

## Earnings for Power and Water Utility Company for Jubail and Yanbu (Marafiq) for the First Quarter of 2024

Power and Water Utility Company for Jubail and Yanbu (“Marafiq”) is pleased to announce its Interim consolidated financial results for Q1 ended 31 March 2024. The Company achieved net profits amounting to SR 42.79 million

### Highlights of financial performance of Q1, 2024:

- Total revenue amounted to SR 1,599.22 million, an increase of 8.6% compared to the same quarter of the previous year, due to an increase in revenues from all the Company’s main sectors as a result of improved demand for utilities from all customers.
- The cost of revenue amounted to SR 1,399.88 million, an increase of 15% compared to the same quarter of the previous year, mainly due to an increase in fuel costs used in production of SR 130.55 million (43%), an increase in the cost of water, power and gas purchased for resale purposes increased by SR 34.40 million, (10%), in addition to an increase in depreciation costs of SR 8.99 million (3%).
- Despite the challenges faced during the period, the Company achieved a net profit amounted to SR 42.79 million, a decrease of 59.90% compared to the same quarter of the previous year. In this regard, the company is undertaking many initiatives that shall contribute towards reducing the cost of revenues, in addition to optimal use of the company's internal resources.
- Free cash flow amounted to SR 141.41 million, a decrease of 37.49% compared to the same quarter of the previous year, mainly due to higher capital expenditures and lower profits as a result of higher fuel costs in addition to unfavorable changes in working capital.

### Financial results summary (All figures in millions of Saudi Riyals)

Item	31 March 2024	31 March 2023	Change Percentage %
Revenue	1,599.22	1,473.17	8.6%
Cost of Revenue	(1,399.88)	(1,217.36)	15%
Net profit	42.79	106.72	(59.9%)
Earnings per share (SR/Share)	0.17	0.43	(60.5%)
Free cash flow (1)	141.41	226.22	(37.49%)

(1) Free cash flow is calculated by: Net cash from operating activities, less additions to property, plant and equipment, plus financing costs paid.

### Speech by the Company's CEO

Commenting on these results, Engineer Mohammed Berki Al-Zuabi (The CEO of Marafiq) said: Despite the challenges faced during the period resulted from increasing the fuel prices, the Company achieved a net profit amounted to SR 42.79 million, while maintaining the safety, efficiency and reliability of its operations. In this regard, the company is undertaking many initiatives such as changing dispatchability mode of power units which resulted in minimizing the impact of the increase of cost of revenues, in addition to optimal use of the company's internal resources. Furthermore, the Company is working diligently with the relevant regulatory authorities to include the Company into electricity Balancing Account which will cover the difference between the required revenue and the actual revenue resulting from implementing the approved electricity tariffs.

The CEO also added that the Company's continue it efforts to meet the needs of all its customers with high efficiency and reliability in addition to perusing participation in projects announced by government and others.

## Investor Relations

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