


ACWA POWER Company

Investor Report
For the three-months ended 31 March 2024

CEO's Letter

Dear stakeholders,

As expected, we have made a steady start to our first quarter in new business development. I am pleased to report our entry into a new market, with the signing of a water purchase agreement (WPA) in Senegal for the construction of 400,000 m^3/day water desalination plant in Dakar, Senegal. This will be the first desalination project in the country to be facilitated through a public-private partnership and represents a significant step in addressing the water challenges in Sub-Saharan Africa.

Our portfolio expansion in Uzbekistan continued. At the end of March, we signed the power purchase agreement (PPA) for the Nukus2 200 MW wind power project along with battery energy storage system (BESS). This marks our 14th project in Uzbekistan and underscores our dedication to supporting the country's renewable energy goals.

During the quarter, we achieved the financial close of the Hassyan IWP (water desalination project) in the UAE, and subsequently in April, we announced to the market the signing of the financing documents of the Qassim1 and Taibah1 combined cycle power plants (CCGTs) in KSA.

Another important milestone was the signing of the contract extensions in Oman, for Barka Water and Power Company SAOG (Barka). This demonstrates the post-PPA opportunities available given the strategic significance of our projects to the governments and offtakers we are dedicated to serving.

On the operations side, despite both the 1,500 MW Sudair PV in KSA and the 909,218 m^3/day Taweelah IWP in the UAE have reached their full capacity commercial operations, I must admit my disappointment of the forced outage at the NOORo 3 CSP plant in Morocco once again due to technical issues at the molten salt tank. Considering our commitment to continuous improvement, and to ensure future reliability of the plant, the project company has already undertaken the necessary steps to repair the existing tank in addition to building a new tank with an improved design that will take over from the repaired tank once complete.

The unprecedented rainfall and subsequent flooding in the UAE have also caused limited disruptions to our operations including some construction activity. All assets follow strict safety-first protocols during the restoration activities and the project companies have served respective insurance notifications and force-majeure preservation notifications.

While achieving operational excellence in our plants remains our core focus, we stepped up our efforts towards executing our ambitious growth strategy both in KSA and beyond within the framework of our Strategy 2.0 that we shared with the investment community in the past few months. I am optimistic about announcing our first project in China in the near future in addition to achieving several other milestones for either the existing projects in development or the new ones in our growth pipeline in the rest of the year.

Marco Arcelli
Chief Executive Officer

Highlights[1]

ACWA Power is the world's largest private water desalination company in the world, and a leader in energy transition and first mover into green hydrogen.

Portfolio[2]

82 ASSETS

13 countries

BESS[3] 6.5 GWh

Gross Power Capacity 55.1 GW

44.5% of the Gross Power Capacity

NET ZERO EMISSIONS BY 2050

8 million m^3/day

NH_3 1.2+ million tonnes/pa green ammonia

AUM 321.3 SAR billion

24.5 GW Renewable Assets Capacity

Financial Highlights[4]

401 SAR mn
Operating income before impairment loss and other expenses
28.2% ↘

296 SAR mn
Consolidated Net Profit attributable to equity holders of parent
9.8% ↗

The shareholder approved payment of a cash dividend distribution of SR 329.0 million (SR 0.45 per share) for the year 2023 and distribution of bonus shares of 1 share for every 500 shares owned by the shareholders.

Operational Highlights

Health, Safety, & Environment (HSE)
0.008 Lost Time Injury Rate (LTIR)
1Q 2023: 0.011

Power Availability
89.8%
1Q 2023: 88.5%

Water Availability
94.5%
1Q 2023: 94.7%

[1] As at and for the three months period ended 31 March 2024.
[2] Gross capacities or total investment costs of projects that are operational, under construction or in advanced development.
[3] Nameplate DC installed capacity.
[4] The variance represents the year-on-year variance as at and for the 3 month period ending March 31, 2024 vs March 31, 2023.

ACWA POWER COMPANY AND ITS SUBSIDIARIES
(Saudi Listed Joint Stock Company)
("ACWA Power" or the "Company" or the "Group")

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL RESULTS AND POSITION AS AT AND FOR THE THREE MONTHS ENDED 31 MARCH 2024

1- Introduction

This section provides an analytical review of the financial results of ACWA Power for the three-months ended 31 March 2024, and it should be read in conjunction with the Company's Interim Condensed Consolidated Financial Statements and Independent Auditor's Review Report for the three months ended 31 March issued by KPMG Professional Services (Certified Public Accountants) (the "Interim Condensed Consolidated Financial Statements").

All amounts are in SAR million, rounded up to one decimal point, unless stated herein otherwise. Percentages have also been rounded up to the available number of digits presented in the tables, when applicable. A calculation of the percentage increase/decrease based on the amounts presented in the tables may not therefore be precisely equal to the corresponding percentages as stated.

"Current quarter" or "current period" or "1Q2024" or the "first quarter of 2024" corresponds to the three-months period ended 31 March 2024 whereas "previous quarter" or "previous period" or "1Q2023" or the "first quarter of 2023" corresponds to the three-months period ended 31 March 2023.

In the Interim Condensed Consolidated Financial Statements, certain figures for the prior periods have been reclassified to conform to the presentation in the current period. Please refer to *Note 23 of the Interim Condensed Consolidated Financial Statements*.

This section may contain data and statements of a forward-looking nature that may entail risks and uncertainties. The Company's actual results could differ materially from those expressed or implied in such data and statements as a result of various factors.

2- Key factors affecting the comparability of operational and financial results between reporting periods

2.1 Definition

Although the Company's business model of Develop, Invest, Operate, and Optimize allows it to generate and capture returns over the full life cycle of a project, these returns may differ from one reporting period to another, depending on where these projects are in their project life cycles (i.e., in advanced development, under construction or in operation). Projects achieving financial close ("FC") and projects achieving either initial or plant commercial operation dates ("ICOD" or "PCOD" respectively) are typical examples that may lead to such variances in the values presented on the financial statements from one period to another, potentially rendering analysis of these variations unreasonable without additional information.

Additionally, there may occasionally be transactions that the management might deem uncommon during the ordinary course of business and expect them not to recur in the future. If such a case exists in a given reporting period, the management explicitly identifies and reports the financial impact on the consolidated reported net profit for the concerned period via non-IFRS adjusted net profit line item.

2.2 Key factors for the current period

2.2.1 Projects achieving financial close ("FC")

Typically, a project company achieves its FC when the financing documents between the project company and the lenders are signed, and the project company has access to funding from its lenders following the completion of the conditions precedent. At this point, the Company normally becomes entitled to recognize development fees from the project company, if any, and recover the project development and bidding costs incurred to-date, including reversal of any related provisions. Moreover, the Company typically earns additional service fees such as project and construction management fees, which are recognized during the construction period of the project based on pre-determined milestones.

The following table lists all projects that achieved their respective FCs in the past 15 months to 31 March 2024.

Financial Closes1 in the past 15 months (January 2023 - March 2024)						
Month	Project [1]	Location	Total Investment Cost SAR Billion	Contracted Gross Capacity (Water in thousands)	Accounting Type [3]	ACWA Power's Effective Ownership [2]
During 2024						
Mar'24	Hassyan IWP	UAE	3.4	818 m³/day	EAI	20.40%
During 2023						
Nov'23	PIF3-Al-Kahfah solar PV IPP	Saudi Arabia	3.9	1,425 MW	EAI	50.10%
Nov'23	PIF3-Ar Rass2 solar PV IPP	Saudi Arabia	5.3	2,000 MW	EAI	50.10%
Nov'23	PIF3-Saad2 solar PV IPP	Saudi Arabia	3.0	1,125 MW	EAI	50.10%
Oct'23	Azerbaijan wind IPP	Azerbaijan	1.1	240 MW	SUB	100.00%
Sep'23	Rabigh 4 IWP	Saudi Arabia	2.5	600 m³/day	EAI	45.00%
Aug'23	Layla PV IPP	Saudi Arabia	0.4	80 MW	EAI	40.10%
July'23	Al Shuaibah PV 1 & 2	Saudi Arabia	8.2	2,631 MW	EAI	35.01%
May'23	Nukus (Karatau) Wind IPP	Uzbekistan	0.4	100 MW	SUB	100.00%
Apr'23	Kom Ombo PV	Egypt	0.7	200 MW	SUB	100.00%
Mar'23	NEOM Green Hydrogen Company	Saudi Arabia	31.9	3,883 MW; 600 tonnes/day	EAI	33.33%
Feb'23	Ar Rass PV IPP	Saudi Arabia	1.7	700 MW	EAI	40.10%

Source: Company information.

[1] Some of the projects may be in the process of closing the conditions precedent of their respective FCs.

[2] ACWA Power's effective share as at 31 March 2024. Note that the current effective shareholding may be different.

[3] Equity accounted investee (EAI) or Subsidiary (SUB)

2.2.2 Projects achieving initial or project commercial operation dates ("ICOD" or "PCOD")

A project starts providing power and/or water, partially or fully, under its offtake agreement in the period it achieves either ICOD or PCOD and subsequently begins recognizing revenue and charging costs into the profit or loss statement. It is typically at this stage that NOMAC starts recognizing its stable and visible O&M fees too. When the project company becomes eligible to distribute dividends and when such dividends are declared, the Company additionally receives dividends in proportion to its effective share in the project.

Depending on its effective ownership and control relationship in the project, the Company either consolidates the financial results of the project (subsidiary) or recognizes its share of net income in the project (equity accounted investee) on the Company's consolidated financial statements.

The following table lists all projects that achieved their respective ICOD or PCOD and thus have begun contributing to the Company's results in the past 15 months to 31 March 2024.

ICOD/PCOD in the past 15 months (January 2023- March 2024)						
ICOD/PCOD*	Project	Location	Online Capacity[1] (Water in thousands)	Remaining capacity to bring online	Accounting Type	ACWA Power's Effective Share[2]
During 2024						
Mar-24*	Al Taweelah IWP	UAE	909 m^3/day	-	EAI	40.00%
Jan-24	Sirdarya CCGT[3]	Uzbekistan	918	582	EAI	51.00%
Jan-24	Sudair PV(Group3)	Saudi Arabia	1500 MW	-	EAI	35.00%
During 2023						
Nov-23*	Hassyan IPP	UAE	2400 MW	-	EAI	26.95%
Nov-23	Noor Energy 1 (PT Unit)200MW	UAE	717 MW	233 MW	EAI	25.00%
Oct-23	Sudair PV (Group2)	Saudi Arabia	1,125 MW	375 MW	EAI	35%
Sep-23	Sudair PV (Group1)	Saudi Arabia	750 MW	750 MW	EAI	35%
Jun-23	Shuaa Energy 3 PV	UAE	900 MW	-	EAI	24.00%
Apr-23	Al Taweelah IWP	UAE	833 m^3/day	76 m^3/day	EAI	40.00%
Mar-23	Hassyan IPP (Unit 3)	UAE	1,800 MW	600 MW	EAI	26.95%
Feb-23*	Jazlah IWP (Jubail 3A)	Saudi Arabia	600 m^3/day	-	EAI	40.20%
Feb-23	Noor Energy 1 (CT Unit)100MW	UAE	517 MW	433 MW	EAI	25.00%
Jan-23	Jizan IGCC	Saudi Arabia	184,000 Nm^3/hr Hydrogen 585 MT/hr Steam Approx. 3,040MW Power	760 MW	EAI	21.25%
Jan-23	Noor Energy 1 (PT Unit) 200MW	UAE	417 MW	533 MW	EAI	25.00%

Source: Company information.

* Some projects may not have reached their full operational capacity and obtained official certificate of full commercial operations from the offtaker yet.

[1] Online capacity that is in operation as at the stated ICOD/PCOD date.

[2] ACWA Power's effective share as at 31 March 2024. Note that the current effective shareholding may be different.

[3] Includes ICOD and EPG (early power generation) of two units, Power Units 1 and 2, in January 2024, 457MW and 461MW, respectively.

Details for the Company's entire portfolio of projects can be found on the Company's website (www.acwapower.com) in addition to the appendix at the end of this Investor Report.

2.2.3 Dividends and Bonus Shares

The Company's cash distribution to shareholders accumulated to SAR1.2B for the years 2021 and 2022 with successively increasing amounts in line with the guidance during the IPO. Since then, the Company has revised its portfolio's growth projections significantly upwards to include additional project pipeline that the Company expects will require equity commitments in excess of the levels anticipated during the IPO. In light of these strategic amendments and to optimize cash utilization without deteriorating total distribution value to its shareholders, the Company's board resolved to recommend to the general assembly a cash and non-cash bonus share distribution for 2023.

On 28 February 2024, the Board of Directors approved a cash dividend distribution of SR 329.0 million (SR 0.45 per share) for the year 2023, payable during 2024. Additionally, on the same date, the Board of Directors approved and recommended to distribute bonus shares to the Company's shareholders amounting to SAR 14.6 million from the retained earnings.

The cash dividend distribution of SR 0.45 per share and the bonus share distribution of 1 share for every 500 shares owned by the shareholders at the record date via capital increase have both been approved by the shareholders at the extraordinary general assembly meeting held on 29 April 2024.

2.2.4 Long term incentive plan (LTIP) and share buy-back

In 2023, the Board of Directors approved to replace the existing cash-based LTIP with a share-based incentive plan (hereinafter referred as the "Employees Stock Incentive Program" or the "Program"). In this regard, on 22 June 2023, the shareholders of the Company approved to buy back Company's shares with a maximum of two (2) million shares.

During the period ended 31 March 2024, the Company purchased 264,678 shares amounting to SR 73.0 million at then prevailing market rates. The Group has recognized these shares within treasury shares in the interim consolidated statement of changes in equity.

Subsequent to the period ended 31 March 2024 and on 18 April 2024, the Group has launched the detailed terms and conditions of the Program to eligible employees and accordingly satisfied the grant date criteria (as specified under IFRS 2 – Share-based payment). In this regard, during the period a provision of SAR 16.3 million has been recognised within general and administration expenses. Given the service period has already commenced as specified in the Program, the related provision of SAR 42.3 million has been moved to equity from liability in these interim condensed consolidated financial statements.

2.2.5 Impairment loss in Noor 3 CSP IPP ("Noor 3") in Morocco

During the period ending 31 March 2024, the Noor 3 CSP plant in Morocco experienced a technical issue in the molten salt tank, which compels an extended forced outage as the plant is expected to remain non-operational until the end of the current year ("Outage Period") while repair work is undertaken. This event triggered a review of impairment, and the management has recognized an impairment loss of SAR 145.8 million (ACWA Power share SAR 109.3 million), representing the expected loss of generation during the Outage Period. The Group has recognized the loss within the interim consolidated statement of profit or loss within impairment loss and other expenses, net. The management will continue to review the performance of plant and cost estimate in relation to remedial work and necessary impact will be taken in the financial statements, as and when required.

The Company deems this transaction as non-routine hence adjusted its financial impact on the period's consolidated net profit. Please see *Section 3.2.1*.

2.2.6 Income in relation to termination of some hedging instruments

The Group, in accordance with financing documents, enters into interest rate swap (IRS) agreements to hedge against the risk of interest rate movements and accordingly applies cashflow hedge accounting as per the IFRS. In certain cases, such IRS may be acquired before the financial close at the time of the signing of the power or water purchase agreements based on the Company's forecast of probable interest rates at the time of the financial close to hedge against the interest rate volatility between signing of the purchase agreement and the financial close (pre-hedge).

During the current period, the Company has recycled certain hedge reserves upon discontinuation of pre-hedging contracts (the "Interest Rate Swaps"), as the underlying highly probable forecast transaction is no longer expected to occur within the Group due to expected divestment, amounting to SR 313.4 million (31 March 2023: Nil). At the inception of the Interest Rate Swaps, it is not the management's intention to do early termination. This action was necessitated by the anticipated non-occurrence of the underlying highly probable forecast transactions within the Group, attributed to expected divestments, and significant modifications to the hedged risk. Consequently, the management does not expect that the discontinuation of such Interest Rate Swaps will be a recurrent event.

The Company deems this transaction as non-routine hence adjusted its financial impact on the period's consolidated net profit. Please see *Section 3.2.1*.

2.2.7 Divestments

Financial optimization is a core element of the Company's business model that provides the Company with an opportunity to improve its returns and recycle its capital for further investment. The Company therefore actively seeks to identify, and capture if beneficial circumstances prevail, project refinancing or equity divestment opportunities in accordance with its strategic business model.

The Company did not announce any new divestment transactions during the current period.

There was no change in the status of the transactions that were initiated prior to the current period. Please refer to the Company's previous Investor Reports or published financial statements for the outstanding transactions.

3- Discussion and analysis of management's key financial indicators

ACWA Power's management uses several key performance metrics to review its financial performance. These metrics and their typical reporting frequencies are listed below followed by the management's discussion and analysis for the current period.

Key financial performance indicator	Typical MD&A Reporting frequency	IFRS / non-IFRS
Operating income before impairment loss and other expenses	Quarterly	IFRS
Consolidated Net profit attributable to equity holders of parent	Quarterly	IFRS
Parent Operating Cash Flow (POCF)	Semi-annually	Non-IFRS
Total Parent Net Leverage and Parent Net Leverage Ratio	Semi-annually	Non-IFRS

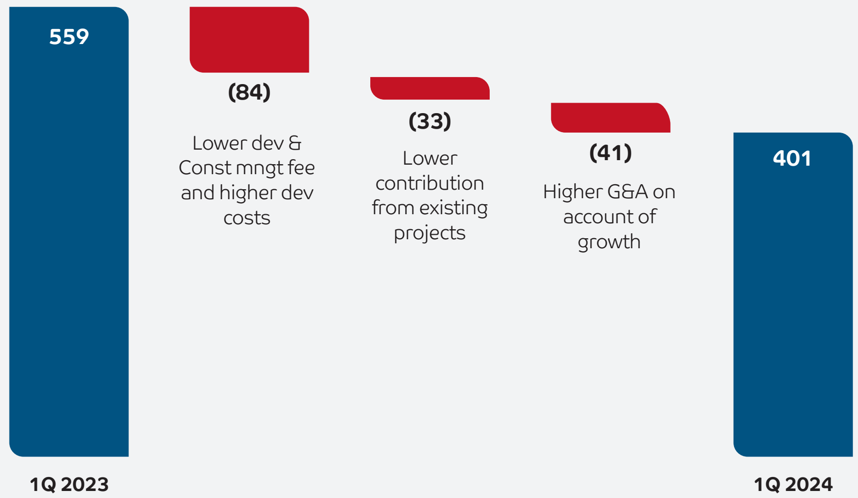
3.1 Operating income before impairment loss and other expenses

Operating income before impairment loss and other expenses represents ACWA Power's consolidated operating income before impairment loss and other expenses for the continuing operations and includes ACWA Power's share in net income of its equity accounted investees.

SAR in millions	First Quarter (1Q)		
	2024	2023	% change
Operating income before impairment loss and other expenses	401	559	(28.2)

Source: Reviewed financial statements

Operating income[1] Variance
1Q2024 versus 1Q2023 – SAR Million



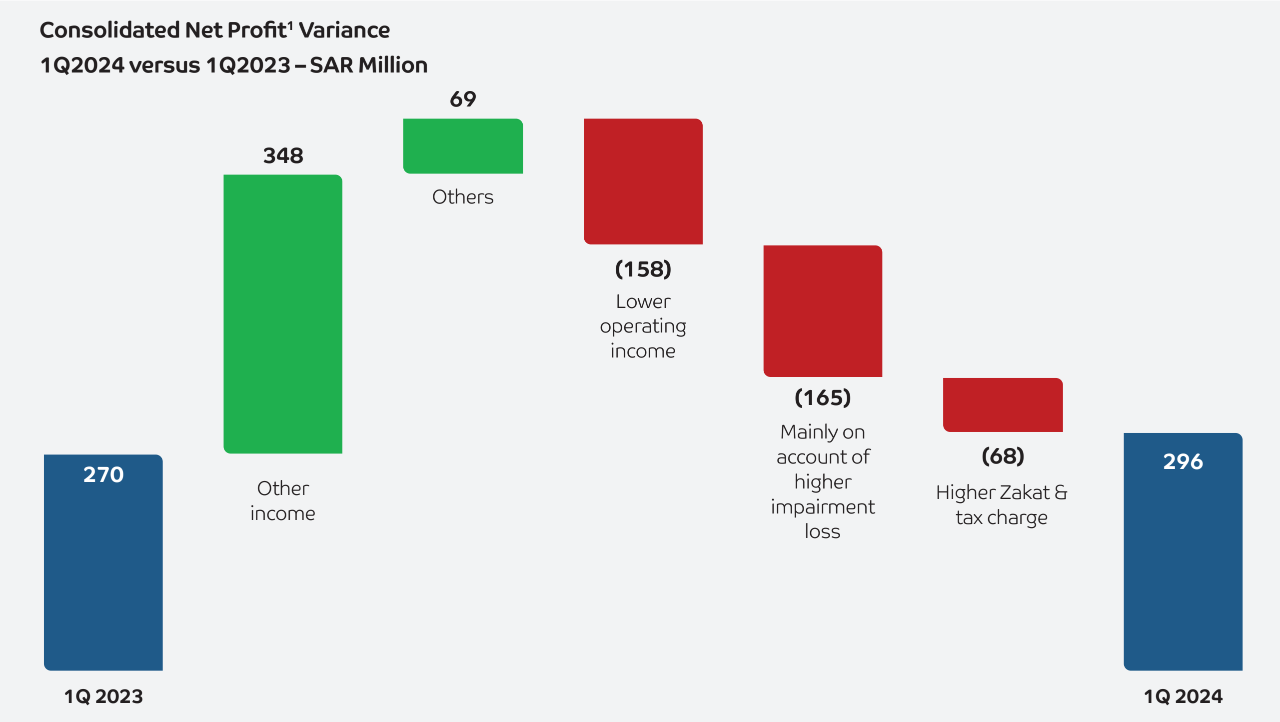
Source: Company information. [1] Before impairment loss and other expenses.

Operating income before impairment loss and other expenses for 1Q2024 was SAR 401 million and 28.2 %, or SAR 158 million, lower than SAR 559 million of Q12023. The lower variance was mainly due to a) lower development and construction management fees in parallel with the differences in the development statutes of projects between the compared periods and b) higher development cost, provisions or write offs (a and b in aggregate by SAR 84 million); c) net lower contribution from existing projects mainly due to lower plant availabilities on account of unplanned outage and higher maintenance cost (SAR 33 million) at some plants; and d) other variances driven mainly by higher corporate general and administration expenses primarily on account of higher staff costs reflecting both existing and anticipated business growth and geographic expansion in line with the Company's new Strategy 2.0 (SAR 41 million).

3.2 Consolidated net profit attributable to equity holders of parent

Consolidated profit attributable to equity holders of parent ("Net Profit") represents the consolidated net profit for the period attributable to equity holders of the parent.

SAR in millions	First quarter (1Q)		
	2024	2023	% change
Profit attributable to equity holders of the parent ("Reported Net Profit")	**296**	**270**	**9.8%**



Source: Company information. [1] Attributable to equity holders of the parent.

Reported Net Profit for 1Q2024 was SAR 296 million and 9.8%, or SAR 26 million, higher than SAR 270 million for 1Q2023.

Main variance drivers were:

- Higher other income (SAR 348 million), mainly on account of SAR 313 million that was recognized in relation to the recycling of the hedge reserves upon discontinuation of certain hedging contracts (see *Section 2.2.6*).,
- Others (SAR 69 million in aggregate) mainly due a) lower share of non-controlling interest (SAR 58 million) and b) lower net financial charges, net off finance income, mainly due to higher finance income due to better cash management partially offset by higher finance cost on additional debt and higher market rates, including exchange loss in 1Q2024 (SAR 10 million).

Above were partially offset by:

- Lower operating income before impairment loss and other expenses (SAR 158 million) (see above *Section 3.1*).
- Higher impairment loss and other expenses, net, in 1Q2024, mainly on recognition of an impairment loss in Noor 3 CSP IPP in Morocco (see *Section 2.2.5*) (SAR 165 million).
- Higher Zakat and tax expense in current period (SAR 68 million).

3.2.1 Period adjustments on consolidated net profit

During the current period, there were two transactions that the Company deemed non-routine in nature (See *sections 2.2.5 and 2.2.6*). Below table summarizes these transactions and their aggegate impact on the consolidated net profit.

SAR in millions	1Q 2024
Profit attributable to equity holders of the parent	296
Adjustments:	
Impairment loss in Morocco (section 2.2.5)	109
Income on discontinuation of pre-hedging instruments (section 2.2.6)	(313)
Net adjustments	(204)
Adjusted profit attributable to equity holders of the parent	**92**

Source: Reviewed financial statements

3.2.2 Zakat & tax expenses

SAR in millions	First Quarter (1Q)		
	2024	2023	% change
Zakat and tax charge	37	38	(3.8)
Deferred tax (credit) / charge	5	(64)	(107.6)
Zakat and Tax (credit) / charge	**42**	**(26)**	**(259.1)**

Source: Reviewed financial statements

The Company has recorded Zakat and tax charge of SAR 42 million in the current period, 259 % higher than the Zakat and tax credit of SAR 26 million in Q1 2023, largely as a result of deferred tax charge in the current period versus a deferred tax credit in the previous period.

The unfavorable variance in deferred tax (credit) / charge was mainly on account of the respective fluctuation of the Moroccan Dirham (MAD) against the USD for the compared periods.

4- MAJOR SUBSEQUENT EVENTS

4.1 Barka Water and Power Company SAOG power and water purchase agreement extensions

Barka Water and Power Company SAOG ("BWPC") is a subsidiary of the Company, comprising one conventional power generation plant, one multi-stage flash (MSF) water desalination plant and two reverse osmosis (RO) water desalination plants.

In April 2024, BWPC has received a letter of award from Nama Power and Water Procurement Company, Oman (PWP), that extends the otherwise expired Power and Water Purchase Agreements (PWPA)for the power plant for 8 years and 9 months with operations starting from 1 June 2024, and for the water plant for 3 years starting from 1 September 2024 with additional extension option at PWP's discretion for a further term of 3 years and another term of 2 years and 9 months (total 8 years and 9 months term). The parties are working on the finalization and approval of the PWPA and other project agreements.

4.2 UAE floods and impact on the projects

On 16 and 17 April 2024, the UAE experienced severe flooding due to heavy rainfall. Days before, Oman had similar adverse weather conditions.

The Company has several assets that are either operating or at their various development stages including assets under construction. Despite the unprecedented severity of the conditions, the impact on the Company's operations and construction activities has been limited to some site floodings and generation disruptions. All assets follow strict safety-first protocols during the restoration activities and the project companies have served respective insurance notifications and force-majeure preservation notifications.

5- Operational review

5.1 Safety

Our relentless efforts from the previous year continued into the first quarter of 2024 to maintain a safe and harm-free environment within the organization and at the project sites. The Group accumulated 24.2 million safe manhours during 3M2024 and a Lost-time injury rate (LTIR) of 0.008. We are pleased to report no fatalities in the current period.

5.2 Operational Performance

During the first quarter of 2024, we added ~ 1.3 GW of power and 76,000 m^3/day of desalinated water as incremental operational capacity, thus bringing the total operational capacity in our portfolio to ~31.3 GW of power and 5.6 million m^3/day of water representing fully operational assets and under construction assets that have achieved partial commercial operations.

Consolidated Power availability for 1Q2024 reached 89.8%, with an improvement of more than 100 basis points versus 1Q2023 of 88.5%. However, this has marginally reduced compared to YE 2023 mainly due to a relative drop in the renewable power availability as noted below.

The renewable segment within Power recorded at 95.9% availability during the current quarter and was lower relative to prior periods mainly due to the recent forced outage in Noor 3 CSP in Morocco (1Q2023: 96.6%).

Consolidated Water availability during the current quarter registered 94.5% (1Q2023: 94.7%).

Appendix

OUR ASSETS

As at and for the three month ended 31 March 2024

	No. of Assets	Total Investment Cost (USD million)	Total Investment Cost (SAR million)	Contracted Power (MW)	Contracted Water (000' m^3/day)	Contracted Green Hydrogen (Ktons/annum)	BESS MWh (Gross)	Operational capacity (MW)	Operational Capacity3 (000' m^3/day)	Under construction capacity (MW)	Under construction capacity (000' m^3/day)
TOTAL OPERATIONAL ASSETS	41	43,748	164,056	27,255	4,684	-	-	27,255	4,684	-	-
TOTAL ASSETS UNDER CONSTRUCTION & PARTIALLY OPERATIONAL	23	29,179	109,421	18,674	2,960	220	1,828	4,035	909	14,639	2,051
TOTAL ASSETS IN THE ADVANCED DEVELOPMENT	18	12,762	47,859	9,142	400	3	4,690	-	-	-	-
GRAND TOTAL PORTFOLIO	82	85,690	321,336	55,071	8,044	223	6,518	31,290	5,593	14,639	2,051

FULLY OPERATIONAL ASSETS

Project Name	Country	No. of Assets	Total Investment Cost (SAR million)	ACWA Power Effective Share [1]	Power [4] (MW)	Water [4] (000' m³/ day)	Green Hydrogen [4] (Ktons/ annum)	BESS MWh (Gross)	Operational capacity [3] (MW)	Operational capacity [3] (000' m³/day)	Contract	Technology	PCOD (Actual / Expected)/ Status	Control (EAI/ SUB) [2]	Accounting	Offtaker
Shuaibah IWPP	Saudi Arabia	1	9,188	30.00%	900	880	-	-	900	880	PWPA–BOO–20 YR	Oil/MSF	Q1 2010	EAI	Finance lease	Saudi Water Partnership Co. (SWPC)
Shuaibah Expansion IWP	Saudi Arabia	1	874	30.00%	-	150	-	-	-	150	WPA–BOO-20 YR	SWRO	Q4 2009	EAI	Operating lease	Saudi Water Partnership Co. (SWPC)
Petro-Rabigh IWSPP	Saudi Arabia	1	4,466	99.00%	360	134	-	-	360	134	WECA–BOO–25 YR	Oil/SWRO	Q2 2008	SUB	Operating lease	Petro-Rabigh Petrochemical Complex (PRC)
Petro-Rabigh (Phase 2) IWSPP	Saudi Arabia	0	3,689	99.00%	160	54	-	-	160	54	WECA-BOO-25 YR	Oil/SWRO	Q1 2018	SUB	Operating lease	Petro-Rabigh Petrochemical Complex (PRC)
Marafiq IWPP	Saudi Arabia	1	11,561	20.00%	2,744	800	-	-	2,744	800	PWPA–BOOT–20 YR	Natural Gas/MED	Q4 2010	EAI	Finance lease	Tawreed (a subsidiary of Marafiq)
Rabigh IPP	Saudi Arabia	1	9,398	40.00%	1,204	-	-	-	1,204	-	PPA–BOO–20 YR	Oil	Q2 2013	EAI	Operating lease	Saudi Electricity Company (SEC)
Barka 1 IWPP	Oman	1	1,556	41.91%	427	91	-	-	427	91	PWPA-BOO-18.7 YR	Natural Gas/MSF	Operational when acquired, Acquisition Aug 2010	SUB	Operating lease	Oman Power and Water Procurement Co. (OPWP)
CEGCO Assets	Jordan	1	1,759	40.93%	366	-	-	-	366	-	PPA-BOO-15 YR	Natural Gas	Operational when acquired, Acquisition July 2011	SUB	Operating lease	National Electric Power Company (NEPCO)
Hajr IPP	Saudi Arabia	1	10,219	22.49%	3,927	-	-	-	3,927	-	PPA–BOO–20 YR	Natural Gas	Q1 2015	EAI	Operating lease	Saudi Electricity Company (SEC)
Barka 1 Expansion IWP	Oman	1	199	41.91%	-	45	-	-	-	45	WPA-BOO-8.2 YR	SWRO	Q2 2014	SUB	Operating lease	Oman Power and Water Procurement Co. (OPWP)
Noor I CSP IPP	Morocco	1	3,153	73.13%	160	-	-	-	160	-	PPA-BOOT-25 YR	CSP - Parabolic	Q1 2016	SUB	Finance lease	Moroccan Agency for Solar Energy
Bokpoort CSP IPP	South Africa	1	1,939	20.40%	50	-	-	-	50	-	PPA-BOO-20 YR	CSP - Parabolic	Q1 2016	EAI	Operating lease	Eskom Holdings
Rabigh 2 IPP	Saudi Arabia	1	5,854	50.00%	2,060	-	-	-	2,060	-	PPA-BOO-20 YR	Natural Gas	Q1 2018	EAI	Operating lease	Saudi Electricity Company (SEC)

FULLY OPERATIONAL ASSETS

Project Name	Country	No. of Assets	Total Investment Cost (SAR million)	ACWA Power Effective Share [1]	Power [4] (MW)	Water [4] (000' m³/ day)	Green Hydrogen [4] (Ktons/ annum)	BESS MWh (Gross)	Operational capacity [3] (MW)	Operational capacity [3] (000' m³/day)	Contract	Technology	PCOD (Actual / Expected)/ Status	Control (EAI/ SUB) [2]	Accounting	Offtaker
Kirikkale CCGT IPP	Turkey	1	3,488	69.60%	950	-	-	-	950	-	Merchant market	Natural Gas	Q3 2017	EAI	Operating lease	NA (Merchant market)
Khalladi Wind IPP	Morocco	1	655	26.01%	120	-	-	-	120	-	PPA-BOO-20 YR	Wind	Q2 2018	EAI	Operating lease	Industrial companies (captive PPAs)
Barka 1 Phase II Expansion IWP	Oman	1	298	41.91%	-	57	-	-	-	57	WPA-BOO-4.25 YR	SWRO	Q1 2016	SUB	Operating lease	Oman Power and Water Procurement Co. (OPWP)
Noor II CSP IPP	Morocco	1	4,125	75.00%	200	-	-	-	200	-	PPA-BOOT-25 YR	CSP - Parabolic	Q2 2018	SUB	Finance lease	Moroccan Agency for Solar Energy
Noor III CSP IPP	Morocco	1	3,233	75.00%	150	-	-	-	150	-	PPA-BOOT-25 YR	CSP - Tower	Q4 2018	SUB	Finance lease	Moroccan Agency for Solar Energy
Shuaa Energy PV IPP	UAE	1	1,222	24.99%	200	-	-	-	200	-	PPA-BOO-25 YR	PV	Q1 2017	EAI	Finance lease	Dubai Electricity and Water Authority (DEWA)
Salalah 2 IPP - Existing	Oman	1	629	27.00%	273	-	-	-	273	-	PPA-BOO-15 YR	Natural Gas	Operational when acquired, Acquisition Q2 2015	EAI	Finance lease	Oman Power and Water Procurement Co. (OPWP)
Salalah 2 IPP - Greenfield	Oman	1	1,687	27.00%	445	-	-	-	445	-	PPA-BOO-15 YR	Natural Gas	Q1 2018	EAI	Operating lease	Oman Power and Water Procurement Co. (OPWP)
Hassyan IPP	UAE	1	12,140	26.95%	2,400	-	-	-	2,400	-	PPA-BOO-25 YR	Natural Gas	Q4 2023	EAI	Finance lease	Dubai Electricity and Water Authority (DEWA)
Ibri IPP	Oman	1	3,683	44.90%	1,509	-	-	-	1,509	-	PPA-BOO-15 YR	Natural Gas	Q2 2019	EAI	Operating lease	Oman Power and Water Procurement Co. (OPWP)
Sohar 3 IPP	Oman	1	3,686	44.90%	1,710	-	-	-	1,710	-	PPA-BOO-15 YR	Natural Gas	Q2 2019	SUB	Operating lease	Oman Power and Water Procurement Co. (OPWP)
Zarqa IPP	Jordan	1	1,834	60.00%	485	-	-	-	485	-	PPA-BOO-25 YR	Natural Gas	Q3 2018	SUB	Operating lease	National Electric Power Company (NEPCO)
NOOR PV1 IPP	Morocco	3	788	75.00%	135	-	-	-	135	-	PPA–BOT–20 YR	PV	Q4 2018	EAI	Finance lease	Moroccan Agency for Solar Energy

FULLY OPERATIONAL ASSETS CONTD.

Project Name	Country	No. of Assets	Total Investment Cost (SAR million)	ACWA Power Effective Share [1]	Power [4] (MW)	Water [4] (000' m³/day)	Green Hydrogen [4] (Ktons/annum)	BESS MWh (Gross)	Operational capacity [3] (MW)	Operational capacity [3] (000' m³/day)	Contract	Technology	PCOD (Actual / Expected)/ Status	Control (EAI/ SUB) [2]	Accounting	Offtaker
Mafraq PV IPP	Jordan	1	265	51.00%	50	-	-	-	50	-	PPA-BOO-20 YR	PV	Q4 2018	SUB	Operating lease	National Electric Power Company (NEPCO)
Shuaibah 2 IWP	Saudi Arabia	1	1,155	100.00%	-	250	-	-	-	250	WPA-BOO-25 YR	SWRO	Q2 2019	EAI	Operating lease	Saudi Water Partnership Co. (SWPC)
Risha PV IPP	Jordan	1	254	51.00%	50	-	-	-	50	-	PPA-BOO-20 YR	PV	Q4 2019	EAI	Operating lease	National Electric Power Company (NEPCO)
BenBan 1	Egypt	1	281	32.81%	50	-	-	-	50	-	PPA-BOO-25 YR	PV	Q3 2019	EAI	Operating lease	Egyptian Electricity Transmission Company (EETC)
Ben Ban 2	Egypt	1	300	32.81%	50	-	-	-	50	-	PPA-BOO-25 YR	PV	Q3 2019	EAI	Operating lease	Egyptian Electricity Transmission Company (EETC)
Ben Ban 3	Egypt	1	113	18.05%	20	-	-	-	20	-	PPA-BOO-25 YR	PV	Q3 2019	EAI	Operating lease	Egyptian Electricity Transmission Company (EETC)
Salalah IWP	Oman	1	600	50.10%	-	114	-	-	-	114	WPA-BOO-20 YR	SWRO	Q1 2021	SUB	Operating lease	Oman Power and Water Procurement Co. (OPWP)
Sakaka PV IPP	Saudi Arabia	1	1,133	70.00%	300	-	-	-	300	-	PPA–BOO–25 YR	PV	Q2 2020	EAI	Finance lease	Saudi Power Procurement Company (SPPC)
Rabigh 3 IWP	Saudi Arabia	1	2,576	70.00%	-	600	-	-	-	600	PWPA–BOO–25 YR	SWRO	Q4 2021	EAI	Finance lease	Saudi Water Partnership Co. (SWPC)
Al Dur Phase II IWPP	Bahrain	1	4,125	60.00%	1,500	227	-	-	1,500	227	PWPA–BOO–20 YR	SWRO	Q2 2022	EAI	Operating lease	Electricity and Water Authority (Bahrain)
UAQ IWP	UAE	1	2,988	40.00%	-	682	-	-	-	682	PPA–BOOT–35 YR	SWRO	Q3 2022	EAI	Finance lease	Etihad Water and Electricity (EWE)
Ibri 2 PV IPP	Oman	1	1,481	50.00%	500	-	-	-	500	-	PPA-BOO-15 YR	PV	Q3 2021	EAI	Operating lease	Oman Power and Water Procurement Co. (OPWP)
Jazlah IWP	Saudi Arabia	1	2,468	40.20%	-	600	-	-	-	600	WPA-BOO-25 YR	SWRO	Q1 2023	EAI	Finance lease	Saudi Water Partnership Co. (SWPC)
Jazan IGCC	Saudi Arabia	1	45,000	25.00%	3,800	-	-	-	3,800	-	PSA-OOT-25 YR	Oil	Q4 2021	EAI	Financing	ARAMCO
Total		**41**	**164,056**		**27,255**	**4,684**	**-**	**-**	**27,255**	**4,684**						

UNDER CONSTRUCTION & PARTIALLY OPERATIONAL ASSETS

Project Name	Country	No. of Assets	Total Investment Cost (SAR million)	ACWA Power Effective Share [1]	Power [4] (MW)	Water [4] (000' m³/ day)	Green Hydrogen [4] (Ktons/ annum)	BESS MWh (Gross)	Operational capacity [3]		Under construction capacity		Contract	Technology	PCOD (Actual / Expected)/ Status	Control (EAI/ SUB) [2]	Accounting	Offtaker
									(MW)	(000' m³/ day)	(MW)	(000' m³/ day)						
Noor Energy 1	UAE	1	17,145	24.99%	950	-	-		717	-	233	-	PPA-BOO-35 YR	CSP	Q1 2024	EAI	Operating lease	Dubai Electricity and Water Authority (DEWA)
Taweelah IWP	UAE	1	3,278	40.00%	-	909	-		-	909	-	-	WPA–BOO–30 YR	SWRO	Q1 2024	EAI	Finance lease	Emirates Water and Electricity Company (EWEC)
DEWA V PV	UAE	1	2,108	24.90%	900	-	-		900	-	-	-	PPA-BOO-25 YR	PV	Q2 2024	EAI	Operating lease	Dubai Electricity and Water Authority (DEWA)
Sirdarya CCGT IPP	Uzbekistan	1	3,814	51.00%	1,500	-	-		918	-	582	-	PPA-BOOT-25 YR	Natural Gas	Q2 2024	EAI	Finance lease	National Electric Grid of Uzbekistan (NEGU)
Kom Ombo	Egypt	1	683	100.00%	200	-	-		-	-	200	-	PPA-BOO-25 YR	PV	Q1 2024	SUB	Operating lease	Egyptian Electricity Transmission Company (EETC)
Redstone CSP IPP	South Africa	1	2,929	36.00%	100	-	-		-	-	100	-	PPA-BOO-20 YR	CSP - Tower	Q2 2024	EAI	Operating lease	Eskom Holdings
Sudair PV IPP	Saudi Arabia	1	3,465	35.00%	1,500	-	-		1,500	-	-	-	PPA-BOO-25 YR	PV	Q4 2024	EAI	Operating lease	Saudi Power Procurement Company (SPPC)
The Red Sea Project	Saudi Arabia	1	5,966	50.00%	340	33	-	1,228	-	-	340	33	25 YR	PV, BESS, ICE, RO, district cooling	Q3 2024	EAI	Finance lease	The Red Sea Development Company (TRSDC)
Shuaibah 3 IWP	Saudi Arabia	1	3,113	68.00%	-	600	-		-	-	-	600	WPA-BOO-25 YR	SWRO	Q2 2025	EAI	Finance lease	Saudi Water Partnership Co. (SWPC)
Bash Wind IPP	Uzbekistan	1	2,588	100.00%	500	-	-		-	-	500	-	PPA-BOOT-25 YR	Wind	Q1 2025	SUB	Operating lease	National Electric Grid of Uzbekistan (NEGU)
Dzhankeldy Wind IPP	Uzbekistan	1	2,468	100.00%	500	-	-		-	-	500	-	PPA-BOOT-25 YR	Wind	Q1 2025	SUB	Operating lease	National Electric Grid of Uzbekistan (NEGU)
Neom Green Hydrogen	Saudi Arabia	1	31,875	33.33%	3,883	-	220	600.00	-	-	3,883	-	APA-BOO-30 YR	PV+Wind	Q3 2026	EAI	Operating lease	Air Products

UNDER CONSTRUCTION & PARTIALLY OPERATIONAL ASSETS CONTD.

Project Name	Country	No. of Assets	Total Investment Cost (SAR million)	ACWA Power Effective Share [1]	Power [4] (MW)	Water [4] (000' m³/ day)	Green Hydrogen [4] (Ktons/ annum)	BESS MWh (Gross)	Operational capacity [3]		Under construction capacity		Contract	Technology	PCOD (Actual / Expected)/ Status	Control (EAI/ SUB) [2]	Accounting	Offtaker
									(MW)	(000' m³/ day)	(MW)	(000' m³/ day)						
Karatau Wind IPP	Uzbekistan	1	439	100.00%	100	-	-		-	-	100	-	PPA-BOOT-25 YR	Wind	Q1 2025	SUB	Operating lease	National Electric Grid of Uzbekistan (NEGU)
Ar Rass PV IPP	Saudi Arabia	1	1,688	40.10%	700	-	-		-	-	700	-	PPA-BOO-25 YR	PV	Q4 2024	EAI	Operating lease	Saudi Power Procurement Company (SPPC)
Shuaibah 1&2 PV IPP	Saudi Arabia	2	8,250	35.01%	2,631	-	-		-	-	2,631	-	PPA-BOO-35 YR	PV	Q4 2025	EAI	Operating lease	Saudi Power Procurement Company (SPPC)
Laylaa PV IPP	Saudi Arabia	1	400	40.10%	80	-	-		-	-	80	-	PPA-BOO-30 YR	PV	Q2 2027	EAI	Operating lease	Saudi Power Procurement Company (SPPC)
Rabigh 4 IWP	Saudi Arabia	1	2,516	45.00%	-	600	-		-	-	-	600	WPA-BOO-25 YR	SWRO	Q1 2026	EAI	Finance lease	Saudi Water Partnership Co. (SWPC)
Azerbaijan Wind IPP	Azerbaijan	1	1,073	100.00%	240	-	-		-	-	240	-	PPA-BOO-20 YR	Wind	Q3 2024	SUB	Operating lease	Azerenerji OJSC
Ar Rass 2 PV IPP	Saudi Arabia	1	5,299	50.10%	2,000	-	-		-	-	2,000	-	PPA-BOO-35 YR	PV	Q4 2025	EAI	Operating lease	Saudi Power Procurement Company (SPPC)
Saad 2 PV IPP	Saudi Arabia	1	3,000	50.10%	1,125	-	-		-	-	1,125	-	PPA-BOO-35 YR	PV	Q4 2025	EAI	Operating lease	Saudi Power Procurement Company (SPPC)
Al Kahfah PV	Saudi Arabia	1	3,900	50.10%	1,425	-	-		-	-	1,425	-	PPA-BOO-35 YR	PV	Q4 2025	EAI	Operating lease	Saudi Power Procurement Company (SPPC)
Hassyan IWP	UAE	1	3,428	20.40%	-	818	-		-	-	-	818	WPA-BOO-30 YR	SWRO	Q1 2027	EAI	Finance lease	Dubai Electricity and Water Authority (DEWA)
Total		**23**	**109,421**		**18,674**	**2,960**	**220**	**1,828**	**4,035**	**909**	**14,639**	**2,051**						

ADVANCED DEVELOPMENT ASSETS[5]

Project Name	Country	No. of Assets	Total Investment Cost (SAR million)	ACWA Power Effective Share [1]	Power [4] (MW)	Water [4] (000' m³/ day)	Green Hydrogen [4] (Ktons/ annum)	BESS MWh (Gross)	Contract	Technology	PCOD (Actual / Expected)/ Status	Control (EAI/SUB) [2]	Accounting	Offtaker
Kungrad 1 Wind IPP	Uzbekistan	1	3,998	100.00%	500	-	-	325	PPA-BOOT-25 YR	Wind	Q2 2028	SUB	Operating lease	National Electric Grid of Uzbekistan (NEGU)
Kungrad 2 Wind IPP	Uzbekistan	1	2,501	100.00%	500	-	-	325	PPA-BOOT-25 YR	Wind	Q2 2028	SUB	Operating lease	National Electric Grid of Uzbekistan (NEGU)
Kungrad 3 Wind IPP	Uzbekistan	1	2,501	100.00%	500	-	-	325	PPA-BOOT-25 YR	Wind	Q2 2028	SUB	Operating lease	National Electric Grid of Uzbekistan (NEGU)
Suez Wind	Egypt	1	5,625	100.00%	1,100	-	-		PPA-BOO-25 YR	Wind	Q4 2026	SUB	Operating lease	Egyptian Electricity Transmission Company (EETC)
Saguling Floating PV IPP	Indonesia	1	225	100.00%	60	-	-		PPA-BOO-25 YR	PV	Q4 2025	SUB	Operating lease	PT Perusahaan Listrik Negara (PLN)
Singkarak Floating PV IPP	Indonesia	1	188	100.00%	50	-	-		PPA-BOO-25 YR	PV	Q4 2025	SUB	Operating lease	PT Perusahaan Listrik Negara (PLN)
Riverside Solar	Uzbekistan	1	2,381	100.00%	400	-	-	770	PPA-BOOT-25 YR	PV	Q3 2025	SUB	Operating lease	National Electric Grid of Uzbekistan (NEGU)
Sazagan Solar 1	Uzbekistan	1	2,644	100.00%	500	-	-	770	PPA-BOOT-25 YR	PV	Q3 2025	SUB	Operating lease	National Electric Grid of Uzbekistan (NEGU)
Sazagan Solar 2	Uzbekistan	1	3,229	100.00%	500	-	-	770	PPA-BOOT-25 YR	PV	Q4 2026	SUB	Operating lease	National Electric Grid of Uzbekistan (NEGU)
Uzbekistan GH2	Uzbekistan	2	375	80.00%	52	-	3		HPA-BOO-15 years PPA- BOO-25 years	Wind	Q3 2024	SUB	Operating lease	UZKIMYOIMPEKS LLC
Taibah 1 IPP	Saudi Arabia	1	6,675	50.00%	1,934	-	-		PPA-BOO-25 YR	CCGT	Q2 2027	EAI	Finance lease	Saudi Power Procurement Company (SPPC)
Qassim 1 IPP	Saudi Arabia	1	6,619	50.00%	1,896	-	-		PPA-BOO-25 YR	CCGT	Q2 2027	EAI	Finance lease	Saudi Power Procurement Company (SPPC)
Nukus 2 Wind IPP	Uzbekistan	1	985	100.00%	200	-	-	139	PPA-BOO-25 YR	WInd	Q2 2026	SUB	Operating lease	NEGU

ADVANCED DEVELOPMENT ASSETS[5] CONTD.

Project Name	Country	No. of Assets	Total Investment Cost (SAR million)	ACWA Power Effective Share [1]	Power [4] (MW)	Water [4] (000' m³/ day)	Green Hydrogen [4] (Ktons/ annum)	BESS MWh (Gross)	Contract	Technology	PCOD (Actual / Expected)/ Status	Control (EAI/SUB) [2]	Accounting	Offtaker
Gijduvan Wind IPP	Uzbekistan	1	1,349	100.00%	300	-	-		PPA-BOO(T)-25 YR	WInd	Q1 2027	SUB	Operating lease	NEGU
Kungrad 4 Wind IPP	Uzbekistan	1	2,188	100.00%	500	-	-		PPA-BOO(T)-25 YR	WInd	Q2 2027	SUB	Operating lease	NEGU
Dao	South Africa	1	2,813	50.00%	150	-	-	1,266	PPA-BOO-20 YR	PV	Q3 2026	EAI	Operating lease	Eskom Holding
Grand Cote Desalination Project	Senegal	1	3,565	100.00%	-	400	-	-	WPA-BOO-30 YR	SWRO	Q1 2030	SUB	#N/A	#N/A
Total		18	47,859		9,142	400	3	4,690						

Source: Company information.

[1] ACWA Power's effective share as at 31 March 2024.

[2] Equity accounted investee (EAI) or Subsidiary (SUB)

[3] Operational capacity includes fully operational projects and under construction project's capacity that has achieved partial commercial operations

[4] Contracted capacity

[5] Advanced development projects represent projects that have been signed purchase agreements or have been officially awarded to ACWA Power. These projects are subject to financial close and the information disclosed in the table maybe subject to changes.

ACWA POWER COMPANY

(Saudi Listed Joint Stock Company)

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

For the Three Months Period Ended 31 March 2024

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

Headquarters in Riyadh

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

المركز الرئيسي في الرياض

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

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

Introduction

We have reviewed the accompanying 31 March 2024 interim condensed consolidated financial statements of ACWA Power Company ("the Company") and its subsidiaries ("the Group") which comprises:

- the interim condensed consolidated statement of financial position as at 31 March 2024;
- the interim condensed consolidated statement of profit or loss for the three months period ended 31 March 2024;
- the interim condensed consolidated statement of comprehensive income for the three months period ended 31 March 2024;
- the interim condensed consolidated statement of cash flows for the three months period ended 31 March 2024;
- the interim condensed consolidated statement of changes in equity for the three months period ended 31 March 2024; and
- the notes to the interim condensed consolidated financial statements.

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

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 31 March 2024 interim condensed consolidated financial statements of ACWA Power Company and its subsidiaries are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia.

KPMG

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

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

Other matter

The interim condensed consolidated financial statements of the Group for the three-months period ended 31 March 2023 were reviewed by another auditor who expressed an unmodified conclusion on those interim condensed consolidated financial statements on 20 Shawwal 1444H corresponding to 10 May 2023.

KPMG Professional Services

Dr. Abdullah Hamad Al Fozan
License Number 348

Riyadh on 9 May 2024
Corresponding to: 1 Duh Al-Qi'dah 1445H

- 2 -

ACWA POWER Company

(Saudi Listed Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(All amounts in Saudi Riyals thousands unless otherwise stated)

	Note	As of 31 Mar 2024	As of 31 Dec 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	**10,623,171**	10,292,460
Intangible assets		**2,047,961**	2,047,374
Equity accounted investees	4	**16,678,757**	15,873,449
Net investment in finance lease		**10,986,327**	11,234,491
Deferred tax asset		**155,349**	153,323
Fair value of derivatives	19	**1,027,160**	754,927
Other assets		**366,892**	379,812
Total non-current assets		**41,885,617**	40,735,836
Current assets			
Inventories		**499,124**	479,322
Net investment in finance lease		**240,528**	382,185
Fair value of derivatives	19	**168,835**	88,153
Due from related parties	8	**1,275,251**	1,356,247
Accounts receivable, prepayments and other receivables		**3,359,174**	3,214,580
Short term investments	6	**3,356,496**	1,217,791
Cash and cash equivalents	5	**3,275,458**	4,740,941
		12,174,866	11,479,219
Assets held for sale	16.1, 16.2	**3,280,029**	2,803,259
Total current assets		**15,454,895**	14,282,478
Total assets		**57,340,512**	55,018,314

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CEO

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The attached notes 1 to 24 form an integral part of these interim condensed consolidated financial statements.

ACWA POWER Company

(Saudi Listed Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

(All amounts in Saudi Riyals thousands unless otherwise stated)

	Note	As of 31 Mar 2024	As of 31 Dec 2023
EQUITY AND LIABILITIES			
Equity			
Shareholders' equity			
Share capital		**7,134,143**	7,134,143
Share premium		**5,335,893**	5,335,893
Treasury shares	20.1	**(73,000)**	-
Statutory reserve		**1,038,937**	1,038,937
Retained earnings		**3,543,572**	3,247,401
Proposed dividends	21	**328,995**	328,995
Equity attributable to owners of the Company before other reserves		**17,308,540**	17,085,369
Other reserves	9	**3,411,239**	2,072,589
Equity attributable to owners of the Company		**20,719,779**	19,157,958
Non-controlling interest		**1,575,344**	1,550,933
Total equity		**22,295,123**	20,708,891
Liabilities			
Non-current liabilities			
Long-term financing and funding facilities	7	**24,191,423**	23,549,709
Due to related parties	8	**863,501**	854,938
Deferred tax liability		**174,096**	163,476
Obligation for equity accounted investees	4	**315,066**	623,129
Fair value of derivatives	19	**8,681**	62,908
Deferred revenue		**135,267**	139,746
Employee end of service benefits' liabilities		**214,999**	211,298
Other liabilities		**778,088**	767,562
Total non-current liabilities		**26,681,121**	26,372,766
Current liabilities			
Accounts payable, accruals and other financial liabilities		**3,215,995**	3,149,023
Short-term financing facilities		**230,200**	316,876
Current portion of long-term financing and funding facilities	7	**1,665,541**	1,613,301
Due to related parties	8	**74,890**	79,157
Zakat and taxation		**217,112**	194,095
		5,403,738	5,352,452
Liabilities associated with assets held for sale	16.2	**2,960,530**	2,584,205
Total current liabilities		**8,364,268**	7,936,657
Total liabilities		**35,045,389**	34,309,423
Total equity and liabilities		**57,340,512**	55,018,314

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The attached notes 1 to 24 form an integral part of these interim condensed consolidated financial statements.

4

ACWA POWER Company
(Saudi Listed Joint Stock Company)

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

	Note	**For the three months period ended 31 March**	
		2024	2023
Continuing operations			
Revenue	11	**1,251,757**	1,331,444
Operating costs		**(631,204)**	(629,999)
Gross profit		**620,553**	701,445
Development cost, provision and write offs, net of reversals		**(23,248)**	(14,948)
General and administration expenses		**(347,386)**	(258,596)
Share in net results of equity accounted investees, net of zakat and tax	4	**48,955**	38,171
Other operating income	12	**102,284**	92,889
Operating income before impairment loss and other expenses		**401,158**	558,961
Impairment loss and other expenses, net	20.2	**(166,517)**	(1,945)
Operating income after impairment loss and other expenses		**234,641**	557,016
Other income	13	**359,088**	11,567
Finance income		**79,755**	49,078
Exchange loss, net		**(429)**	(2,126)
Financial charges	14	**(362,632)**	(340,048)
Profit before zakat and income tax		**310,423**	275,487
Zakat and tax (charge) / credit	10.1	**(41,722)**	26,241
Profit for the period from continuing operations		**268,701**	301,728
Discontinued operations			
Gain from discontinued operations including loss recognised on assets held for sale	16.3	**(1,211)**	(3,134)
Profit for the period		**267,490**	298,594
Profit / (loss) attributable to:			
Equity holders of the parent		**296,171**	269,735
Non-controlling interests		**(28,681)**	28,859
		267,490	298,594
Basic and diluted earnings per share to equity holders of the parent (in SR)	15.2	**0.41**	0.37
Basic and diluted earnings per share from continuing operations to equity holders of the parent (in SR)	15.2	**0.41**	0.37

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5

ACWA POWER Company
(Saudi Listed Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Note	For the three months period ended 31 March 2024	2023
Profit for the period		**267,490**	298,594
Other comprehensive income / (loss)			
Items that are or may be reclassified subsequently to profit or loss			
Foreign operations – foreign currency translation differences		**6,148**	(8,569)
Change in fair value of cash flow hedge reserve		**809,749**	(186,693)
Settlement of cash flow hedges transferred to profit or loss		**39,250**	10,579
Cash flow hedge reserve recycled to profit or loss upon discontinuation of hedge relationships	9	**(343,423)**	-
Equity accounted investees – share of OCI	4, 9	**814,769**	(476,853)
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit liability		**1,877**	(1,070)
Total other comprehensive income / (loss)		**1,328,370**	(662,606)
Total comprehensive income / (loss)		**1,595,860**	(364,012)
Total comprehensive income / (loss) attributable to:			
Equity holders of the parent		**1,592,546**	(367,013)
Non-controlling interests		**3,314**	3,001
		1,595,860	(364,012)

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The attached notes 1 to 24 form an integral part of these interim condensed consolidated financial statements.

ACWA POWER Company
(Saudi Listed Joint Stock Company

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Note	For the three months period ended 31 March 2024	2023
Cash flows from operating activities			
Profit before zakat and tax from continuing operations		**310,423**	275,487
Loss before zakat and tax from discontinued operations		**(1,211)**	(3,113)
Adjustments for:			
Depreciation and amortisation		**118,020**	112,983
Financial charges	14	**362,632**	340,048
Unrealised exchange loss		**2,173**	2,884
Share in net results of equity accounted investees, net of zakat and tax		**(46,588)**	(33,990)
Charge for employees' end of service benefits		**12,087**	8,848
Fair value of cash flow hedges recycled to profit or loss		**1,951**	(9,461)
Provisions		**31,619**	11,437
Provision for long-term incentive plan	20.1	**16,269**	6,813
Gain on disposal of property, plant and equipment		**(585)**	(2,308)
Impairment loss	20.2	**145,799**	-
Gain recognised on loss of control in a subsidiary		**-**	(1,583)
Development cost, provision and write offs, net of reversals		**23,248**	14,948
Gain on discontinuation of hedging instruments	13	**(343,423)**	-
Finance income from shareholder loans and deposits		**(130,526)**	(99,050)
Gain on remeasurement of derivatives and options	13	**-**	(9,259)
		501,888	614,684
Changes in operating assets and liabilities:			
Accounts receivable, prepayments and other receivables		**(193,545)**	(123,787)
Inventories		**(21,853)**	(36,016)
Accounts payable, accruals and other liabilities		**48,946**	149,003
Due from related parties		**131,767**	(125,725)
Due to related parties		**(7,248)**	-
Net investment in finance lease		**125,623**	57,516
Deferred revenue		**(4,479)**	356
Net cash from operations		**581,099**	536,031
Payment of employees' end of service benefits and long-term incentive		**(14,909)**	(7,917)
Zakat and tax paid		**(13,812)**	(74,206)
Dividends received from equity accounted investees		**5,019**	-
Net cash generated from operating activities		**557,397**	453,908
Cash flows from investing activities			
Addition to property, plant and equipment, and intangible assets		**(751,299)**	(757,845)
Proceeds on disposal of property, plant and equipment		**2,852**	4,345
Investments in equity accounted investees	4	**(259,837)**	(2,079,340)
Finance income from deposits		**79,755**	49,078
Short-term deposits with original maturities of more than three months	6	**(2,138,705)**	(1,106,982)
Cash deconsolidated on loss of control		**-**	(528)
Net cash used in investing activities		**(3,067,234)**	(3,891,272)

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The attached notes 1 to 24 form an integral part of these interim condensed consolidated financial statements.

7

ACWA POWER Company
(Saudi Listed Joint Stock Company)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Note	For the three months period ended 31 March 2024	2023
Cash flows from financing activities			
Proceeds from financing and funding facilities, net of transaction cost		**1,182,426**	2,451,888
Repayment of financing and funding facilities		**(60,770)**	(76,502)
Purchase of treasury shares	20.1	**(73,000)**	-
Due to related parties		**-**	(8,087)
Financial charges paid		**(379,079)**	(332,136)
Proceeds from discontinuation of hedge instruments	13	**343,423**	-
Dividends paid		**(150)**	(182)
Capital contributions from and other adjustments to non-controlling interest		**21,247**	37,899
Net cash generated from financing activities		**1,034,097**	2,072,880
Net decrease in cash and cash equivalents during the period		**(1,475,740)**	(1,364,484)
Cash and cash equivalents at beginning of the period		**4,740,941**	6,154,524
Cash and cash equivalents in relation to assets classified as held for sale		**9,130**	-
Net foreign exchange difference		**1,127**	(2,604)
Cash and cash equivalents at end of the period	5	**3,275,458**	4,787,436

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The attached notes 1 to 24 form an integral part of these interim condensed consolidated financial statements.

8

ACWA POWER Company
(Saudi Listed Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Share capital	Share premium	Treasury shares	Statutory reserve	Retained earnings	Proposed dividends (note 21)	Other Reserves (note 9)	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Balance at 1 January 2023	7,134,143	5,335,893	-	872,766	2,080,853	606,813	2,629,419	18,659,887	1,368,507	20,028,394
Profit for the period	-	-	-	-	269,735	-	-	269,735	28,859	298,594
Other comprehensive loss	-	-	-	-	-	-	(636,748)	(636,748)	(25,858)	(662,606)
Total comprehensive income / (loss)	-	-	-	-	269,735	-	(636,748)	(367,013)	3,001	(364,012)
Changes to non-controlling interests	-	-	-	-	-	-	-	-	37,899	37,899
Dividends (note 21)	-	-	-	-	-	-	-	-	(182)	(182)
Balance at 31 March 2023	7,134,143	5,335,893	-	872,766	2,350,588	606,813	1,992,671	18,292,874	1,409,225	19,702,099
Balance at 1 January 2024	**7,134,143**	**5,335,893**	**-**	**1,038,937**	**3,247,401**	**328,995**	**2,072,589**	**19,157,958**	**1,550,933**	**20,708,891**
Profit / (loss) for the period	**-**	**-**	**-**	**-**	**296,171**	**-**	**-**	**296,171**	**(28,681)**	**267,490**
Other comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**1,296,375**	**1,296,375**	**31,995**	**1,328,370**
Total comprehensive income	**-**	**-**	**-**	**-**	**296,171**	**-**	**1,296,375**	**1,592,546**	**3,314**	**1,595,860**
Changes to non-controlling interests	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**21,247**	**21,247**
Purchase of treasury shares (note 20.1)	**-**	**-**	**(73,000)**	**-**	**-**	**-**	**-**	**(73,000)**	**-**	**(73,000)**
Dividends (note 21)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(150)**	**(150)**
Share-based payment transactions (note 20.1)	**-**	**-**	**-**	**-**	**-**	**-**	**42,275**	**42,275**	**-**	**42,275**
Balance at 31 March 2024	**7,134,143**	**5,335,893**	**(73,000)**	**1,038,937**	**3,543,572**	**328,995**	**3,411,239**	**20,719,779**	**1,575,344**	**22,295,123**

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Chairman B.O.D.	CEO	CFO

The attached notes 1 to 24 form an integral part of these interim condensed consolidated financial statements.

1 ACTIVITIES

ACWA POWER Company (the "Company" or "ACWA POWER" or the "Group") is a Saudi listed joint stock company established pursuant to a ministerial resolution numbered 215 dated 2 Rajab 1429H (corresponding to 5 July 2008) and is registered in Riyadh, Kingdom of Saudi Arabia, under commercial registration number 1010253392 dated 10 Rajab 1429H (corresponding to 13 July 2008). The Company's Head Office is located at Exit 8, Eastern Ring Road, Qurtubah District, P.O. Box 22616, Riyadh 11416, Kingdom of Saudi Arabia.

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

2 BASIS OF PREPARATION AND CHANGES TO GROUP ACCOUNTING POLICIES

2.1 STATEMENT OF COMPLIANCE

These interim condensed consolidated financial statements for the three months period ended 31 March 2024 of the Group have been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB"); and IAS 34 issued by IASB as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements as issued by the Saudi Organisation for Chartered and Professional Accountants ("SOCPA"), (collectively referred as "IAS 34 as endorsed in KSA").The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

These interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements as of 31 December 2023. These interim condensed consolidated financial statements for the three months period ended 31 March 2024 are not affected significantly by seasonality of results. The results shown in these interim condensed consolidated financial statements may not be indicative of the annual results of the Group's operations.

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

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

These interim condensed consolidated financial statements are presented in Saudi Riyals ("SR") which is the functional and presentation currency of the Company. All values are rounded to the nearest thousand (SR'000), except when otherwise indicated. The Group's financial risk management objectives and policies and the methods to determine the fair values are consistent with those disclosed in the annual consolidated financial statements for the year ended 31 December 2023.

2.2 MATERIAL ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023. There are no new standards issued that are effective from 1 January 2024, however, there are a number of amendments to standards which are effective from 1 January 2024 that have been explained in Group's annual consolidated financial statements, but they do not have a material effect on these interim condensed consolidated financial statements.

2.3 SIGNIFICANT ACCOUNTING ESTIMATES

The preparation of the interim condensed consolidated financial statements in conformity with IAS 34 as endorsed in KSA requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the interim condensed consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results may differ from these estimates. The significant estimates and judgments used in the preparation of these interim condensed consolidated financial statements are consistent with those used in preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023.

(All amounts in Saudi Riyals thousands unless otherwise stated)

3 PROPERTY, PLANT AND EQUIPMENT ("PPE")

	Note	**31 Mar 2024**	31 Dec 2023
At the beginning of the period / year		**10,292,460**	10,105,713
Additions for the period / year, net	3.1	**814,196**	4,152,673
Depreciation charge for the period / year		**(109,263)**	(428,869)
De-recognition on loss of control of a subsidiary		**-**	(1,286,738)
Reclassified as held for sale		**(371,732)**	(2,197,230)
Disposals / write-offs for the period / year		**(2,267)**	(52,324)
Foreign currency translation		**(223)**	(765)
At the end of the period / year		**10,623,171**	10,292,460

3.1 Additions during the period primarily represents Capital Work In Progress ("CWIP") in relation to certain of the Group's projects under construction. The additions include borrowing cost capitalised amounting to SR 65.0 million (31 December 2023: SR 141.4 million).

4 EQUITY ACCOUNTED INVESTEES

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

	Note	**31 Mar 2024**	31 Dec 2023
At the beginning of the period / year		**15,250,320**	12,556,148
Additions during the period / year, net	4.1	**259,837**	3,359,749
Share of results for the period / year		**48,955**	244,571
Share of other comprehensive income for the period / year	9, 16.1	**807,011**	(688,468)
Dividends received during the period / year		**(2,432)**	(221,680)
At the end of the period / year		**16,363,691**	15,250,320
Equity accounted investees shown under non-current assets		**16,678,757**	15,873,449
Net obligations for equity accounted investees shown under non-current liabilities		**(315,066)**	(623,129)
		16,363,691	15,250,320

4.1 The major addition made during the period is in relation to the Group's investment in Neom Green Hydrogen Company, amounting to SR 202.3 million.

4.2 During the period ended 31 March 2024, one of the Group's equity accounted investees conducted impairment testing on its asset under construction due to the rising interest rates. The impairment test concluded that no impairment was necessary. The assessment's outcomes are particularly sensitive to changes in the discount rate and technological advancements that could impact operating cost projections. In light of these sensitivities, management remains committed to continue monitoring of both the discount rate and underlying cashflow assumptions. Appropriate impairment adjustments will be recorded as required.

5 CASH AND CASH EQUIVALENTS

	As of 31 Mar 2024	As of 31 Dec 2023
Cash at bank and cash in hand	**1,412,686**	1,300,863
Short-term deposits with original maturities of less than three months	**1,862,772**	3,440,078
Cash and cash equivalents	**3,275,458**	4,740,941

These short-term deposits primarily carry rate of return between 5.00% to 5.50% (2023: 4.80% to 6.27%) per annum.

(All amounts in Saudi Riyals thousands unless otherwise stated)

6 SHORT TERM INVESTMENTS

	As of 31 Mar 2024	As of 31 Dec 2023
Short term deposits with original maturities of more than three months	**3,356,496**	1,217,791

These short-term deposits carry rate of return between 5.22% to 6.65% (2023: 5.40% to 6.27%) per annum.

7 LONG-TERM FINANCING AND FUNDING FACILITIES

	As of 31 Mar 2024	As of 31 Dec 2023
Recourse debt:		
Financing facilities in relation to projects	**3,970,021**	3,348,583
Corporate facilities	**1,504**	1,504
Corporate bond	**4,586,991**	4,586,313
Non-Recourse debt:		
Financing facilities in relation to projects	**15,197,086**	15,125,832
Corporate bond (“APMI One bond”)	**1,519,090**	1,518,506
Loan notes (“APCM bond”)	**582,272**	582,272
Total financing and funding facilities	**25,856,964**	25,163,010
Less: Current portion of long-term financing and funding facilities	**(1,665,541)**	(1,613,301)
Long-term financing and funding facilities presented as non-current liabilities	**24,191,423**	23,549,709

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

8 RELATED PARTY TRANSACTIONS AND BALANCES

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

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

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

Particulars	*Note*	***Relationships***	***For the three month period ended 31 March***	
			2024	2023
Transactions:				
Revenue		Joint ventures / Affiliates	**561,910**	565,032
Group services fees	12.1	Joint ventures	**51,513**	42,917
Finance income from shareholder loans	12	Joint ventures	**50,771**	49,972
Financial charges on loan from related parties	14	Joint venture / Affiliates	**11,544**	14,492
Key management personnel compensation				
Long term incentive plan*		-	**16,269**	6,813
End of service benefits		-	**3,582**	2,334
Remuneration including director’s remuneration		-	**16,512**	11,118

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

(All amounts in Saudi Riyals thousands unless otherwise stated)

8 RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

	Note	*Relationships*	*As of* 31 Mar 2024	*As of* 31 Dec 2023
Due from related parties				
Current:				
Hajr for Electricity Production Company	(a)	Joint venture	**226,655**	238,955
Al Mourjan for Electricity Production Company	(a)	Joint venture	**125,924**	145,826
Hassyan Energy Phase 1 P.S.C		Joint venture	**89,948**	87,837
Rabigh Electricity Company	(a)	Joint venture	**83,116**	74,146
Dhofar O&M Company	(a)	Joint venture	**75,177**	69,570
Shuqaiq Services Company for Maintenance	(a)	Joint venture	**65,514**	61,272
Hassyan Water 1 Holdco. Limited		Joint venture	**63,059**	-
Haya Power & Desalination Company	(a)	Joint venture	**57,412**	52,224
ACWA Power Sirdarya		Joint venture	**56,668**	79,985
Noor Energy 1 P.S.C	(a)	Joint venture	**53,854**	41,147
Shuaibah Water & Electricity Company	(a)	Joint venture	**42,884**	33,550
Jazan Integrated Gasification and Power Company		Joint venture	**40,882**	41,498
ACWA Power Solarreserve Redstone Solar TPP		Joint venture	**37,177**	40,861
Marafiq Red Sea for Energy		Joint venture	**34,143**	12,673
Ad-Dhahirah Generating Company SAOC	(a)	Joint venture	**22,319**	6,773
ACWA Guc Isletme Ve Yonetim Sanayi Ve Ticaret	(a)	Joint venture	**17,571**	16,238
ACWA Power Solafrica Bokpoort CSP Power Plant Ltd	(a)	Joint venture	**15,582**	12,826
Hassyan Water Company A P.S.C	(a)	Joint venture	**14,727**	48,332
Shuaibah Expansion Project Company	(a)	Joint venture	**13,772**	13,226
Naqa'a Desalination Plant LLC	(a)	Joint venture	**12,237**	12,213
Taweelah RO Desalination Company LLC	(a)	Joint venture	**11,030**	9,628
Qudra One Holding Company		Joint venture	**250**	68,608
Sidra One Holding Company		Joint venture	**250**	68,608
Other related parties		Joint venture	**115,100**	120,251
			1,275,251	1,356,247

	Relationships	*As of* 31 Mar 2024	*As of* 31 Dec 2023
Due to related parties			
Non-current:			
Water and Electricity Holding Company CJSC	Shareholder's subsidiary	**780,165**	771,602
Loans from minority shareholders of subsidiaries	-	**83,336**	83,336
		863,501	854,938
Current:			
Loans from minority shareholders of a subsidiary	-	**43,770**	44,189
ACWA Power Africa Holdings (Pty) Ltd	Joint venture	**10,250**	11,514
ACWA Power Renewable Energy Holding Limited	Joint venture	**7,034**	7,034
Others	Joint ventures	**13,836**	16,420
		74,890	79,157

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

(All amounts in Saudi Riyals thousands unless otherwise stated)

9 OTHER RESERVES

Movement in other reserve is given below:

	Cash flow hedge reserve	Currency translation reserve	Share in OCI of equity accounted investees (note 4)	Re-measurement of defined benefit liability	Equity-settled share-based payment	Other	Total
Balance as of 1 January 2023	781,110	(5,432)	1,904,996	(24,075)	-	(27,180)	2,629,419
Change in fair value of cash flow hedge reserve net of settlements	157,731	-	(685,121)	-	-	-	(527,390)
Cash flow hedge reserve recycled to profit or loss upon discontinuation of hedge relationships	-	-	(6,769)	-	-	-	(6,769)
Other changes	-	(12,039)	(3,713)	(6,919)	-	-	(22,671)
Balance as of 31 December 2023	938,841	(17,471)	1,209,393	(30,994)	-	(27,180)	2,072,589
Change in fair value of cash flow hedge reserve net of settlements	**814,163**	**-**	**815,410**	**-**	**-**	**-**	**1,629,573**
Cash flow hedge reserve recycled to profit or loss upon discontinuation of hedge relationships (note 13)	**(343,423)**	**-**	**-**	**-**	**-**	**-**	**(343,423)**
Share-based payment transactions (note 20.1)	**-**	**-**	**-**	**-**	**42,275**	**-**	**42,275**
Other changes	**-**	**9,003**	**(641)**	**1,863**	**-**	**-**	**10,225**
Balance as of 31 March 2024	**1,409,581**	**(8,468)**	**2,024,162**	**(29,131)**	**42,275**	**(27,180)**	**3,411,239**

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

(All amounts in Saudi Riyals thousands unless otherwise stated)

10 ZAKAT AND TAXATION

10.1 Amounts recognised in profit or loss

	Note	For the three months period ended 31 March	
		2024	2023
Zakat and tax charge	10.2	**(36,829)**	(38,274)
Deferred tax (charge) / credit*		**(4,893)**	64,494
Zakat and tax (charge) / credit		**(41,722)**	26,220
Less: zakat and tax charge from discontinued operation	16	**-**	21
Zakat and tax (charge) / credit reflected in profit or loss		**(41,722)**	26,241

**Deferred tax expense for the period ended 31 March 2024 is net of negative impact from foreign exchange rate movements of SR 3.9 million (31 March 2023: includes positive impact of SR 60.6 million) on Group's subsidiaries in Morocco whereby foreign currency denominated assets and liabilities are carried in local currency for tax base purposes.*

10.2 Significant zakat and tax assessments

The Company
The Company has filed zakat and tax returns for all the years up to 2022. The company has closed its position with Zakat, Tax & Customs Authority (the "ZATCA") until year 2018. The ZATCA is yet to assess the years 2019 to 2022. In June 2023, the ZATCA requested additional information in respect to the Company's zakat return for the years 2021 and 2022. The Company has responded to the ZATCA requests.

Subsidiaries and associates:
With its multi-national operations, the Group is subject to taxation in multiple jurisdictions around the world with complex tax laws including KSA. The Company's subsidiaries / associates in KSA and other jurisdictions submit their income tax and zakat returns separately. Certain subsidiaries / associates have received assessments from ZATCA / tax authorities, which have led to additional liability totalling to SR 213 million (ACWA Power share is SR 130 million). As of 31 March 2024, the management has recognised provisions of SR 180 million (ACWA Power share is SR 96 million) against these assessments, where appropriate. Currently. these subsidiaries / associates have lodged objections against these assessments. The objections are currently undergoing review by the ZATCA and the General Secretariat of Tax Committees ("GSTC") / Appellate authorities. Management is confident that adequate provisions been recognised and anticipates no further liabilities arising from these assessments once they are finalized.

Other aspects
On 22 March 2024, the Zakat, Tax and Customs Authority (ZATCA) announced the issuance of a new Zakat Implementing Regulation, through the Ministerial Resolution (MR) No.1007 dated 29 February 2024, which was electronically published in the Official Gazette (Umm Al-Qura) on 21 March 2024. The new Zakat regulation is replacing the current regulation and will be applicable to financial years starting on or after 1 January 2024. Accordingly, the group has adopted new Zakat Regulation from financial year 2024.

On 9 December 2022, the UAE issued Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses ("UAE CIT Law"), which became effective for accounting periods beginning on or after 1 June 2023. The Group's entities in the UAE follow the calendar year (January to December) as their financial reporting year. Accordingly, the first year of taxation for the Group commenced from 1 January 2024, and the Group has therefore started providing for current tax from financial year 2024.

As mandated by G20 Group of countries, OECD launched Base Erosion Profit Shifting ("BEPS2.0") project. BEPS 2.0 has two parts or pillars, namely, Pillar One and Pillar Two. Pillar Two would establish a minimum effective tax at a proposed rate of 15 percent applied to cross-border profits of large multinational corporations that have a "significant economic footprint" across the world. The Group should be in the scope of Pillar Two based on the revenue threshold of EUR 750 million and conducting operations in multiple jurisdictions.

As of 31 March 2024, the Kingdom of Saudi Arabia, where the Parent Company is incorporated, has not (substantively) enacted Pillar Two income tax legislation. Due to the uncertainties and on-going developments in respect to Pillar 2 in the Middle East, the Group is not able to provide a reasonable estimate at the reporting date and is continuing to assess the impact of the Pillar Two income taxes legislation on its future financial performance.

(All amounts in Saudi Riyals thousands unless otherwise stated)

10 ZAKAT AND TAXATION (CONTINUED)

10.2 Significant zakat and tax assessments (continued)

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

11 REVENUE

	Note	For the three months period ended 31 March	
		2024	2023
Services rendered			
Operation and maintenance		**572,022**	553,559
Development and construction management services		**23,681**	99,046
Others	11.1	**4,355**	12,670
Sale of electricity			
Capacity charges	11.3	**196,750**	193,663
Energy output		**57,953**	62,930
Finance lease income		**53,649**	75,238
Sale of water			
Capacity charges	11.2, 11.3	**240,903**	237,422
Water output	11.2	**77,421**	71,580
Finance lease income		**25,023**	25,336
		1,251,757	1,331,444

Refer to note 18 for the geographical distribution of revenue.

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

11.2 Includes revenue from sale of steam of SR 97.0 million during the period ended 31 March 2024 (31 March 2023: SR 98.1 million).

11.3 This represents revenue in relation to the Group's operating lease assets. The finance lease income includes energy generation shortfall amounting to SR 48.2 million for the period ended 31 March 2024 (31 March 2023: shortfall of SR 29.8 million). Energy generation shortfalls / excess represent difference between actual production as compared to original estimated production levels of certain plants accounted for as finance leases.

Finance lease principal amortisation for the period ended 31 March 2024 is SR 97.0 million (31 March 2023: SR 92.0 million).

12 OTHER OPERATING INCOME

	Note	For the three months period ended 31 March	
		2024	2023
Group services	12.1	**51,513**	42,917
Finance income from shareholder loans	8	**50,771**	49,972
		102,284	92,889

12.1 Group services amounting to SR 51.5 million (31 March 2023: SR 42.9 million) relates to management advisory, and ancillary support provided by the Group to its various equity accounted investees.

13 OTHER INCOME

	Note	For the three months period ended 31 March 2024	2023
Income in relation to discontinuation of hedging instruments	13.1	**343,423**	-
Gain on change in fair value of the derivative		**-**	9,259
Delayed liquidated damages recovery		**11,717**	-
Others		**3,948**	2,308
		359,088	11,567

13.1 This mainly includes income of SR 313.4 million (31 March 2023: Nil) resulting from release of cashflow hedge reserve, as the hedged highly probable forecast transaction is no longer expected to occur within the Group due to expected divestment. The Group applies cash flow hedge accounting for forecasted transactions where these transactions are highly probable at the inception of hedging relationship and there is no intention of early termination. Due to potential divestment in the underlying project, the forecast transaction did not remain highly probable and hence the hedging relationship had to be terminated and related hedge reserve was released in the interim condensed consolidated income statement.

14 FINANCIAL CHARGES

	Note	For the three months period ended 31 March 2024	2023
Financial charges on borrowings		**338,920**	311,567
Financial charges on letters of guarantee		**6,398**	7,451
Financial charges on loans from related parties	14.1	**11,544**	14,492
Other financial charges		**5,770**	6,538
		362,632	340,048

14.1 This includes discount unwinding, on long term related party balances amounting to SR 8.6 million (2023: SR 8.2 million).

15 EARNINGS PER SHARE

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

	31 Mar 2024	31 Mar 2023
Issued ordinary shares as at	**731,100**	731,100
Weighted average number of ordinary shares outstanding during the period ended	**731,021**	731,100
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**731,100**	731,100

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

Net profit for the period attributable to equity holders of the Parent	**296,171**	269,735
Profit for the period from continuing operations attributable to equity holders of the Parent	**297,382**	272,869
Basic and diluted earnings per share to equity holders of the Parent (in SR)	**0.41**	0.37
Basic and diluted earnings per share for continuing operations to equity holders of the Parent (in SR)	**0.41**	0.37

(All amounts in Saudi Riyals thousands unless otherwise stated)

16 DISCONTINUED OPERATIONS

16.1 Shuaa Energy 3 P.S.C

In December 2022, ACWA Power Green Energy Holding Limited (a wholly owned subsidiary of ACWA Power or the "Seller") entered into a Sale Purchase Agreement ("SPA") with ACWA Power Renewable Energy Holding Limited (the "Buyer") in relation to the transfer of its entire shareholding in Solar V Holding Company Limited (a Group subsidiary or Solar V) which effectively owns a 40% stake in Shuaa Energy 3 P.S.C. (an equity accounted investee or "Shuaa 3"). Legal formalities with respect to disposal are not completed as of 31 March 2024.

For the purpose of these interim condensed consolidated financial statements, the net assets of Solar V together with carrying value of ACWA Power's Investment in Shuaa 3 amounting to SR 58.0 million (31 December 2023: SR 52.6 million) were classified as assets held for sale. Other reserves associated with Shuaa 3 amounts to SR 7.8 million (31 December 2023: SR 7.1 million). The Group will continue to retain an effective 30.6% shareholding in Solar V through ACWA Power Renewable Energy Holding Limited, after the completion of the transaction.

16.2 Bash Wind and Dzhankeldy

On 7 July 2023, ACWA Power (through its wholly owned subsidiary) entered into a Sale Purchase Agreement ("SPA") for the sale of a 35% stake in its wholly owned subsidiaries, ACWA Power Bash Wind Project Holding Company and ACWA Power Uzbekistan Wind Project Holding Company Limited ("the Investee Companies"). The Investee Companies holds 100% stake in ACWA Power Bash Wind LLC and ACWA Power Dzhankeldy LLC ("the Project Companies") respectively. The disposal is subject to the satisfaction of certain conditions precedent in the SPA, which are not completed as of 31 March 2024.

For the purpose of these interim condensed consolidated financial statements, assets and liabilities of the Investee Companies together with the Project Companies are presented as held for sale, as summarized below:

	Note	**31 Mar 2024**
Assets		
Capital work in progress	*3*	**2,568,962**
Fair value of derivatives		**490,102**
Accounts receivable, prepayments and other receivables		**71,849**
Cash and cash equivalents		**91,151**
Assets held for sale		**3,222,064**
Liabilities		
Loans and borrowings		**2,949,147**
Payable, accruals and other liabilities		**11,383**
Liabilities associated with assets held for sale		**2,960,530**
Other reserves associated with assets held for sale		**490,102**

Consolidated results of the Investee Companies together with the Project Companies are disclosed in note 16.3.

ACWA POWER Company
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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
(All amounts in Saudi Riyals thousands unless otherwise stated)

16 DISCONTINUED OPERATIONS (CONTINUED)

16.3 Results of discontinued operations

For the period ended 31 March	2024			2023				
	Shuaa 3	**Bash Wind and Dzhankeldy**	**Total**	Shuaa 3	Vinh Hao	Bash Wind and Dzhankeldy	Others	Total
Revenue	**-**	**-**	**-**	-	-	-	-	-
Operating costs	**-**	**-**	**-**	-	-	-	-	-
General and administration expenses	**-**	**(159)**	**(159)**	-	-	(47)	(462)	(509)
Other operating income	**-**	**-**	**-**	-	-	-	-	-
Other income	**-**	**1,443**	**1,443**	-	-	-	-	-
Financial charges, net	**-**	**-**	**-**	-	-	-	-	-
Foreign exchange loss	**-**	**(128)**	**(128)**	-	-	(5)	-	(5)
Zakat and tax charge	**-**	**-**	**-**	-	-	-	(21)	(21)
Net income	**-**	**1,156**	**1,156**	-	-	(52)	(483)	(535)
Share in net results	**(2,367)**	**-**	**(2,367)**	(315)	(3,867)	-	-	(4,182)
	(2,367)	**1,156**	**(1,211)**	(315)	(3,867)	(52)	(483)	(4,717)
Gain on divestment	**-**	**-**	**-**	-	-	-	1,583	1,583
(Loss) / profit from discontinued operations	**(2,367)**	**1,156**	**(1,211)**	(315)	(3,867)	(52)	1,100	(3,134)

16.4 Contingencies and commitments

Contingencies and commitments in relation to discontinued operations are disclosed in note 17.

(All amounts in Saudi Riyals thousands unless otherwise stated)

17 CONTINGENCIES AND COMMITMENTS

As of 31 March 2024, the Group had outstanding contingent liabilities in the form of letters of guarantee, corporate guarantees issued in relation to bank facilities for project companies and performance guarantees amounting to SR 17.75 billion (31 December 2023: SR 17.46 billion). The amount also includes the Group's share of equity accounted investees' commitments.

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

	As of 31 Mar 2024	As of 31 Dec 2023
Performance / development securities and completion support Letters of Credit ("LCs")	**5,594,481**	5,430,090
Guarantees in relation to equity bridge loans and equity LCs *	**8,107,488**	7,270,560
Guarantees on behalf of joint ventures and subsidiaries	**2,502,871**	3,241,736
Debt service reserve account ("DSRA") standby LCs	**1,350,423**	1,290,429
Bid bonds for projects under development stage	**175,032**	223,163
Guarantees for funded facilities of joint ventures	**20,411**	-
	17,750,706	17,455,978

* This primarily represents the Group's equity commitments towards its subsidiaries and joint ventures (the "Investees"). In addition to this the Group's other future equity commitments towards the Investees amounts to SR 3.16 billion (31 December 2023: SR 4.20 billion).

The Group also has a loan commitment amounting to SR 598.2 million in relation to mezzanine debt facilities ("the Facilities") taken by certain of the Group's equity accounted investees. This loan commitment arises due to symmetrical call and put options entered in by the Group with the lenders of the Facilities.

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

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
(All amounts in Saudi Riyals thousands unless otherwise stated)

18 OPERATING SEGMENTS

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

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

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

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

Key indicators by reportable segment

Revenue

	For the three months period ended 31 March	
	2024	2023
(i) Thermal and Water Desalination	**1,041,159**	1,080,838
(ii) Renewables	**206,243**	237,936
(iii) Others	**4,355**	12,670
Total revenue	**1,251,757**	1,331,444

Operating income before impairment and other expenses

	For the three months period ended 31 March	
	2024	2023
(i) Thermal and Water Desalination	**584,403**	604,616
(ii) Renewables	**24,577**	102,236
(iii) Others	**4,035**	12,439
Total	**613,015**	719,291
Unallocated corporate operating income / (expenses)		
General and administration expenses	**(228,713)**	(185,619)
Depreciation and amortization	**(9,656)**	(7,785)
Provision for long term incentive plan	**(16,269)**	(6,813)
Provision reversal on due from related party	**-**	6,294
Other operating income	**42,781**	33,593
Total operating income before impairment and other expenses	**401,158**	558,961

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(All amounts in Saudi Riyals thousands unless otherwise stated)

18 OPERATING SEGMENTS (CONTINUED)

Key indicators by reportable segment (continued)

Segment profit

	Note	For the three months period ended 31 March 2024	2023
(i) Thermal and Water Desalination		**341,077**	376,389
(ii) Renewables		**(53,572)**	71,762
(iii) Others		**4,735**	12,451
Total		**292,240**	460,602
Reconciliation to profit for the period from continuing operations			
General and administration expenses		**(228,713)**	(185,619)
Income in relation to discontinuation of hedging instruments	13.1	**343,423**	-
Impairment loss	20.2	**(145,799)**	-
Provision for long term incentive plan	20.1	**(16,269)**	(6,813)
Arbitration claim		**(15,998)**	-
Corporate social responsibility contribution		**(4,720)**	(1,945)
Provision reversal on due from related party		**-**	6,294
Discounting impact on loan from shareholder subsidiary		**(8,563)**	(8,226)
Depreciation and amortization		**(9,656)**	(7,785)
Other operating income		**42,781**	33,593
Other income		**41,026**	42,911
Financial charges and exchange loss, net		**(2,760)**	(11,899)
Zakat and tax charge		**(18,291)**	(19,385)
Profit for the period from continuing operations		**268,701**	301,728

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

	Revenue from continuing operations		Non-current assets	
	31 Mar 2024	31 Mar 2023	**31 Mar 2024**	31 Dec 2023
Kingdom of Saudi Arabia	**650,577**	645,702	**24,153,318**	23,255,954
Middle East and Asia	**476,175**	554,670	**8,801,139**	8,440,835
Africa	**125,005**	131,072	**8,931,160**	9,039,047
	1,251,757	1,331,444	**41,885,617**	40,735,836

Information about major customers
During the period, two customers (2023: two) individually accounted for more than 10% of the Group's revenues. The related revenue figures for these major customers, the identity of which may vary by period, were as follows:

	Revenue	
	31 Mar 2024	31 Mar 2023
Customer A	**284,740**	284,497
Customer B	**112,726**	109,840

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

(All amounts in Saudi Riyals thousands unless otherwise stated)

19 FAIR VALUES OF FINANCIAL INSTRUMENTS

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

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

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

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

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

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

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

		Fair value			
	Carrying amount	**Level 1**	**Level 2**	**Level 3**	**Total**
As of 31 March 2024					
Financial liabilities / (asset)					
Fair value of derivatives used for hedging	**(1,187,314)**	**-**	**(1,187,314)**	**-**	**(1,187,314)**
Long-term financing and funding facilities	**25,856,964**	**1,508,078**	**24,337,874**	**-**	**25,845,952**
As of 31 December 2023					
Financial liabilities / (asset)					
Fair value of derivatives used for hedging	(780,172)	-	(780,172)	-	(780,172)
Long-term financing and funding facilities	25,163,010	1,508,697	23,635,206	-	25,143,903

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

Valuation technique and significant unobservable inputs

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

(All amounts in Saudi Riyals thousands unless otherwise stated)

19 FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

Valuation technique and significant unobservable inputs (continued)

Type	Valuation technique	Significant unobservable input	Inter-relationship between significant unobservable inputs and fair value measurement
Coal derivative*	Discounted cashflows: the valuation model considers the present value of expected payments or receipts using the risk adjusted discount rate.	Coal procurement quantity and coal prices	The fair value would increase or decrease if: • the actual coal procurement quantities would be different than what is considered in the valuation model; or • the future coal prices would be different than what is considered in the valuation model

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

20 OTHER SIGNIFICANT DEVELOPMENTS DURING THE PERIOD

20.1 During the year 2021, the Board of Directors approved a cash based long term incentive plan (the "LTIP") which was granted to certain members of management. The LTIP covered a nine-year period in total effective from 1 January 2020 and comprises three separate performance periods of three years each. Cash awards will vest pursuant to the LTIP at the end of each performance period subject to the achievement of performance conditions. In this regard, during the period a provision of SR 16.3 million (31 March 2023: SR 6.8 million) has been recognised within general and administration expenses.

During the year 2023, the Board of Directors approved to replace the existing LTIP with a share-based incentive plan (hereinafter referred as the "Employees Stock Incentive Program" or the "Program"). In this regard, on 22 June 2023, the shareholders of the Company approved to buy back Company shares with a maximum of 2.0 million shares.

Pursuant to the Program and approval of shareholders, during the period ended 31 March 2024, the Company purchased 264,678 shares amounting to SR 73.0 million at the prevailing market rates. The Group has recognized these shares within treasury shares in the interim condensed consolidated statement of changes in equity.

Subsequent to the period ended 31 March 2024, on 18 April 2024, the Group has communicated detailed terms and conditions of the Program to eligible employees and accordingly satisfied the Grant Date criteria (as specified under IFRS 2 – Share-based payment). Given the service period has already commenced as specified in the Program, the management has taken the impact of the Program in these interim condensed consolidated financial statements.

20.2 During the period ended 31 March 2024, a CSP asset within the Group's Morocco portfolio experienced an extended outage due to leakage in its molten salt tank. According to the asset's inspection report, the plant may remain non-operational until the end of the current year ("Outage Period") while repair work is undertaken. This event triggered a review of impairment, and the management has recognised an impairment loss of SR 145.8 million, representing the expected loss of generation during the Outage Period. The Group has recognized the loss in the interim consolidated statement of profit or loss within impairment loss and other expenses, net. The management will continue to review the performance of plant and cost estimate in relation to remedial work and necessary impact will be taken in the consolidated financial statements, as and when required.

21 DIVIDENDS AND BONUS SHARES

On 28 February 2024, the Board of Directors approved a dividend payment of SR 329.0 million (SR 0.45 per share) for the year 2023, payable during 2024. Subsequent to the period ended 31 March 2024, the proposed dividends were approved by the shareholders at the extraordinary general assembly meeting held on 29 April 2024.

(All amounts in Saudi Riyals thousands unless otherwise stated)

21 DIVIDENDS AND BONUS SHARES (CONTINUED)

On 26 January 2023, the Board of Directors approved a dividend payment of SR 606.8 million (SR 0.83 per share) for the year 2022, payable during 2023. The proposed dividends were approved by the shareholders at the ordinary general assembly meeting held on 22 June 2023. The dividend was paid on 12 July 2023.

Furthermore during 2024, certain subsidiaries of the Group distributed dividends of SR 0.15 million (31 March 2023: SR 0.18 million) to the non-controlling interest shareholders.

The Board of Directors, through circulation on 28 February 2024, recommended to increase the Company's capital by granting bonus shares to the Company's shareholders through capitalization of SR 14.6 million from the retained earnings by granting 1 share for every 500 shares owned.

Subsequent to the period ended 31 March 2024, the bonus share issuance was approved by the shareholders at the extraordinary general assembly meeting held on 29 April 2024.

Given the growth focus, the Company would like to optimize the cash distribution by retaining earnings to support the visible pipeline of new projects.

22 SUBSEQUENT EVENTS

Subsequent to the period ended 31 March 2024, the Group in accordance with the nature of its business has entered into or is negotiating various agreements. Except for the matters disclosed in note 20.1 and note 21, the Management does not expect these to have any material impact on the Group's interim condensed consolidated results and financial position as of the reporting date.

23 COMPARATIVE FIGURES

Certain figures for the prior period have been reclassified or adjusted to conform to the presentation in the current period. This includes reclassifications as required under IFRS 5 – Non-current assets held for sale and discontinued operations (refer to note 16). Summary of reclassifications / adjustments are as follows:

23.1 Interim condensed consolidated statement of profit or loss and other comprehensive income:

Particulars	As previously reported	Reclassifications due to discontinued operations (refer to note 16.3)	Reclassifications to conform to the presentation in the current period	As reported in these financial statements
Continuing operations				
General and administration expenses	(258,643)	47	-	**(258,596)**
Other income	60,645	-	(49,078)	**11,567**
Finance income	-	-	49,078	**49,078**
Exchange loss, net	(2,131)	5	-	**(2,126)**
Discontinued operations				
Loss from discontinued operations including loss recognised on assets held for sale	(3,082)	(52)	-	**(3,134)**

24 APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These interim condensed consolidated financial statements were approved by the Board of Directors and authorised for issue on 1 Duh Al-Qi'dah 1445H, corresponding to 9 May 2024.

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