

# **POWER AND WATER UTILITY COMPANY FOR JUBAIL AND YANBU (MARAFIQ) AND ITS SUBSIDIARIES**

(A Saudi Joint Stock Company)

**CONDENSED CONSOLIDATED INTERIM FINANCIAL  
STATEMENTS**

**FIRST QUARTER OF 2025**

(1 January 2025 - 31 March 2025)

**WITH INDEPENDENT AUDITOR'S REVIEW REPORT**

**POWER AND WATER UTILITY COMPANY FOR JUBAIL AND YANBU (MARAFIQ)**  
**AND ITS SUBSIDIARIES**  
(A SAUDI JOINT STOCK COMPANY)  
**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FIRST QUARTER OF 2025 (1 JANUARY 2025 – 31 MARCH 2025)**

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## INDEPENDENT AUDITOR'S REVIEW REPORT ON THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF POWER AND WATER UTILITY COMPANY FOR JUBAIL AND YANBU (MARAFIQ) (A SAUDI JOINT STOCK COMPANY)

### Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Power and Water Utility Company for Jubail and Yanbu (Marafiq) (the "Parent Company"), a Saudi Joint Stock Company and its subsidiaries (collectively referred to as "the Group") as at 31 March 2025, and the related condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the three-month then ended, and explanatory notes. Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as endorsed in the Kingdom of Saudi Arabia. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing 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 condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with IAS 34 as endorsed in the Kingdom of Saudi Arabia.

for Ernst & Young Professional Services

Marwan S. AlAfaliq  
Certified Public Accountant  
License No. (422)



Al Khobar: 10 Dhu.I-Qa'dah 1446H  
8 May 2025

**POWER AND WATER UTILITY COMPANY FOR JUBAIL AND YANBU (MARAFIQ)  
AND ITS SUBSIDIARIES  
(A SAUDI JOINT STOCK COMPANY)  
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2025**



	Note	31 March 2025 (Un-audited) SR '000	31 December 2024 (Audited) SR '000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		14,310,998	14,437,067
Right of use assets		4,502,830	4,685,327
Intangible assets		7,319	8,473
Equity accounted investees		760,107	767,590
Long-term receivables and prepayments		120,229	132,692
<b>Total non-current assets</b>		<b>19,701,483</b>	<b>20,031,149</b>
<b>Current assets</b>			
Inventories, net		363,768	356,795
Trade receivables, net		1,109,809	670,331
Prepayments and other current assets		474,706	438,625
Short-term deposits	12	200,663	43,553
Cash and cash equivalents		1,283,448	1,452,872
<b>Total current assets</b>		<b>3,432,394</b>	<b>2,962,176</b>
<b>TOTAL ASSETS</b>		<b>23,133,877</b>	<b>22,993,325</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		2,500,000	2,500,000
Retained earnings		2,730,900	2,612,962
Fair value reserve for cash flow hedge		86,950	111,446
<b>Total equity</b>		<b>5,317,850</b>	<b>5,224,408</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Bank loans and borrowings	13	5,863,649	5,863,218
Lease liabilities		6,516,059	6,975,059
Other non-current liabilities	14	1,521,687	1,529,190
<b>Total non-current liabilities</b>		<b>13,901,395</b>	<b>14,367,467</b>
<b>Current liabilities</b>			
Current portion of bank loans and borrowings	13	289,993	288,033
Current portion of lease liabilities		1,863,332	1,557,151
Trade payables		815,657	688,774
Accrued expenses and other current liabilities		945,650	867,492
<b>Total current liabilities</b>		<b>3,914,632</b>	<b>3,401,450</b>
<b>Total liabilities</b>		<b>17,816,027</b>	<b>17,768,917</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>23,133,877</b>	<b>22,993,325</b>

The condensed consolidated interim financial statements appearing on pages 1 to 18 were approved by the Board of Directors of the Parent Company on 9 Dhu Al-Qadah 1446H corresponding to 7 May 2025G and have been signed on their behalf by:

 Khalid Mohammed Al-Salem Chairman of the Board	 Mohammed Berki Al-Zuabi President & CEO	 Muhammed Abdulhamid AlMulhim VP Finance
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The accompanying notes 1 through 17 form an integral part of these condensed consolidated interim financial statements.

**POWER AND WATER UTILITY COMPANY FOR JUBAIL AND YANBU (MARAFIQ)  
AND ITS SUBSIDIARIES  
(A SAUDI JOINT STOCK COMPANY)  
CONDENSED CONSOLIDATED INCOME STATEMENT  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025**



	Note	31 March 2025 (Un-audited) SR '000	31 March 2024 (Un-audited) SR '000 (Restated -Note 17)
Revenue	10	1,703,948	1,599,216
Cost of revenue		(1,385,334)	(1,254,621)
<b>Gross profit</b>		<b>318,614</b>	<b>344,595</b>
Administrative expenses		(75,299)	(63,143)
Reversal / (charge) impairment loss on trade receivables		6,739	(8,268)
Other operating income, net		78,552	38,860
<b>Operating profit</b>		<b>328,606</b>	<b>312,044</b>
Finance income		17,665	17,626
Finance cost		(239,421)	(268,183)
Share in results of equity accounted investees		17,013	15,918
<b>Profit before Zakat</b>		<b>123,863</b>	<b>77,405</b>
Zakat	7	(5,925)	(9,061)
<b>Net profit for the period</b>		<b>117,938</b>	<b>68,344</b>
<b>Earnings per share:</b>			
Basic and diluted earnings per share attributable to shareholders – SR		<b>0.47</b>	<b>0.27</b>

Khalid Mohammed Al-Salem  
Chairman of the Board

Mohammed Berki Al-Zuabi  
President & CEO

Muhammed Abdulhamid AlMulhim  
VP Finance

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**POWER AND WATER UTILITY COMPANY FOR JUBAIL AND YANBU (MARAFIQ)  
AND ITS SUBSIDIARIES  
(A SAUDI JOINT STOCK COMPANY)  
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025**

	31 March 2025 (Un-audited) SR '000	31 March 2024 (Un-audited) SR '000 (Restated – Note 17)
<b>Net profit for the period</b>	<b>117,938</b>	<b>68,344</b>
<b><i>Other comprehensive income for the period</i></b>		
<i>Other comprehensive income items that are or may be reclassified to profit or loss account in subsequent periods:</i>		
Share of gain / (loss) on cash flow hedge, net of deferred tax	<b>(24,496)</b>	<b>6,988</b>
<b>Total comprehensive income for the period</b>	<b>93,442</b>	<b>75,332</b>



Khalid Mohammed Al-Salem  
Chairman of the Board



Mohammed Berki Al-Zuabi  
President & CEO



Muhammed Abdulhamid AlMulhim  
VP Finance

The accompanying notes 1 through 17 form an integral part of these condensed consolidated interim financial statements.

**POWER AND WATER UTILITY COMPANY FOR JUBAIL AND YANBU (MARAFIQ)  
AND ITS SUBSIDIARIES**

(A SAUDI JOINT STOCK COMPANY)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025**



**Attributable to equity holders of the Parent Company**

	Share capital SR '000	Statutory reserve SR '000	Retained earnings SR '000	Fair value reserve for cash flow hedge SR '000	Total Equity SR '000
As at 31 December 2023 (Audited) (Restated – Note 17)	2,500,000	342,002	2,589,376	121,206	5,552,584
Profit for the period (Un-audited) (Restated – Note 17)	-	-	68,344	-	68,344
Other comprehensive income (Un-audited) (Restated – Note 17)	-	-	-	6,988	6,988
Dividends (Note 15)	-	-	(275,000)	-	(275,000)
As at 31 March 2024 (Un-audited) (Restated – Note 17)	2,500,000	342,002	2,382,720	128,194	5,352,916
As at 1 January 2025 (Audited)	2,500,000	-	2,612,962	111,446	5,224,408
Profit for the period (Un-audited)	-	-	117,938	-	117,938
Other comprehensive loss (Un-audited)	-	-	-	(24,496)	(24,496)
As at 31 March 2025 (Un-audited)	2,500,000	-	2,730,900	86,950	5,317,850

Khalid Mohammed Al-Salem  
Chairman of the Board

Mohammed Berki Al-Zuabi  
President & CEO

Muhammed Abdulhamid AIMulhim  
VP Finance

The accompanying notes 1 through 17 form an integral part of these condensed consolidated interim financial statements.

**POWER AND WATER UTILITY COMPANY FOR JUBAIL AND YANBU (MARAFIQ)  
AND ITS SUBSIDIARIES**  
(A SAUDI JOINT STOCK COMPANY)  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025**



<u>Note</u>	<u>31 March 2025</u> <u>(Un-audited)</u>	<u>31 March 2024</u> <u>(Un-audited)</u>
	SR '000	SR '000 (Restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before Zakat	123,863	77,405
<i>Adjustments from:</i>		
Depreciation of property, plant and equipment and right of use assets	383,257	373,186
Amortization of intangible assets	1,155	1,488
Amortization of deferred income	(14,819)	(14,387)
Amortization of deferred employee benefits	1,450	1,396
(Reversal) / charge of impairment loss on trade receivables	(6,739)	8,268
Provision for slow moving and obsolete inventories	5,581	2,346
Share in results of equity accounted investees	(17,013)	(15,918)
Provision for employee's benefits	16,156	15,986
Finance income	(17,665)	(17,626)
Finance costs	239,421	268,183
<i>Changes in:</i>		
Trade receivables	(432,739)	(106,662)
Inventories	(12,554)	(17,778)
Prepayment and other current assets	(33,784)	(17,631)
Long term receivables and prepayments	11,013	10,125
Trade payables	126,883	36,867
Accrued expenses and other current liabilities	(20,531)	4,294
Other non-current liabilities	5,396	(122,075)
<b>Cash generated from operating activities</b>	<b>358,331</b>	<b>487,467</b>
Employees' benefits paid	(14,236)	(4,542)
Finance cost paid	(115,262)	(130,320)
<b>Net cash generated from operating activities</b>	<b>228,833</b>	<b>352,605</b>
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment, net	(73,668)	(150,355)
Finance income on deposits received	14,342	18,175
Net movement in short-term deposits	(157,110)	99,754
<b>Net cash used in investing activities</b>	<b>(216,436)</b>	<b>(32,426)</b>
<b>CASH FLOWS USED IN FINANCING ACTIVITIES</b>		
Payment of lease obligation	(181,821)	(192,352)
Dividends paid	-	(274,095)
<b>Net cash used in financing activities</b>	<b>(181,821)</b>	<b>(466,447)</b>
Net change in cash and cash equivalents	(169,424)	(146,268)
Cash and cash equivalents at the beginning of the period	1,452,872	1,182,089
<b>Cash and cash equivalents at the end of the period</b>	<b>1,283,448</b>	<b>1,035,821</b>

**POWER AND WATER UTILITY COMPANY FOR JUBAIL AND YANBU (MARAFIQ)  
AND ITS SUBSIDIARIES  
(A SAUDI JOINT STOCK COMPANY)  
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025**



**SUPPLEMENTAL CASH FLOW INFORMATION**

	<u>31 March 2025</u> (Un-audited) SR '000	<u>31 March 2024</u> (Un-audited) SR '000
Significant non-cash transactions		
Net change in fair value of cash flow hedge	<u>24,496</u>	<u>6,988</u>

Khalid Mohammed Al-Salem  
Chairman of the Board

Mohammed Berki Al-Zuabi  
President & CEO

Muhammed Abdulhamid AIMulhim  
VP Finance

The accompanying notes 1 through 17 form an integral part of these condensed consolidated interim financial statements.

# POWER AND WATER UTILITY COMPANY FOR JUBAIL AND YANBU (MARAFIQ) AND ITS SUBSIDIARIES

(A SAUDI JOINT STOCK COMPANY)

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025



### 1. CORPORATE INFORMATION

Power and Water Utility Company for Jubail and Yanbu ("Marafiq" or "the Parent Company") was incorporated pursuant to Royal Decree No. M/29 dated 21/7/1421H corresponding to 18 October 2000 as a Saudi joint stock company, in accordance with Ministerial Decision No. 2101 dated 26/12/1421H corresponding to 21 March 2001 which approved the Articles of Association of the Parent Company.

The Parent Company operates under commercial registration number 2055004968 and unified number 7001433833 dated 17/6/1422H corresponding to 5 September 2001 issued in Jubail Industrial City. The Parent Company's registered office is situated in the Support Industries Area of Jubail Industrial City, Kingdom of Saudi Arabia.

The issued and paid-up capital of the Parent Company is divided into 250,000,000 shares of SR 10 per share amounting to SR 2,500,000,000 at the period / year end and was held as follows:

	<u>31 March 2025</u>	<u>31 December 2024</u>
Saudi Basic Industries Corporation ("SABIC")	<b>17.50%</b>	17.50%
Saudi Aramco Power Company ("SAPCO")	<b>17.50%</b>	17.50%
Royal Commission for Jubail & Yanbu ("Royal Commission")	<b>17.50%</b>	17.50%
Public Investment Fund ("PIF")	<b>17.50%</b>	17.50%
Free float	<b>30.00%</b>	30.00%
	<b>100%</b>	100%

The primary objective of the Parent Company is the operation, maintenance, construction, and management of (i) electric power systems, (ii) seawater cooling systems, (iii) desalinated water systems (including storage and distribution of process and potable water), and (iv) sanitary and industrial wastewater treatment systems to provide essential utility services to governmental, industrial, commercial, and residential customers in the industrial cities of Jubail and Yanbu. The Parent Company has also been selected by the Royal Commission as the sole power and water service provider for Jazan City for Primary and Downstream Industries (JCPDI) and the water service provider in Ras Al Khair Industrial City (RIC). The Parent Company may:

- own or lease related property, facilities and networks and/or install, extend, upgrade, replace or expand facilities or networks as required on its own or through others;
- engage in any activities necessary or complementary to those objectives, including importation of materials and the likes. The Parent Company shall provide those services to all beneficiaries in the two industrial cities of Jubail and Yanbu;
- acquire interests in other companies and own, lease, install, extend, upgrade, replace or expand related properties, facilities and networks and to engage in any activities in realizing its objectives; and
- own interest or shares in other companies or merge with or buy such companies and to establish new companies alone inside or outside the Kingdom Saudi Arabia.

The Parent Company through a consortium in Jeddah Althaniya Water Company project (45% shareholding by the Parent Company) together with Alamwal Alkhaleejiya Althaniya (35% shareholding) and Veolia Middle East (20% shareholding) has completed the process of constructing and commissioning wastewater treatment facilities in Jeddah.

The Parent Company commenced its commercial operations on 1 January 2003. The Group's principal places of business are Jubail and Yanbu Industrial Cities.

On 21 September 2021, the Council of Ministers Resolution No. 111 was issued approving the high intensity electricity consumption tariff (HIECT) that was applicable to establishments operating in qualified activities or sectors belonging to industrial, commercial and agricultural consumers effective 1 January 2022. Prior to determination of qualified activities or sectors, on 20 December 2022, the Council of Ministers Resolution No. 361 was issued approving the amendment of the effective date to be from 1 January 2023. The Resolution No. 111 has indicated that a compensation mechanism will be issued to compensate the Company for any reduction in revenue.

However, due to the uncertainty surrounding the timing of collection of compensation for the shortfall in the power sector's revenues resulting from the implementation of the High Intensity Electricity Consumption Tariff, the Company has recorded a provision for impairment of trade receivable as of 31 March 2025 amounting to SAR 501.2 million (31 December 2024: SAR 496.2) for the eligible customer receivables in accordance with requirement of IFRS accounting standards as endorsed in KSA.

The Parent Company has communicated 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.

# POWER AND WATER UTILITY COMPANY FOR JUBAIL AND YANBU (MARAFIQ) AND ITS SUBSIDIARIES

(A SAUDI JOINT STOCK COMPANY)

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025



### 1. CORPORATE INFORMATION (continued)

#### Group structure

##### Subsidiaries

The Parent Company and its subsidiaries are hereinafter referred to as ("the Group"). As at 31 March 2025 the Parent Company has following subsidiaries:

- Marafiq Insurance Limited ("MIL"), owned 100% by the Parent Company, registered in the Island of Guernsey and is engaged in the business of captive insurance for Marafiq.
- Marafiq Water and Power Supply Company ("TAWREED"), owned 100% by the Parent Company, is registered in the Kingdom of Saudi Arabia for the purpose of purchase of water and electricity from Jubail Water and Power Company ("JWAP") and sale of these utilities to the On-Sale Parties: Saudi Power Procurement Company ("Principal Buyer"), Saudi Water Authority (SWA) ("previously The Saline Water Conversion Corporation") and Marafiq. TAWREED is also responsible for the purchase and supply of fuel to JWAP.
- MASA Services Company for Operation and Maintenance ("MASA"), owned 100% by Marafiq, is registered in the Kingdom of Saudi Arabia for the purpose of operation, maintenance and management of seawater cooling systems, desalinated and treated water systems, sanitary and industrial drainage systems, waste water treatment and operation and maintenance of utility services relating to management and treatment of industrial waste and hazardous waste.
- Jeddah Althaniya Operation and Maintenance Company ("JAOMC"), owned 100% by the Parent Company, is registered for operation and maintenance of a sewage collection and treatment plant in Jeddah. JAOMC was previously an associate owned 49% by the Parent Company, however on 7 November 2024, the Parent Company signed an agreement to acquire 51% shareholding from other shareholder. Accordingly, effective 7 November 2024, the Parent Company has Consolidated 100% of JOAMC. Commercial operations of the Company commenced on 10 December 2024.

##### Investment in associates

As at 31 March 2025, the Group has following associates:

- Jubail and Yanbu District Cooling Company ("TABREED"), owned 20% by Marafiq, is registered in Kingdom of Saudi Arabia with the principal activity being to develop, provide and support district cooling systems for industrial, commercial and residential customers in the industrial cities of Jubail and Yanbu.
- Al Haer Operations Limited Company, established in 2024 and owned 45% by MASA (subsidiary of Marafiq). The main activity of the company is to engage in operation and maintenance of water supply, sanitation, waste management and treatment, sanitation and construction of utility projects. No activities have been undertaken by Al Haer Operations during the period.

##### Investment in joint venture

As at 31 March 2025 and 31 December 2024, the Group has following joint venture:

- Jubail Water and Power Company ("JWAP"), owned 30% by Marafiq, is registered in the Kingdom of Saudi Arabia with the principal activity being to develop, construct, own, operate and maintain an independent water and power plant in Jubail Industrial City, Kingdom of Saudi Arabia, sell water and electricity and to engage in any business or activities related or ancillary thereto. JWAP commenced its commercial operations in 2010.
- Jeddah Althaniya Water Company ("JAWC"), owned 45% by Marafiq, is registered for management, operation, maintenance, construction and expansion of a sewage collection and treatment plant, distribution and disposal of waste and the establishment and expansion of the necessary facilities and networks in Jeddah. Commercial operations of JAWC commenced during the year ended 31 December 2023.
- During 2024, Marafiq entered into the consortium with Miahona Company and N.V. BESIX S.A. Sharjah branch for the Al-Haer independent sewage treatment plant project in Riyadh ("Project") and established Al-Haer Environmental Services Company (A limited liability Company). Marafiq own 35% of company and has accordingly contribute share capital. During the period the Company achieved financial close after receiving the closing certificates from Saudi Water Partnership Company and the lenders on 07 February 2025. The financing agreements have been signed after fulfilling all requirements and conditions with a group of financiers at a project cost of approximately 1.5 billion Saudi Riyals, excluding financing costs. The operation of the Company is expected to be reflected on the Company's financial results starting from the first quarter of 2027.

The Group's ownership percentage in the above companies is the same as of 31 March 2025 and 31 December 2024.

##### Date of authorization of condensed consolidated interim financial statements

These condensed consolidated interim financial statements of the group for the three months period ended 31 March 2025 were approved by the Board of Directors on 9 Dhu Al-Qadah 1446H corresponding to 7 May 2025G.

## **2. BASIS OF ACCOUNTING**

### **2.1 Statement of compliance**

These condensed consolidated interim financial statements (herein referred to as the “interim financial statements”) have been prepared in accordance with IAS 34 “Interim Financial Reporting” that is endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by Saudi Organization for Chartered and Professional Accountants (“SOCPA”), and should be read in conjunction with the Group’s last annual consolidated financial statements as at and for the year ended 31 December 2024 (“last annual financial statements”). These interim financial statements do not include all of the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to understanding of the changes in the Group’s financial position and performance since the last annual financial statements. Same accounting policies and methods of computation are followed in these condensed interim financial statements as applied in the most recent annual financial statements.

These interim financial statements have been prepared on a historical cost basis except for the cash flow hedge that is carried at fair value.

These interim financial statements comprise the condensed consolidated interim financial statements of the Parent Company and its subsidiaries for the three-months period ended 31 March 2025.

### **2.2 Functional and presentational currency**

Items included in these interim financial statements are measured using the currency of the primary economic environment in which the Parent Company operates. These condensed consolidated interim financial statements are presented in Saudi Riyals which is the Group’s functional and presentation currency. All amounts are rounded to the nearest thousand (SR ‘000), except when otherwise indicated.

### **2.3 Basis of consolidation**

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Parent Company has less than a majority of the voting or similar rights of an investee, the Parent Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Parent Company’s voting rights and potential voting right.

The Parent Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are included in the interim financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent Company and non-controlling interest, even if this results in the non-controlling interest having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group’s accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary;
- Derecognizes the carrying amount of any non-controlling interest;
- Derecognizes the cumulative translation differences, recorded in equity;
- Recognizes the fair value of the consideration received;
- Recognizes the fair value of any investment retained;
- Recognizes any surplus or deficit in profit or loss;
- Reclassifies the Group’s share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate, as would be required if the Parent Company had directly disposed of the related assets or liabilities.

Non-Controlling Interests (NCI) are measured at their proportionate share of the acquiree’s identifiable net assets at the date of acquisition. Changes in the Group’s interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

**2. BASIS OF ACCOUNTING** (continued)

**2.3 Basis of consolidation** (Continued)

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

**3. USE OF ESTIMATES AND JUDGEMENT**

In preparing these condensed consolidated interim financial statements, management has made judgments and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

**4. NEW STANDARDS, AMENDMENTS AND INTERPRETATION WITH NO MATERIAL EFFECT ON THE INTERIM FINANCIAL STATEMENTS**

Following are the recent changes to IFRSs that are required to be adopted in annual periods beginning on 1 January 2025:

- Lack of exchangeability – Amendments to IAS 21, effective for annual periods beginning on or after 1 January 2025.

The application of the revised IFRSs did not have any material impact on the amounts reported for current and prior periods.

**5. STANDARDS ISSUED BUT NOT YET EFFECTIVE**

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's condensed consolidated interim financial statements are disclosed below. The group intends to adopt these standards, if applicable, when they become effective.

- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28), effective date yet to be determined.
- IFRS 18 – Presentation and Disclosure in Financial Statement, effective for annual periods beginning on or after 1 January 2027.
- IFRS 19 – Subsidiaries without Public Accountability: Disclosures, effective for annual periods beginning on or after 1 January 2027.
- Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7

The above-mentioned standards are not expected to have a significant impact on the Group's condensed consolidated interim financial statements.

**6. OPERATING SEGMENTS**

The main operating activities of the Group are divided into Power, Water, Gas and others which are complementary to each other in the production and distribution of electricity, water and gas to customers. The Group's primary revenues are currently realized from sale of power, water and gas to final customers according to the applicable tariffs.

**Segment information:**

The Group is organized into business units based on following reportable segments:

- Power, includes electric power generation, transmission, distribution and retail sales;
- Water, includes desalinated and treated water systems, and potable, process and industrial water production, distribution, sea water cooling systems for heavy industries, industrial and sanitary waste water treatment and disposal;
- Gas, includes sales gas distribution and retail sales of gas; and
- Independent Water and Power, includes power and water sold by TAWREED through separate arrangement, refer note 1.

Further, Corporate, includes all other activities that are not directly attributable to identifiable operating segments. This primarily includes finance income/expense, other income/expense, charge of impairment on trade receivables and share in results of equity accounted investees.

All of the Group's operating assets and principal activities are located in the Kingdom of Saudi Arabia.

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**6. OPERATING SEGMENTS (continued)**

For the period ended 31 March 2025

	Power	Water	Gas	Independent Water and Power	Corporate and others	Eliminations	Total
	SR'000	SR'000	SR'000	SR'000	SR'000	SR'000	SR'000
Third party revenue	368,040	595,637	50,110	685,508	4,653	-	1,703,948
Inter-segment revenue	56,034	31,089	-	106,353	-	(193,476)	-
Depreciation and amortization	(102,264)	(136,661)	(1,135)	(144,314)	(38)	-	(384,412)
Charge for impairment of trade receivables	(4,998)	-	-	-	11,737	-	6,739
Operating (loss) / profit	(9,768)	99,619	(1,002)	151,284	85,972	2,501	328,606
Share in results of equity accounted investees	-	-	-	-	17,013	-	17,013
Finance income	-	1,030	-	1,054	15,581	-	17,665
Finance cost	(65,957)	(58,138)	-	(115,262)	(64)	-	(239,421)
<b>Profit before zakat</b>	<b>(75,725)</b>	<b>42,511</b>	<b>(1,002)</b>	<b>37,076</b>	<b>118,502</b>	<b>2,501</b>	<b>123,863</b>
Property, plant and equipment, right of use assets and intangibles as at 31 March 2025	7,334,988	7,293,365	59,495	3,030,597	1,102,702	-	18,821,147
Lease liabilities as at 31 March 2025	1,080,239	1,867,716	5	5,295,541	135,891	-	8,379,391
Additions during the period to segment assets*	26,333	8,054	377	-	41,754	-	76,518

For the period ended 31 March 2024

	Power	Water	Gas	Independent Water and Power	Corporate and others	Eliminations	Total
	SR'000	SR'000	SR'000	SR'000	SR'000	SR'000	SR'000
	(Restated)	(Restated)	(Restated)	(Restated)	(Restated)	(Restated)	(Restated)
Third party revenue	390,317	570,735	34,409	603,755	-	-	1,599,216
Inter-segment revenue	51,722	30,393	-	95,743	2,051	(179,909)	-
Depreciation and amortization	(97,464)	(132,021)	(720)	(144,314)	-	-	(374,519)
Charge for impairment of trade receivables	-	-	-	-	(8,268)	-	(8,268)
Operating profit	25,943	99,579	3,675	155,107	27,585	155	312,044
Share in results of equity accounted investees	-	-	-	-	15,918	-	15,918
Finance income	-	368	-	180	17,078	-	17,626
Finance cost	(74,149)	(63,821)	-	(130,320)	(72)	179	(268,183)
<b>Profit before Zakat</b>	<b>(48,206)</b>	<b>36,126</b>	<b>3,675</b>	<b>24,967</b>	<b>60,509</b>	<b>334</b>	<b>77,405</b>
Property, plant and equipment, right of use assets and intangibles as 31 December 2024	6,627,149	8,111,482	46,731	3,174,911	1,170,594	-	19,130,867
Lease liabilities as at 31 December 2024	1,053,360	1,876,065	5	5,474,945	127,835	-	8,532,210
Additions during the period to segment assets*	20,685	99,717	-	-	29,953	-	150,355

\* This comprises additions during the period to property, plant and equipment. There were no additions to right is use assets and intangibles.

## 7. ZAKAT

Zakat charge for the period represents the accumulated amount of Zakat provision made by the Parent Company and its subsidiaries.

### a) Status of assessments

#### **Power and Water Utility Company for Jubail and Yanbu (Marafiq)**

Zakat and Income Tax assessments up to the year 2017 has been finalized. Zakat returns for the years up to 31 December 2024 have been filed with ZATCA within statutory deadlines.

On 15 February 2025, ZATCA announced Ministerial Resolution [MR] 947, which extends the timeline for Zakat payers to opt for applying the provisions of Zakat Implementing Regulations issued under MR 1007 dated 19/08/1445AH to prior years' zakat returns by 30 April 2025. The Company opted to apply the provisions of Zakat Implementing Regulations issued under MR 1007 to the zakat returns for the financial years ended 31 December 2018 to 2023 and submitted revised returns with ZATCA within the statutory timeline of 30 April 2025.

#### **Marafiq Water and Power Supply Company (TAWREED)**

Zakat and Income Tax assessments up to the year 2016 has been finalized with the ZATCA. Zakat returns for the years up to 31 December 2024 have been submitted within the statutory deadline and ZATCA review is awaited. ZATCA has raised certain additional queries for the years 2018 through 2021 which have been responded by TAWREED and ZATCA's review is awaited.

#### **MASA Services Company for Operation and Maintenance (MASA)**

ZATCA issued assessment for the year 2017 and 2018 to MASA for additional Zakat and income tax liability amounting to SR 0.76 million which has been recorded in the financial statements.

The Zakat and income tax assessment for the years since inception through 2023 are under review by ZATCA. Income tax and Zakat returns for the year ended 31 December 2024 have been submitted within the statutory deadline.

#### **Jeddah Althaniya Operation and Maintenance Company (JAOMC)**

Zakat and income tax returns from inception till the year ended 31 December 2023 have been filed and are under review by ZATCA. Zakat and income tax returns for the year ended 31 December 2024 have been submitted within the statutory deadline.

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**8. FINANCIAL INSTRUMENTS**

**i. Financial assets**

	<b>31 March 2025</b> <b>(Un-audited)</b>	31 December 2024 <b>(Audited)</b>
	<b>SR '000</b>	SR '000
Due from employee home ownership program	<b>113,726</b>	124,740
Trade receivables	<b>1,678,501</b>	1,212,445
Other receivables	<b>337,012</b>	291,846
Short term deposits	<b>200,663</b>	43,553
Cash and cash equivalents	<b>1,283,448</b>	1,452,872
Total financial assets not measured at fair value	<b>3,613,350</b>	3,125,456

**ii. Financial liabilities**

	<b>31 March 2025</b> <b>(Un-audited)</b>	31 December 2024 <b>(Audited)</b>
	<b>SR '000</b>	SR '000
Loans and borrowings	<b>6,191,000</b>	6,191,000
Lease liabilities	<b>8,379,391</b>	8,532,210
Other non-current liabilities	<b>195,661</b>	193,781
Trade payables	<b>815,657</b>	688,774
Accrued expense and other payables (note a)	<b>870,178</b>	798,116
Total financial liabilities not measured at fair value	<b>16,451,887</b>	16,403,881

a. This includes due to related parties amounting to SR 324.2 million (31 December 2024: SR 335 million) and accrued finance cost amounting to SR 99.9 million (31 December 2024: SR 7.2 million).

**iii. Fair value hierarchy for financial instruments**

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the interim financial statements are categorised within the fair value hierarchy. This is described, as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

	<b>Fair value</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
<b>Cash flow hedge reserve</b>				
<b>31 March 2025 (un-audited)</b>	-	<b>86,950</b>	-	<b>86,950</b>
31 December 2024 (audited)	-	111,446	-	111,446

Fair value of cash flows hedge reserve represents the mark to market values of the interest rate swaps as of 31 March 2025 and 31 December 2024. Interest rate swaps are fair valued by calculating present value of the estimated future cash flows. Estimated cash flows are discounted using a yield curve constructed from similar sources and which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps. The fair value estimate is subject to a credit risk adjustment that reflects the credit risk of the Group and of the counterparty; this is calculated based on credit spreads derived from current default swap or bond prices.

**9. COMMITMENTS AND CONTINGENCIES**

**Capital commitments**

Capital expenditure contracted by the Group at the end of the period but not incurred is SR 648.73 million (31 December 2024: SR 651.46 million).

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**9. COMMITMENTS AND CONTINGENCIES (continued)**

**Other commitments**

One of the Group companies, TAWREED entered into an agreement with Saudi Aramco to purchase fuel required for the IWPP for a period of twenty years and the cost of the fuel will be reimbursed by On-Sale Parties on a monthly basis without any mark-up.

**Contingent liabilities**

At 31 March 2025, bank guarantees have been issued amounting to SR 653.95 million (31 December 2024: SR 570.11 million), by the Group's bankers, on behalf of the Group in the ordinary course of business. The Parent Company has also issued a corporate guarantee on behalf of its joint venture (JWAC) amounting to SR 159 million (31 December 2024: SR 159 million).

**10. REVENUE**

Revenue from contracts with customers is disaggregated as follows:

	<b>For the three-month period ended</b>	
	<b>31 March 2025</b> <b>(Un-audited)</b>	<b>31 March 2024</b> <b>(Un-audited)</b>
	<b>SR '000</b>	<b>SR '000</b>
Power	<b>874,103</b>	826,313
Water	<b>765,578</b>	729,308
Gas	<b>50,110</b>	34,409
Others	<b>14,157</b>	9,186
	<b>1,703,948</b>	1,599,216

**11. RELATED PARTY TRANSACTIONS AND BALANCES**

**11.1 Significant transactions with related parties**

Billings for providing power and water services to related parties in accordance with long term supply agreements are as follows:

	<b>For the three-month period ended</b>	
	<b>31 March 2025</b> <b>(Un-audited)</b>	<b>31 March 2024</b> <b>(Un-audited)</b>
	<b>SR '000</b>	<b>SR '000</b>
<i>Shareholders</i>		
SABIC and its subsidiaries	<b>332,796</b>	380,451
Royal Commission for Jubail & Yanbu	<b>50,069</b>	33,124
<i>Other related parties</i>		
Saudi Aramco and its subsidiaries	<b>318,634</b>	380,908
Principal Buyer	<b>618,816</b>	537,971
SWA	<b>203,721</b>	193,996
Other government entities	<b>36,429</b>	23,608

Costs include fuel oil and gas costs in accordance with long-term purchase agreements as follows:

	<b>For the three-month period ended</b>	
	<b>31 March 2025</b> <b>(Un-audited)</b>	<b>31 March 2024</b> <b>(Un-audited)</b>
	<b>SR '000</b>	<b>SR '000</b> <b>(Restated)</b>
<i>Other related parties</i>		
Saudi Aramco and its subsidiaries	<b>559,516</b>	459,372
JWAP	<b>136,894</b>	141,634
Other government entities	<b>30,673</b>	18,218

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**11. RELATED PARTY TRANSACTIONS AND BALANCES (continued)**

**11.2 Balances with related parties**

<b>Due to related parties</b>	<b>31 March 2025 (Un-audited)</b>	<b>31 December 2024 (Audited)</b>
	<b>SR '000</b>	<b>SR '000</b>
<i>Shareholders</i>		
Royal Commission (11.2.1)	<b>3,068,439</b>	3,049,170
<i>Other related parties</i>		
Saudi Aramco and its subsidiaries	<b>304,983</b>	408,287
JWAP (11.2.2)	<b>5,597,400</b>	5,802,791
Other government entities	<b>15,440</b>	17,104
	<b>8,986,262</b>	9,277,352

**11.2.1** This includes lease obligation in respect of assets on finance lease from Royal Commission amounting to SR 3,059 million (31 December 2024: SR 3,039.5 million).

**11.2.2** This includes lease liability in respect of assets on finance lease from JWAP by Tawreed amounting to SR 5,295.5 million (31 December 2024: SR 5,500 million).

**Due from related parties**

<b>Due from related parties</b>	<b>31 March 2025 (Un-audited)</b>	<b>31 December 2024 (Audited)</b>
	<b>SR '000</b>	<b>SR '000</b>
<i>Shareholders</i>		
SABIC and its subsidiaries	<b>415,274</b>	403,749
Royal Commission	<b>99,100</b>	109,444
<i>Other related parties</i>		
Saudi Aramco and its subsidiaries	<b>366,002</b>	338,928
Principal Buyer	<b>373,482</b>	182,961
SWA	<b>333,338</b>	142,889
Other government entities	<b>46,154</b>	34,908
	<b>1,633,350</b>	1,212,879

**11.3 Transactions with key management personnel**

Key management personnel of the Group comprise the Board of Directors and key members of management having authority and responsibility for planning, directing and controlling the activities of the Group.

The remuneration of directors and other members of key management personnel during the period was as follows:

	<b>For the three-month period ended</b>	
	<b>31 March 2025 (Un-audited)</b>	<b>31 March 2024 (Un-audited)</b>
	<b>SR '000</b>	<b>SR '000 (Restated)</b>
Short-term employee benefits	<b>14,223</b>	<b>15,181</b>
Post-employment defined benefit plan	<b>822</b>	<b>886</b>
<b>Total compensation to key management personnel</b>	<b>15,045</b>	<b>16,067</b>

**12. SHORT TERM DEPOSITS**

Short term deposits represent deposits placed with commercial banks for varying periods of between three to twelve months and earn finance income at market rates of interest.

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**13. BANK LOANS AND BORROWINGS**

	<b>31 March 2025</b> <b>(Un-audited)</b>	31 December 2024 <b>(Audited)</b>
	SR '000	SR '000
<i>MARAFIQ</i>		
Fourth Murabaha	<b>1,500,000</b>	1,500,000
Fifth Murabaha	<b>1,500,000</b>	1,500,000
Sixth Murabaha	<b>2,900,000</b>	2,900,000
SIDF (a related party)	<b>291,000</b>	291,000
	<b>6,191,000</b>	6,191,000
Less: Unamortised transaction costs	<b>(37,358)</b>	(39,749)
	<b>6,153,642</b>	6,151,251

Bank loans and borrowings are presented in these interim financial statements as follows:

	<b>31 March 2025</b> <b>(Un-audited)</b>	31 December 2024 <b>(Audited)</b>
	SR '000	SR '000
Current maturity under current liabilities	<b>289,993</b>	288,033
Non-current maturity under non-current liabilities	<b>5,863,649</b>	5,863,218
	<b>6,153,642</b>	6,151,251

The covenants of the borrowing facility with SIDF require the Parent Company to maintain certain level of financial conditions. As of the reporting date, due to the restatement, the Group has breached a covenant related to the liquidity ratio as required by the borrowing agreement. The classification of the outstanding principal amount has not been affected, as this loan is fully due by 2025. The parent company continues to maintain sufficient financial solvency to meet all its obligations.

**14. OTHER NON-CURRENT LIABILITIES**

	<b>31 March 2025</b> <b>(Un-audited)</b>	31 December 2024 <b>(Audited)</b>
Obligation for post-employment defined benefits	<b>791,482</b>	789,562
Deferred income	<b>534,544</b>	545,847
Deferred government grant	<b>106,072</b>	106,072
Employees' savings plan	<b>78,105</b>	76,421
Others	<b>11,484</b>	11,288
	<b>1,521,687</b>	1,529,190

**15. DIVIDENDS**

During the three-month period ended 31 March 2024, the Board of Directors of the Parent Company in their meeting held on 6 March 2024 announced to distribute cash dividends for second half of 2023 amounting to SR 275 million (SR 1.10 per share).

**16. SUBSEQUENT EVENTS**

On 27 April 2025 corresponding to 29 Shawwal 1446H the Company received direction from Regulatory Authorities for amendment of electricity consumption tariff for establishments that are not eligible for Heavy Consumption of Electricity Tariff in the Industrial, Commercial and Agricultural sectors effective 28 May 2025G.

No other event occurred between 31 March 2025 and the date of approval of the condensed consolidated interim financial statements by the Board of Directors which may have an impact on these interim financial statements.

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**17. COMPARATIVE FIGURES AND RESTATEMENT**

During 2024:

- The Group has reviewed its position in relation to control over JWAP and its accounting treatment as a joint operation. While the arrangement continues to meet the criteria for a Joint Arrangements under IFRS 10 & 11, Joint operation accounting under IFRS 11 was reassessed and concluded to be a joint venture instead. Consequently, the Group has deconsolidated its proportionate share and accounted for the investment in JWAP as a joint venture using the equity method, as required by IAS 28 Investments in Associates and Joint Ventures.
- The Group has recognized the PWPA agreement with JWAP as a lease under the requirement of IFRS 16 which was earlier consolidated proportionally and recorded as owned asset under joint operation accounting of JWAP. Refer to column (adjustment b) in the restatement below.
- The Group has remeasured its lease liabilities in line with the requirements of IFRS 16 Leases from the lease commencement date using the incremental borrowing rate and accordingly adjusted the related right-of-use assets, finance charges on lease liabilities and depreciation charges on right-of-use assets. Refer to column (adjustment c) in the restatement below.
- The Group has restated the accounting for a lease arrangement that was expired in 2019. Refer to column (adjustment d) in the restatement below.

As a result of the above, management has restated comparative statement of income and statement other comprehensive of income for the period ended 31 March 2024 as follows:

**Consolidated statement of income**

**For the period ended 31 March 2024**

	Previously reported	Adjustment (a)	Adjustment (b)	Adjustment (c)	Adjustment (d)	Restated
	SR '000	SR '000	SR '000	SR '000	SR '000	SR '000
<b>Revenue</b>	1,599,216	-	-	-	-	1,599,216
Cost of revenue	(1,399,877)	(44,943)	155,107	34,937	155	(1,254,621)
<b>Gross profit</b>	<b>199,339</b>	<b>(44,943)</b>	<b>155,107</b>	<b>34,937</b>	<b>155</b>	<b>344,595</b>
Administrative expenses	(64,149)	1,006	-	-	-	(63,143)
Impairment loss on trade receivables	(8,268)	-	-	-	-	(8,268)
Other operating income, net	36,614	2,246	-	-	-	38,860
<b>Operating profit</b>	<b>163,536</b>	<b>(41,691)</b>	<b>155,107</b>	<b>34,937</b>	<b>155</b>	<b>312,044</b>
Finance income	18,457	(831)	-	-	-	17,626
Finance cost	(126,876)	16,568	(130,320)	(27,734)	179	(268,183)
Share in results of equity accounted Investees	(1,508)	17,426	-	-	-	15,918
<b>Profit before Zakat</b>	<b>53,609</b>	<b>(8,528)</b>	<b>24,787</b>	<b>7,203</b>	<b>334</b>	<b>77,405</b>
Zakat	(10,819)	1,758	-	-	-	(9,061)
<b>Net profit for the period</b>	<b>42,790</b>	<b>(6,770)</b>	<b>24,787</b>	<b>7,203</b>	<b>334</b>	<b>68,344</b>
<b>Earnings per share:</b>						
Basic and diluted earnings per share attributable to shareholders -SR	0.17	(0.03)	0.10	0.03	0.00	0.27

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**17. COMPARATIVE FIGURES AND RESTATEMENT (Continued)**

**Consolidated statement other comprehensive of income**

For the period ended 31 March 2024	Previously reported	Adjustment (a)	Restated
	SR '000	SR '000	SR '000
<b>Net profit for the period</b>	<b>42,790</b>	<b>25,554</b>	<b>68,344</b>
<b><i>Other comprehensive income for the period</i></b>			
Other comprehensive income items that are or may be reclassified to profit or loss account in subsequent periods:			
Share of gain on cash flow hedge, net of deferred tax	6,974	14	6,988
<b>Total comprehensive income for the period</b>	<b>49,764</b>	<b>25,568</b>	<b>75,332</b>

**Summarized consolidated statement cash flows**

For the period ended 31 March 2024	Previously reported	Restated
	SR '000	SR '000
Net cash generated from operating activities	249,695	352,605
Net cash used in investing activities	(4,597)	(32,426)
Net cash used in financing activities	(345,434)	(466,447)