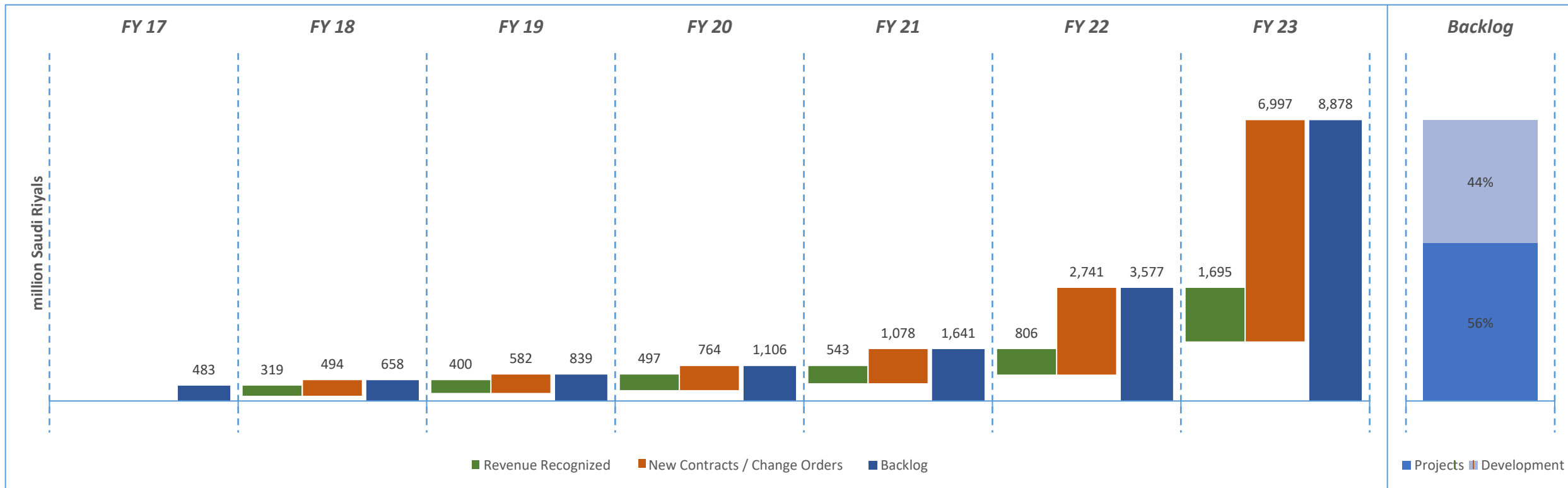
- Full Year 2023
- Gross profit growth of 40% from 187.12M to 262.45M at 15.4% margin
- EBITDA growth of 41% from 172.54 M to 243.63 M at 14.3% margin
- Growth in operating profit ( EBIT) 44% And net profit after zakat with increased of 32.58 M being 30% despite absorbing unbudgeted costs And Zakat as follows:
- increasing finance cost by 20.37 m (106%) from same YTD last year
- increasing ZAKAT provision by 5.61m (59%) from same YTD last year

## Capital Structure and Liquidity

- Strong collection 1.562M up to Dec-2023 Collection days 67 days As Of Dec-2023 and accounts receivable turnover ration at 2.23
- Current ratio at 1.43, debt to equity ratio at 2.09
- Achieved and impressive ROIC at 33%

Statement of Profit or Loss	YTD Dec 2023 Actual	YTD Dec 2022 Actual	YoY % Change
<b>Revenue</b>	<b>1,709.27</b>	<b>822.03</b>	108%
Cost of revenue	(1,446.82)	(634.92)	
<b>Gross profit</b>	<b>262.45</b>	<b>187.12</b>	40%
<b>Gross Profit Margin</b>	<b>15.4%</b>	<b>22.8%</b>	-33%
S&A expenses	(0.69)	(1.44)	
G&A expenses	(67.27)	(45.66)	
Impairment loss on trade receivables including contract assets	(2.93)	(6.27)	
Other income	7.91	3.41	
Gain on sale of property and equipment	0.28	1.20	
<b>Operating Profit (EBIT)</b>	<b>199.76</b>	<b>138.35</b>	44%
Finance charges	(39.57)	(19.20)	106%
Finance income	0.78		
Profit(Loss) From the associate	(5.75)	(2.12)	
<b>PROFIT BEFORE ZAKAT</b>	<b>155.22</b>	<b>117.03</b>	33%
<b>PROFIT BEFORE ZAKAT MARGIN</b>	<b>9.1%</b>	<b>14.2%</b>	-36%
ZAKAT	(15.20)	(9.59)	59%
<b>Net Profit after Zakat</b>	<b>140.02</b>	<b>107.44</b>	30%
Re-meas PL on benefits liability	(0.01)	8.63	-100%
<b>T COMP INCOME OF YEAR</b>	<b>140.01</b>	<b>116.08</b>	21%
<b>EBITDA</b>	<b>243.63</b>	<b>172.54</b>	41%
<b>EBITDA Margin</b>	<b>14.3%</b>	<b>21.0%</b>	-32%

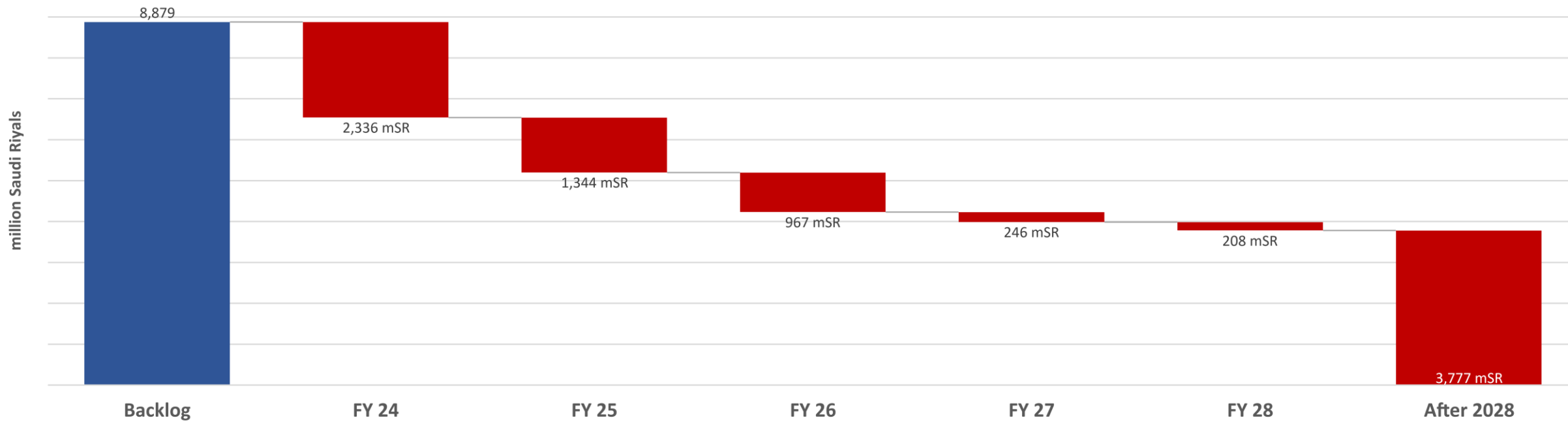
# Revenue Backlog FY 2023



## Revenue backlog

- The company secured over 7 billion sar in new contracts in year 2023, propelling their total backlog by 150% year-over-year to a healthy 8.87 bsar. This impressive growth coincides with a record-breaking year for recognized revenue, reaching 1.7 bsar.
- Beyond the contract value, the company strategically secured 3 high-profile projects (LTOM5, LTOM6, and IWTP2) designed for long-term revenue generation, ensuring a steady income stream for years to come.
- The reported backlog excludes 1.1 bsar in electricity tariff components associated with the LTOM projects. This exclusion provides a clearer picture of the core business backlog.
- There's ongoing evaluation regarding the accounting treatment for revenue recognition of the IWTP2 project. The company is deciding whether to consolidate it within its financial statements or classify it as an equity investment. This decision might impact AWPT direct revenue backlog.

# Backlog Recognition as of FY 2023



## Revenue Recognized

- The company is projecting a record-breaking year in 2024 with revenue of 2.2 bsar. This is followed by healthy contributions from existing projects in 2025 (1.3 bsar) and 2026 (1.0 bsar).
- Recently acquired projects (LTOM5, LTOM6, IWTP2) guarantee an additional 3.8 bsar in revenue beyond 2028, with over 200 million sar recognized annually.
- Combined, these factors position the company for continued revenue growth in the coming years.

	FY 2023	FY 2024 guidance	LT outlook
<b>Backlog</b>	8.8 bln SAR	<u>8+ bln SAR</u>	10-15 bln SAR
<b>Revenues</b>	1.7B SAR	2000+ m SAR	Strong growth
<b>EBIT margin</b>	11.6%	12-16%	Stable

# Revenue and Backlog Segmentation

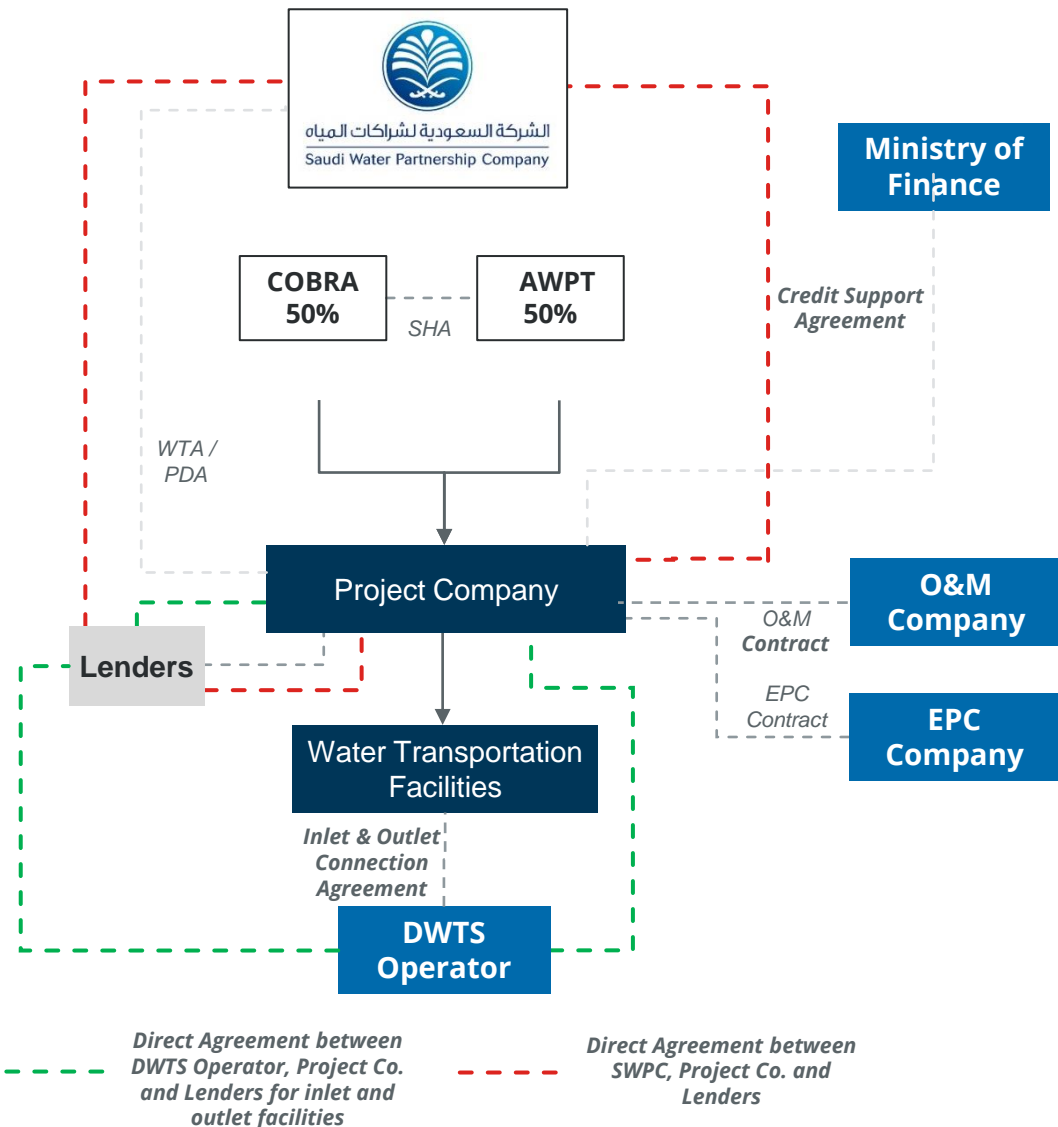
## Revenue and Backlog Diversification Maintaining a Versatile and Comprehensive Operations

- Maintained revenue diversification segment and subsegment wise across the full value chain of the water and wastewater sector, sustaining the differentiating factor and versatility of the company compared to competition.
- Revenue from the water segment increased by 221%, from SAR 353.7M YTD Dec 2022 to SAR 1,135 YTD Dec 23 driven by the increase in revenue from water network.
- Revenue from the wastewater treatment segment increased 33% from SAR 192.8 M YTD Dec 2022 to SAR 255.7 M YTD Dec 2023
- The increased in revenue from the integrated water solutions segment by 16% YTD-Dec 23 compared to same period last year was largely influenced by the increased in revenue from Water Management Services.

Revenue and Backlog by Segment			
SAR'000	Dec-22	Dec-23	Backlog (Dec 23)
<b>Water segment</b>			
Water networks	148,816	923,584	5,036,602
Water withdraw and treatment	204,937	211,477	341,672
	<b>353,753</b>	<b>1,135,061</b>	<b>5,378,274</b>
<b>Wastewater segment</b>			
Wastewater networks	142,511	188,277	208,372
Wastewater treatment	50,351	67,493	2,933,487
	<b>192,862</b>	<b>255,770</b>	<b>3,141,859</b>
<b>Integrated water solutions</b>			
City management	109,058	96,488	75,877
Stormwater networks	68,207	86,683	63,320
Water Management Services	98,153	135,268	219,054
	<b>275,418</b>	<b>318,439</b>	<b>358,251</b>
<b>Total</b>	<b>822,033</b>	<b>1,709,270</b>	<b>8,878,384</b>



# IWTP2 Project Overview : Rayis-Rabigh (AWARDED)



Project Timetable	
Project Name	Rayis-Rabigh IWTP
Tariff	SAR 1.25678 / m3
Project Capacity / Length	500,000m <sup>3</sup> /day / 150km
WTA Term	35 years from the Project Commercial Operation Date (" <b>PCOD</b> ")
SPV, EPC Company and O&M Company Shares	COBRA 50% / AWPT 50%
Construction Period	30 months
Financial Close Date	Achieved on 24 <sup>th</sup> March 2024
Scheduled PCOD	Q2 2026
Off-taker	SWPC

- The Project will be developed on a build, own, operate and transfer ("BOOT") basis. Project funding from Company's shareholders amounts to 20%, remaining 80% to be financed through the raising of limited or non-recourse debt facilities.
- The Project will be connecting the Rayis and Rabigh regions of KSA. The Project will consist of the development, design, financing, engineering, procurement, construction, commissioning, completion, testing, ownership, operation, maintenance, insurance and transfer (at expiry of the Term) of the Facility with a total pipeline length of approx. 150 kms and water transmission capacity of 500,000 m<sup>3</sup> /day. The Project will also consist of the development, design, financing, engineering, procurement, construction, commissioning, completion, testing, ownership and transfer of the Electrical Special Facilities and the Water Special Facilities.

# Long Term O&M Contracts for Sewage Treatment Plant

## PACKAGE #5 – Manfouha (AWARDED)

### Project Overview

- The project consists of three existing sewage treatment plants in the Riyadh area namely the Manfouha North, Manfouha East, Manfouha 4 with total treatment capacity of 700,000 m<sup>3</sup>/day, the three STPs shall undergo rehabilitation and efficiency enhancement works.
- Value : 1.6 billion SAR (VAT Exclusive)
- Duration is 15 years and consist of 3 milestones :
  - Rehab Phase 1 : 12 months from beginning of the contract.
  - Rehab Phase 2 : 36 months from beginning of the contract.
  - O&M service : 15 years from beginning of the contract.

### Contract Payment Structure

NWC will make the following payments to the Project Company, in respect of each STP :

- Fixed Cost Recovery Charge: in order to recover the fixed costs incurred in Rehabilitation Works and O&M of Plants and in respect of the available capacity (SAR/m<sup>3</sup> of available Plant Capacity).
- Variable Cost Recovery Charge: in order to recover the variable costs incurred in O&M of the Plants and in respect of the TSE delivered at the delivery point from the Plants in accordance with the specifications outlined in the LTOM Agreement (SAR/m<sup>3</sup> of total treated water).
- Electricity Payment: NWC will pay cost all utilities required for the operation and maintenance of the Plants directly to the provider. Amount forecasted for electricity consumption is considered part of contract value.

### Financial Close, Technical and Construction Progress

- Financial Closing date : Achieved on 18<sup>th</sup> of March 2024
- Recruitment : 100%
- Mobilization : 100%
- Engineering : 75%
- Procurement : 50%

# Long Term O&M Contracts for Sewage Treatment Plant PACKAGE #6 - Heet and Al-Hayer (AWARDED)

## Project Overview

- The project consisting of four existing sewage treatment plants in the Riyadh area namely “Hayer STP, Heet 01 STP, Heet 02 STP and Heet 03 STP” with total treatment capacity of 870,000 m<sup>3</sup>/day, the four STPs shall undergo rehabilitation and efficiency enhancement works.
- Value : 2.184 billion SAR (VAT Exclusive)
- Duration is 15 years and consist of 3 milestones :
  - Rehab Phase 1 : 12 months from Closing date.
  - Rehab Phase 2 : 36 months from Closing date.
  - O&M service : 15 years from Closing date.

## Contract Payment Structure

NWC will make the following payments to the Project Company, in respect of each STP :

- Fixed Cost Recovery Charge: in order to recover the fixed costs incurred in Rehabilitation Works and O&M of Plants and in respect of the available capacity (SAR/m<sup>3</sup> of available Plant Capacity);
- Variable Cost Recovery Charge: in order to recover the variable costs incurred in O&M of the Plants and in respect of the TSE delivered at the delivery point from the Plants in accordance with the specifications outlined in the LTOM Agreement (SAR/m<sup>3</sup> of total treated water);
- Supplemental Payments: in respect of expenses incurred for back-up power, in respect to the MEWA regulatory license fee, if applicable and in respect to any additional works or services
- Electricity Payment: NWC will pay cost all utilities required for the operation and maintenance of the Plants directly to the provider. Amount forecasted for electricity consumption is considered part of contract value.

# Long Term O&M Contracts for Sewage Treatment Plant PACKAGE #6 - Heet and Al-Hayer (AWARDED)

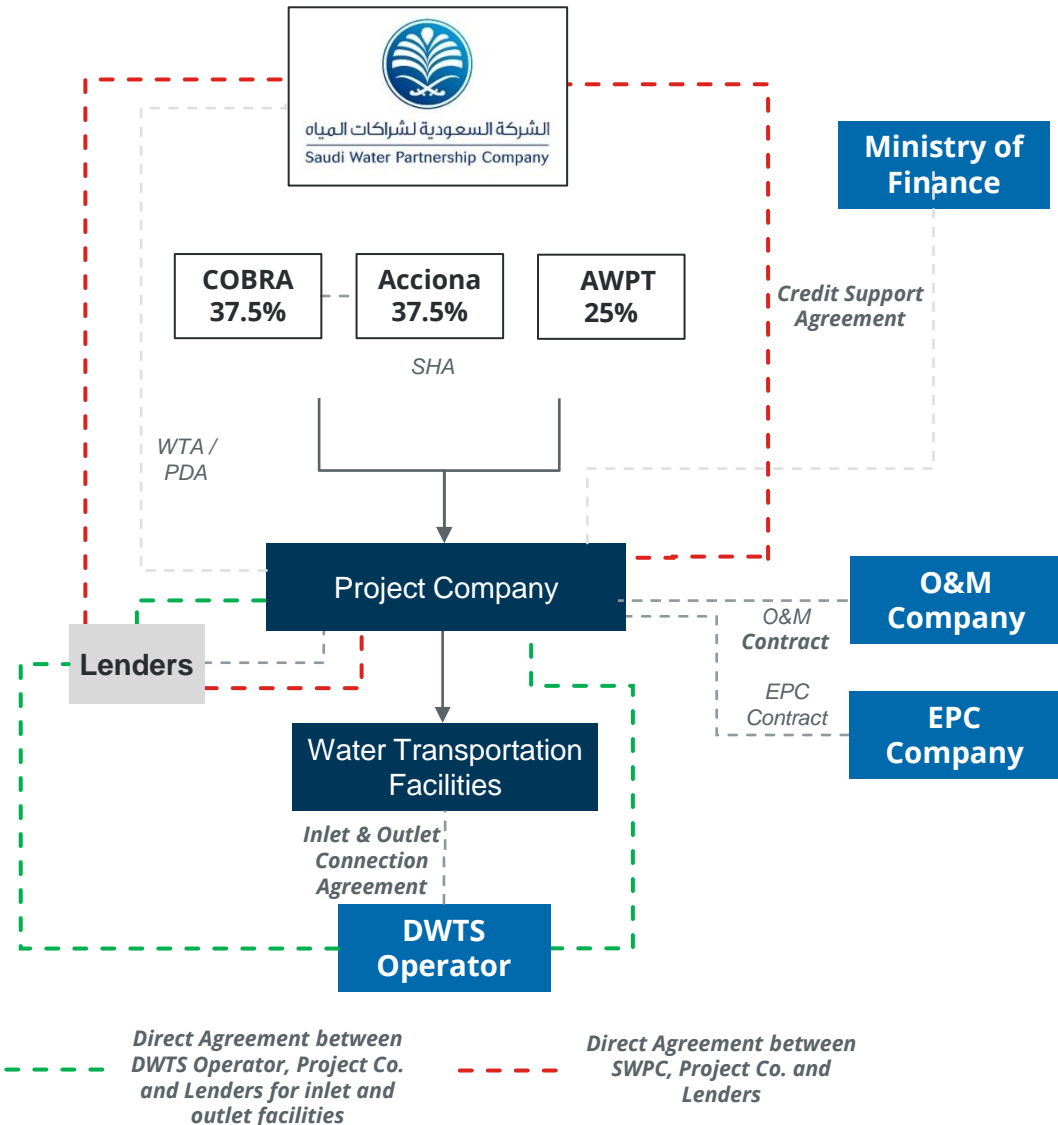
## Financial Close Progress

- The project consisting of four existing sewage treatment plants in the Riyadh area namely “Hayer STP, Heet 01 STP, Heet 02 STP and Heet 03 STP” with total treatment capacity of 870,000 m3/day, the four STPs shall undergo rehabilitation and efficiency enhancement works.
- SPV Company Registration and Legal Documents issuance : Done
- Legal agreements with National Water Company: Done (Pending First Amendment Agreement to be to be signed by AWPT and NWC)
- Insurances : Pending
- Security Bonds : Submitted
- Condition Precedent List for financial closing : 70%
- Financial Closing date : expected Between 10th of April 2024 and 10th of May 2024.

## Contract Technical and Construction Progress

- Recruitment : 60%
- Engineering : 50%
- Procurement : 30%
- Mobilization : 60%

# IWTP4 Project Overview : Jubail-Buraidah (UNDER SUBMISSION)

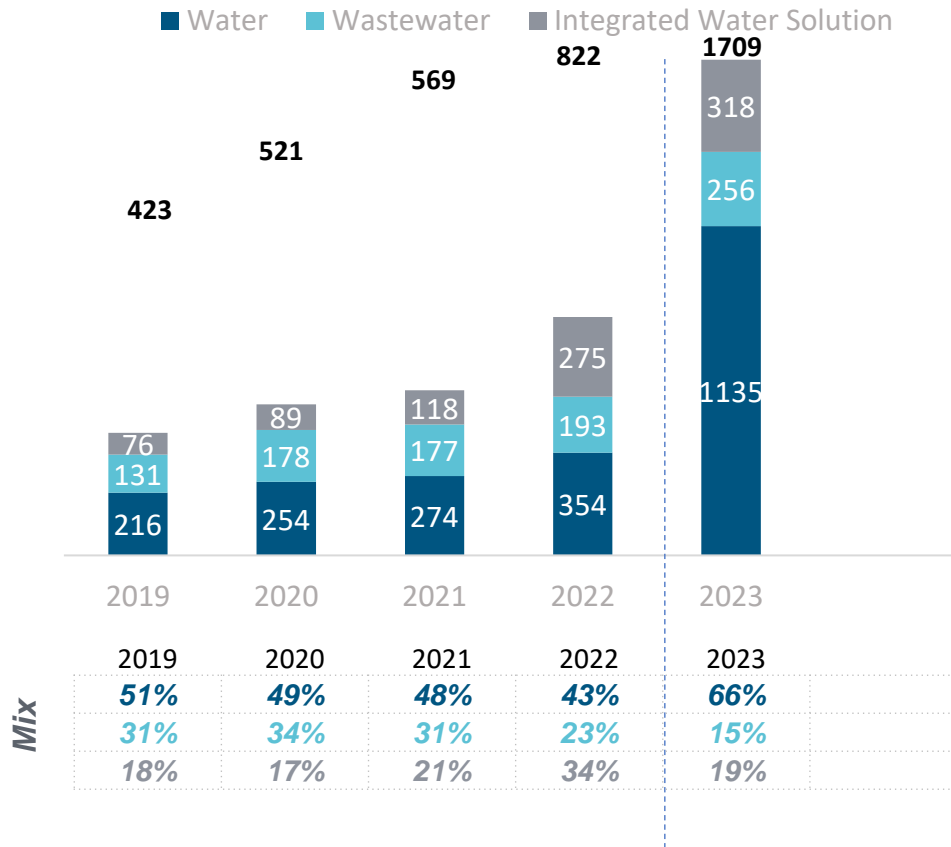


Project Timetable	
Project Name	Jubail Buraidah IWTP
Project Capacity / Length	650,000m <sup>3</sup> /day / 150km
WTA Term	35 years from the Project Commercial Operation Date ("PCOD")
SPV, EPC Company and O&M Company Shares	COBRA 37.5% / Acciona 37.5% / AWPT 25%
Construction Period	48 months
Submission Date	28 <sup>th</sup> March 2024 (expected to be extended until July 2024)
Financial Close Date	Achieved on 30 <sup>th</sup> September 2024
Scheduled PCOD	Q4 2028
Off-taker	SWPC

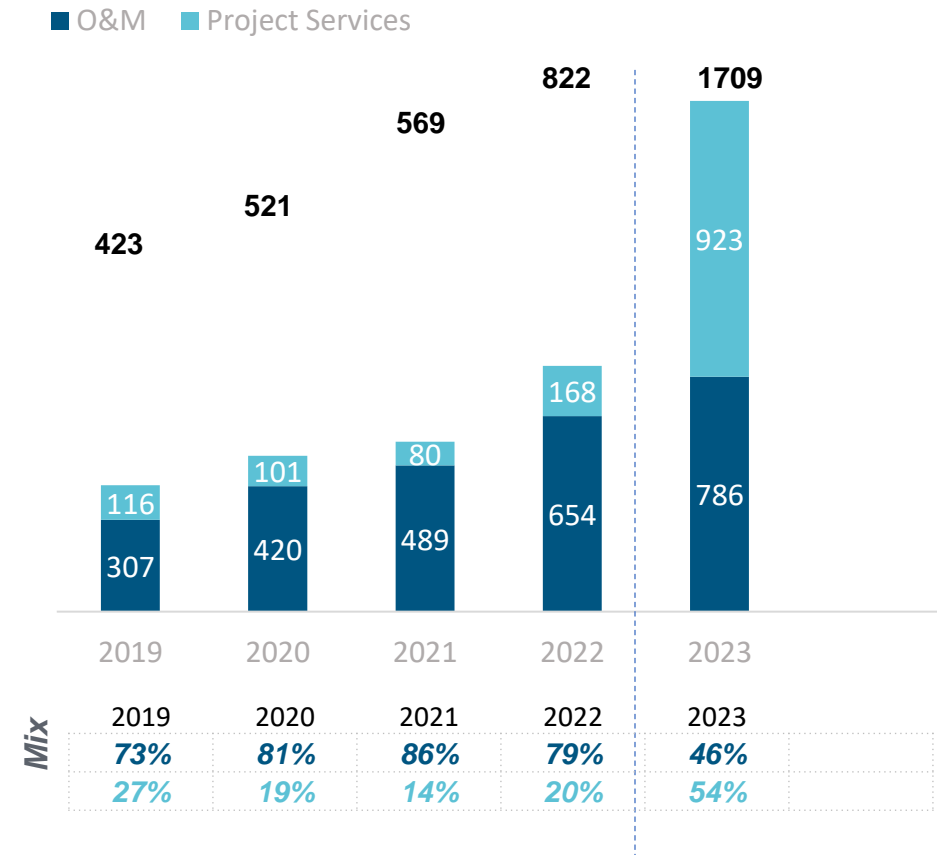
- The Project will be developed on a build, own, operate and transfer ("BOOT") basis. Project funding from Company's shareholders amounts to 20%, remaining 80% to be financed through the raising of limited or non-recourse debt facilities.
- The Project will be connecting the eastern and central regions of KSA between Jubail and Buraidah. The Project will consist of the development, design, financing, engineering, procurement, construction, commissioning, completion, testing, ownership, operation, maintenance, insurance and transfer (at expiry of the Term) of the Facility with a total pipeline length of approx. 587 kms and water transmission capacity of 650,000 m<sup>3</sup> /day. The Project will also consist of the development, design, financing, engineering, procurement, construction, commissioning, completion, testing, ownership and transfer of the Electrical Special Facilities and the Water Special Facilities.

# Revenue by Segment and Contract Type

## Revenue by Segment (SAR MN)

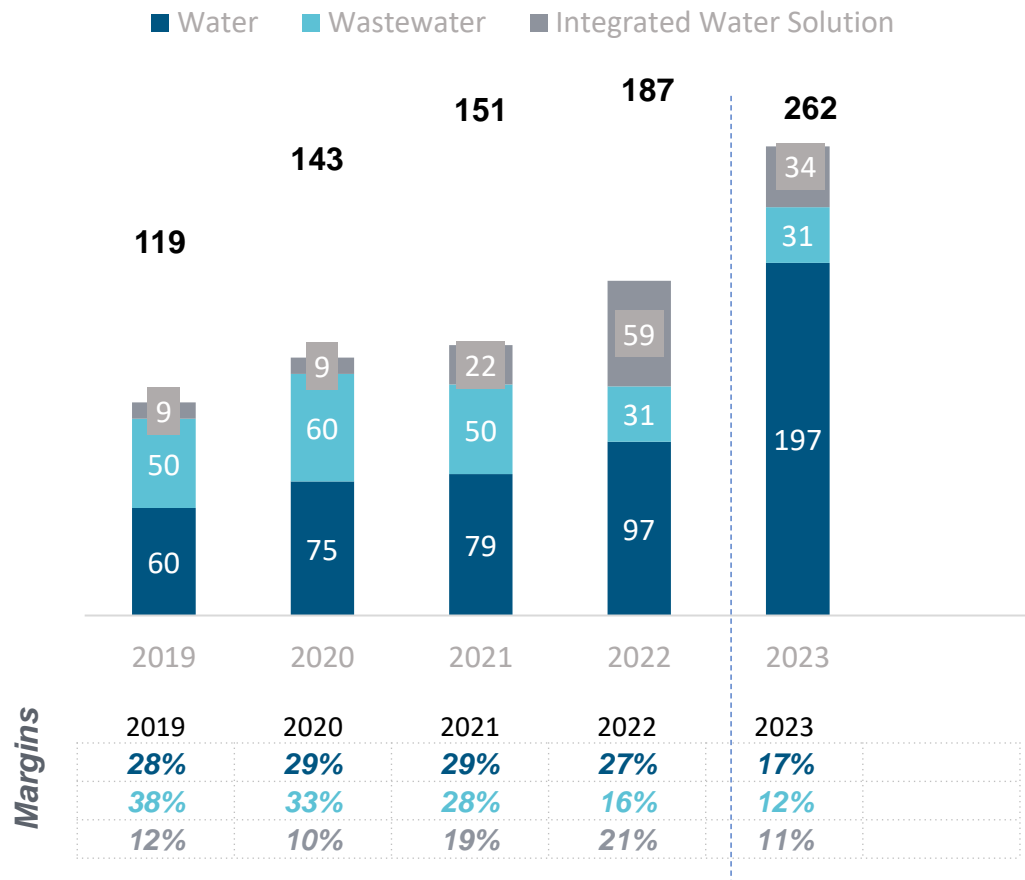


## Revenue by Contract Type (SAR MN)

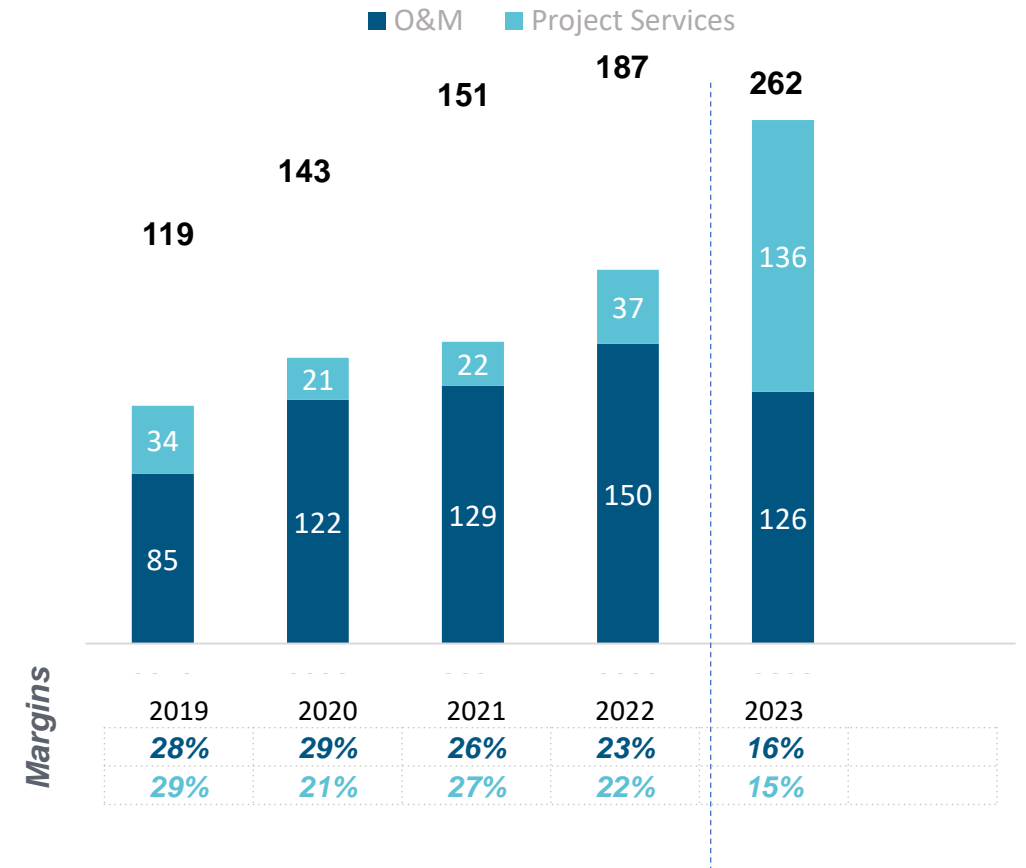


# Topline growth met with improving profitability margins

## Gross Profit by Segment (SAR MN)

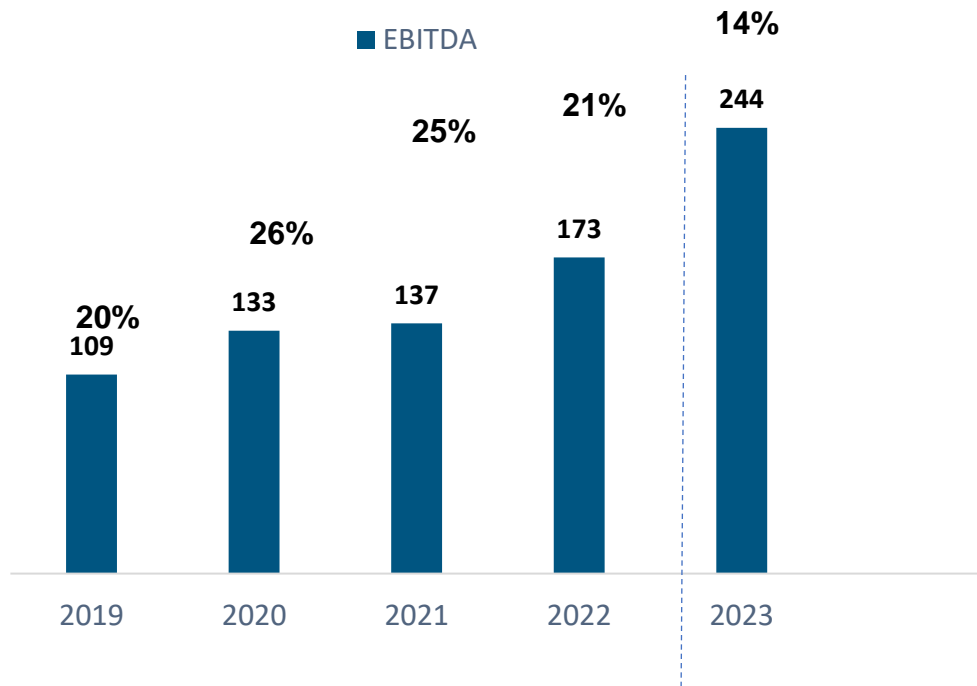


## Gross Profit by Contract Type (SAR MN)

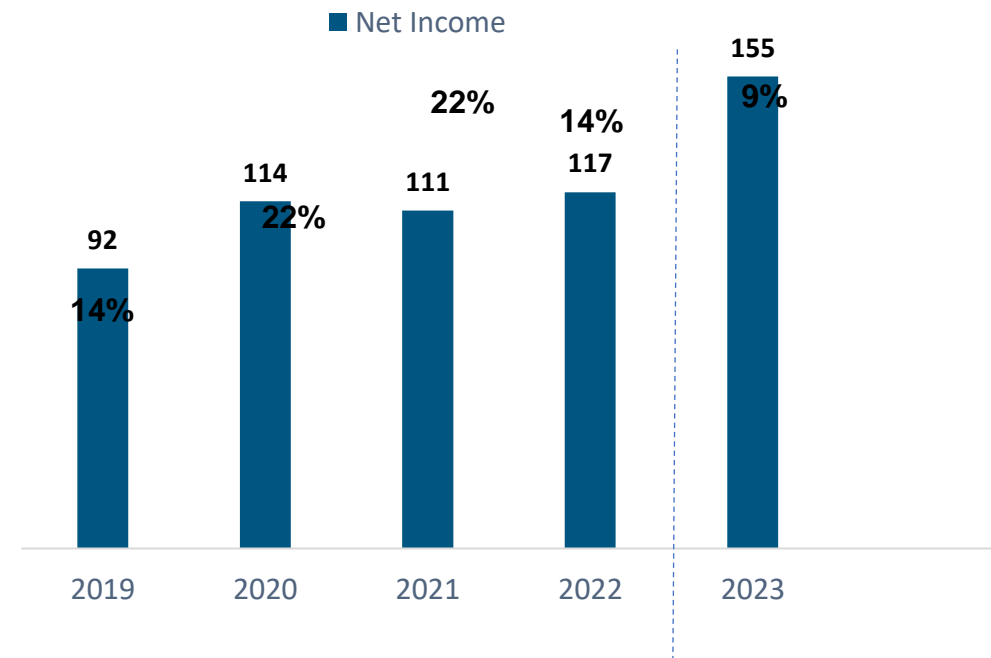


# Topline growth met with improving profitability margins

## EBITDA (SAR MN)



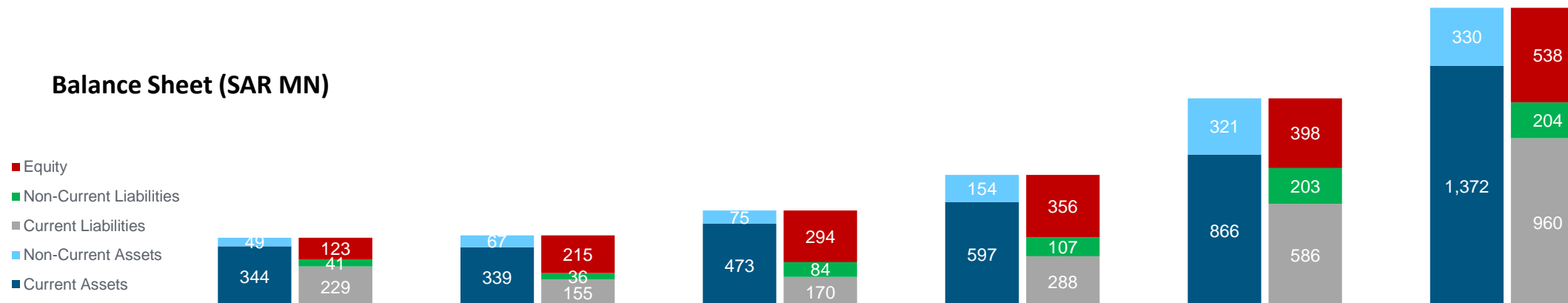
## Net Income before Zakat (SAR MN)





# Efficient performance solidifying a robust financial position

Balance Sheet (SAR MN)



Key Ratios	Unit	2018	2019	2020	2021	2022	2023
RoIC	%	38%	40%	32%	26%	28%	30%
RoE	%	42%	43%	38%	31.7%	31%	33%
NWC-to-Sales	%	63%	53%	56%	56%	34%	24%
Trade receivables	Days of Sales	211	127	115	134	102	67
Trade payables	Days of COS	64	70	51	56	44	44
Current Ratio	x	1.5	2.2	2.8	2.1	1.5	1.4
D/(D+E)	%	56%	22%	29%	29%	56%	50%
Net debt-to-EBITDA	x	1.7	0.4	0.3	1.3	2.4	1.9

# As a local champion, AWPT is strategically positioned to thrive in KSA's evolving water market

## Strategic Objectives



الخریفة لتقنية المياه والطاقة  
Alkhorayef Water & Power Technologies

**Strengthen leadership position in O&M Services, with focus on newly floated long-term O&M (LTOM) projects and city management projects**

**Expand in Project Services for critical infrastructure**

**Enter the BOT market in wastewater treatment, treated sewage effluent networks, strategic storage, and Independent Water Transmission projects.**

**Grow integrated and innovative solutions that enhance water services quality and protect resources**

**Enhance operational efficiency with the adoption of digital technologies**

# Saudi Arabia Water and Wastewater Projects Pipeline

## National Water Company (NWC) Five Years Projects Plan

	AWPT Business Units						
Segment	1. Water segment		2. Wastewater segment		3. Integrated Water Solutions		
Sub-segments	Water supply & treatment	Water networks	WW treatment	WW networks	Stormwater	City management	Support and asset services
Number of Projects	44	1,218	86	857	203		
Budget (Billion USD)	0.78 Billion \$	21.48 Billion \$	3.29 Billion \$	20.32 Billion \$	4.77 Billion \$		

- National Water Company announced its 5 years projects portfolio with a plan to award **2,408 projects** with a total budget of **50.65 Billion USD**
- National Water Company strategic target is to increase its services coverage from **current 78% in water and 59% in wastewater to 100% and 95% respectively by year 2030**. NWC plan includes also 24/7 hours of supply, reduce non-revenue water to 15% and achieve 100% water quality and wastewater tertiary treatment.
- NWC target to invest **41.8 Billion USD in networks and strategic reservoirs** over the next 5 years with 21.48 billion USD in Water Distribution Projects and 20.32 Billion USD in Wastewater Collection Projects.
- NWC investment will be distributed over the 6 clusters with 20.65 Billion USD to be invested in Western Cluster, 6.91 Billion USD in Central Cluster, 6.81 Billion USD in Southern Cluster and 6.05 Billion USD in Eastern Cluster. **The pipeline of projects plays to AWPT core strength and competitive edge.**

# Saudi Arabia Water and Wastewater Projects Pipeline

## Saudi Water Partnership Company (SWPC) – Future Projects

AWPT Business Units							
Segment	1. Water segment		2. Wastewater segment		3. Integrated Water Solutions		
Sub-segments	Water supply & treatment	Water networks	WW treatment	WW networks	Stormwater	City management	Support and asset services
Number of Projects	22		11				
Specifications	3.8 Million m <sup>3</sup> /day 3.6 Thousand Kilometres 45.3 million m <sup>3</sup> water storage		1.3 Million m <sup>3</sup> /day 14.3 thousand kilometres Network 180 kilometres TSE Pipeline				

- Saudi Water Partnership Company (SWPC) is the off-taker of water production, sewage treatment and strategic water storage in Saudi Arabia and is responsible to all related Public-Private Partnerships (PPP) Projects
- Saudi Water Partnership Company (SWPC) future projects consists of **33 BOT projects** (Build Operate Transfer) with 13 projects is currently under procurement and 29 projects to be announced in the upcoming 24 months
- Building on its current capabilities, **AWPT is targeting to expand its presence in the privatization of wastewater sector and offer its Project and O&M services in the Water Collection Pipelines and sewage treatment market through a strategic partnerships to maximize its chance of success and capture most of the upcoming opportunities in the small capacity ISTP market**

# AWPT is targeting to expand its presence in the wastewater sector and enter the new privatization projects independent sewage collection networks and treatment plants

		AWPT Business Units					
Segment	1. Water segment		2. Wastewater segment		3. Integrated Water Solutions		
Sub-segments	Water supply & treatment	Water networks	WW treatment	WW networks	Stormwater	City management	Support and asset services
	Water treatment plants	Water distribution networks	Sewage wastewater treatment plants	Wastewater collection networks	Stormwater networks	City water management	Fabrication workshop
	Deep water wells	Firewater networks	Industrial wastewater treatment plants	Treated sewage effluent (TSE) networks			Laboratories
							Leak detection
			+ Privatized Small Independent STP	+ Privatized Wastewater Networks			Other complementary services

- SWPC plans to start a kingdom wide program to increase the treatment coverage through partnership with private sector. This program has adopted a wider approach from the prefeasibility study, which proposed 147 Small Scale Sewage Treatment Plants and its combined collection sewage networks in six clusters in 13 different regions. This program aims to procure approximately 490,000 cubic meter per day of treated water generated from the 147 proposed ISTPs in whole Kingdom.
- Building on its current capabilities, **AWPT is targeting to expand its presence in the privatization of wastewater sector and offer its Project and O&M services in the Water Collection Pipelines and sewage treatment market through a strategic partnerships to maximize its chance of success and capture most of the upcoming opportunities in the small capacity ISTP market.**
- First SSTP and CN (collection networks) for Jazan cluster with 12 plants of capacity of 74,700 m3/day and 1,348 KM of networks.**

# AWPT is targeting to expand its presence in the water sector and enter the independent water transmission pipelines IWTP market via a strategic partnership

		AWPT Business Units						
Segment	1. Water segment		2. Wastewater segment		3. Integrated Water Solutions			
	Water supply & treatment	Water networks	WW treatment	WW networks	Stormwater	City management	Support and asset services	
Sub-segments	Water treatment plants	Water distribution networks	Sewage wastewater treatment plants	Wastewater collection networks	Stormwater networks	City water management	Fabrication workshop	
							Laboratories	
	Deep water wells	Firewater networks	Industrial wastewater treatment plants	Treated sewage effluent (TSE) networks			Leak detection	
		+ Transmission Pipelines					Other complementary services	

- In 2020, SWPC has announced **eight** upcoming IWTP projects to be procured by 2025 with a combined length of **>3,500 km** and total capacity of **>4.3 million m<sup>3</sup>/d** (*more details on market opportunities are presented in the next section*)
- Building on its current capabilities, **AWPT is targeting to expand its presence in the water sector and offer its Project and O&M services in the Water Transmission Pipelines market through a strategic partnership to maximize its chance of success and capture most of the upcoming opportunities in the IWTP market**
- **The consortium of AWPT and COBRA was selected the main contractor for the first IWTP in the kingdom and potentially worldwide of its kind. IWTP2 Rayis Rabigh Project.**
- **The consortium has achieved the financial closing for IWTP2 Project with capital expenditure equal to 2.4 billion SAR and contract value of 8.4 billion SAR.**
- **The company currently in partnership with Cobra and Acciona to bid the upcoming Buraidah-Jubail IWTP project.**

# Saudi Arabia Water and Wastewater Projects Pipeline

## Water Transmission & Technologies Co. (WTTCO) – Future Projects

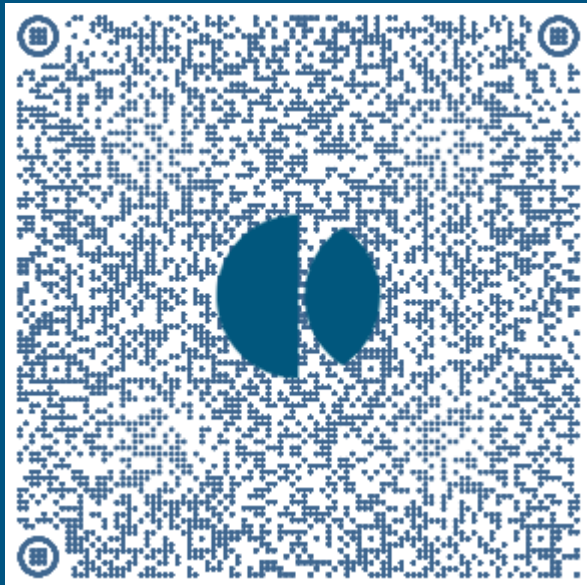
	AWPT Business Units						
Segment	1. Water segment		2. Wastewater segment		3. Integrated Water Solutions		
Sub-segments	Water supply & treatment	Water networks	WW treatment	WW networks	Stormwater	City management	Support and asset services
Number of Projects	221						
Budget (Billion USD)	42.3 Billion \$						

- Water Transmission & Technologies Company (WTTCO) is a government owned company in charge of national water transmission entity in the Kingdom of Saudi Arabia
- Water Transmission & Technologies Company to future projects portfolio consists of a total of **221 EPC Projects with a total budget of 42.3 Billion USD** in the Water Transmission and Storage Facilities. Among which 10 projects with a total budget of 7.7 Billion USD to be announced in the next 12 months.

# Contact Details



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