ACWA POWER COMPANY

(Saudi Listed Joint Stock Company)

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

For the Three and Six Months Periods Ended 30 June 2026

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

Headquarters in Riyadh

شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية
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 30 June 2026 interim condensed consolidated financial statements of ACWA Power Company ("A Saudi Joint Stock Company") and its subsidiaries ("the Group") which comprises:

- the interim condensed consolidated statement of financial position as at 30 June 2026;
- the interim condensed consolidated statement of profit or loss for the three months and six months periods ended 30 June 2026;
- the interim condensed consolidated statement of comprehensive income for the three months and six months periods ended 30 June 2026;
- the interim condensed consolidated statement of cash flows for the six months period ended 30 June 2026;
- the interim condensed consolidated statement of changes in equity for the six months period ended 30 June 2026; 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.

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)

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 June 2026 interim condensed consolidated financial statements of ACWA Power Company ("A Saudi Joint Stock Company") and its subsidiaries ("the Group") 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 Professional Services Company

Dr. Abdullah Hamad Al Fozan
License Number 348

Riyadh on 23 Safar 1448H
Corresponding to: 06 August 2026

ACWA POWER Company

(Saudi Listed Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(All amounts in ⃁ thousands unless otherwise stated)

	Note	As of 30 Jun 2026	As of 31 Dec 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3	**16,618,404**	16,407,155
Intangible assets and goodwill		**2,487,832**	2,509,907
Equity accounted investees	4	**24,392,129**	22,690,118
Net investment in finance lease	5	**11,600,958**	10,739,577
Deferred tax asset		**469,664**	364,015
Fair value of derivatives	18	**445,426**	404,334
Other assets		**603,857**	572,263
Total non-current assets		**56,618,270**	53,687,369
Current assets			
Inventories		**839,915**	767,162
Net investment in finance lease	5	**456,547**	387,523
Fair value of derivatives	18	**99,429**	79,203
Due from related parties	9	**3,319,166**	3,117,125
Accounts receivable, prepayments and other receivables		**5,560,462**	3,856,214
Short term investments	7	**4,038,663**	106,000
Cash and cash equivalents	6	**3,207,236**	8,057,630
Total current assets		**17,521,418**	16,370,857
Total assets		**74,139,688**	70,058,226

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Chairman B.O.D.	CEO	CFO

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

(All amounts in ⃁ thousands unless otherwise stated)

	Note	**As of 30 Jun 2026**	As of 31 Dec 2025
EQUITY AND LIABILITIES			
Equity			
Shareholders' equity			
Share capital		**7,664,905**	7,664,905
Share premium		**11,874,971**	11,874,971
Treasury shares		**(348,138)**	(211,927)
Statutory reserve		**1,399,866**	1,399,866
Retained earnings		**6,854,505**	6,553,917
Proposed dividends	20	**352,586**	-
Equity attributable to owners of the Company before other reserves		**27,798,695**	27,281,732
Other reserves	10	**2,244,227**	1,743,030
Equity attributable to owners of the Company		**30,042,922**	29,024,762
Non-controlling interest		**2,613,341**	2,626,520
Total equity		**32,656,263**	31,651,282
Liabilities			
Non-current liabilities			
Long-term financing and funding facilities	8	**30,045,075**	28,442,759
Due to related parties	9	**943,027**	926,134
Deferred tax liability		**257,485**	226,053
Obligation for equity accounted investees	4	**304,155**	445,382
Fair value of derivatives	18	**16,330**	71,786
Deferred revenue		**169,769**	172,956
Employee end of service benefits' liabilities		**344,835**	329,266
Other liabilities		**620,928**	588,965
Total non-current liabilities		**32,701,604**	31,203,301
Current liabilities			
Accounts payable, accruals and other financial liabilities		**6,720,122**	4,633,852
Short-term financing facilities		**266,228**	328,927
Current portion of long-term financing and funding facilities	8	**1,495,869**	1,875,778
Due to related parties	9	**110,837**	98,991
Fair value of derivatives	18	**4,865**	12,807
Zakat and taxation	11	**183,900**	253,288
Total current liabilities		**8,781,821**	7,203,643
Total liabilities		**41,483,425**	38,406,944
Total equity and liabilities		**74,139,688**	70,058,226

Chairman B.O.D. | CEO | CFO

The attached notes 1 to 22 form an integral part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(All amounts in ⃁ thousands unless otherwise stated)

	Note	For the three months period ended 30 June		For the six months period ended 30 June	
		2026	2025	**2026**	2025
Revenue	12	**2,012,114**	1,747,464	**4,034,417**	3,714,699
Operating costs	21	**(1,035,070)**	(1,012,995)	**(2,130,806)**	(1,879,386)
Gross profit		**977,044**	734,469	**1,903,611**	1,835,313
Development cost, provisions and write offs, net of reversals		**(44,833)**	(19,999)	**(69,970)**	(54,838)
General and administration expenses	21	**(446,964)**	(351,691)	**(859,103)**	(741,306)
Share in net results of equity accounted investees, net of zakat and tax	4	**86,939**	177,934	**163,722**	233,153
Other operating income	13	**143,094**	796,323	**305,864**	934,667
Operating income before impairment loss and other expenses		**715,280**	1,337,036	**1,444,124**	2,206,989
Impairment expenses	13.2	**(49,583)**	(289,681)	**(49,583)**	(297,089)
Other expenses		**(2,642)**	(27,196)	**(4,240)**	(35,650)
Operating income after impairment loss and other expenses		**663,055**	1,020,159	**1,390,301**	1,874,250
Other income		**9,505**	6,574	**15,668**	18,279
Finance income		**84,794**	43,401	**180,340**	109,280
Exchange (loss) / gain, net		**(5,653)**	16,617	**(34,389)**	17,117
Financial charges	14	**(400,530)**	(411,657)	**(790,126)**	(904,844)
Profit before zakat and income tax		**351,171**	675,094	**761,794**	1,114,082
Zakat and tax charge	11.1	**(24,380)**	(87,210)	**(77,077)**	(66,091)
Profit for the period		**326,791**	587,884	**684,717**	1,047,991
Profit attributable to:					
Equity holders of the parent		**308,418**	481,826	**653,174**	908,977
Non-controlling interests		**18,373**	106,058	**31,543**	139,014
		326,791	587,884	**684,717**	1,047,991
Basic earnings per share to equity holders of the parent (⃁)	15.2	**0.40**	0.65	**0.85**	1.23
Diluted earnings per share to equity holders of the parent (⃁)	15.2	**0.40**	0.63	**0.85**	1.19

Chairman B.O.D.

CEO

CFO

The attached notes 1 to 22 form an integral part of these interim condensed consolidated financial statements.

ACWA POWER Company

(Saudi Listed Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(All amounts in ⃁ thousands unless otherwise stated)

	Note	For the three months period ended 30 June		For the six months period ended 30 June	
		2026	2025	**2026**	2025
Profit for the period		**326,791**	587,884	**684,717**	1,047,991
Other comprehensive income / (loss)					
Items that are or may be reclassified subsequently to profit or loss					
Foreign operations – foreign currency translation differences		**(6,207)**	(26,542)	**(12,889)**	(16,834)
Change in fair value of cash flow hedge reserve net of settlements and NCI share		**130,448**	117,098	**167,591**	(347,056)
Settlement of cash flow hedges transferred to profit or loss		**211**	17,051	**1,030**	(68,847)
Cash flow hedge reserve recycled to profit or loss	10, 14	**(40,146)**	-	**(54,054)**	-
Equity accounted investees – share of OCI	4, 10	**324,448**	(173,855)	**443,869**	(955,069)
Items that will not be reclassified to profit or loss					
Re-measurement of defined benefit liability		**(3,568)**	2,005	**(10,640)**	5,929
Total other comprehensive income / (loss)		**405,186**	(64,243)	**534,907**	(1,381,877)
Total comprehensive income / (loss)		**731,977**	523,641	**1,219,624**	(333,886)
Total comprehensive income / (loss) attributable to:					
Equity holders of the parent		**690,497**	427,563	**1,136,470**	(445,347)
Non-controlling interests		**41,480**	96,078	**83,154**	111,461
		731,977	523,641	**1,219,624**	(333,886)

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Chairman B.O.D.	CEO	CFO

The attached notes 1 to 22 form an integral part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(All amounts in ⃁ thousands unless otherwise stated)

	Note	For the six months period ended 30 June 2026	2025
Cash flows from operating activities			
Profit before zakat and tax		**761,794**	1,114,082
Adjustments for:			
Depreciation and amortisation		**337,404**	209,524
Financial charges	14	**844,180**	904,844
Unrealised exchange loss / (gain)		**32,724**	(24,418)
Share in net results of equity accounted investees, net of zakat and tax	4	**(163,722)**	(233,153)
Charge for employees' end of service benefits		**35,931**	33,220
Cash flow hedges recycled to profit or loss	14	**(54,054)**	-
Provisions / (reversal)		**16,650**	(8,280)
Provision for long-term incentive plan		**19,663**	31,394
Gain on disposal of property, plant and equipment		**(1,102)**	(1,745)
Impairment loss	13.2	**49,583**	297,089
Development cost, provisions and write offs, net of reversals		**69,970**	54,838
Finance income from shareholder loans and deposits		**(316,347)**	(217,866)
		1,632,674	2,159,529
Changes in operating assets and liabilities:			
Accounts receivable, prepayments and other receivables		**(1,741,180)**	(982,257)
Inventories		**(82,101)**	(84,799)
Accounts payable, accruals and other liabilities		**2,093,211**	510,662
Due from related parties		**(916,422)**	(233,977)
Due to related parties		**12,800**	(6,241)
Net investment in finance lease		**233,098**	32,785
Deferred revenue		**(3,187)**	333
Net cash from operations		**1,228,893**	1,396,035
Payment of employees' end of service benefits and long-term incentives		**(55,390)**	(17,221)
Zakat and tax paid		**(191,513)**	(101,557)
Dividends received from equity accounted investees	4	**132,327**	110,006
Net cash generated from operating activities		**1,114,317**	1,387,263
Cash flows from investing activities			
Addition to property, plant and equipment, and intangible assets		**(1,916,285)**	(2,064,537)
Repayment proceeds in relation to construction activities		**850,388**	1,087,192
Proceeds on disposal of property, plant and equipment		**24,158**	44,947
Investments in equity accounted investees	4	**(1,367,974)**	(1,796,187)
Finance income from deposits		**180,340**	109,280
Acquisition of subsidiary		**-**	(47,969)
Short-term deposits with original maturities of more than three months	7	**(3,932,663)**	187,800
Cash deconsolidated on loss of control		**-**	(261,026)
Net cash used in investing activities		**(6,162,036)**	(2,740,500)

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Chairman B.O.D. | CEO | CFO

	Note	For the six months period ended 30 June	
		2026	2025
Cash flows from financing activities			
Proceeds from financing and funding facilities, net of transaction cost		**2,614,079**	3,413,668
Repayment of financing and funding facilities		**(1,400,335)**	(653,861)
Purchase of treasury shares		**(136,211)**	-
Financial charges paid		**(773,647)**	(875,225)
Proceeds from termination of hedge instruments		**49,158**	-
Dividends paid		**(96,333)**	(62,548)
Payment against debt buyout for project company		**(64,128)**	(64,128)
Net cash generated from financing activities		**192,583**	1,757,906
Net (decrease) / increase in cash and cash equivalents during the period		**(4,855,136)**	404,669
Cash and cash equivalents at the beginning of the period		**8,057,630**	3,802,995
Net foreign exchange difference		**4,742**	(16,683)
Cash and cash equivalents at the end of the period	6	**3,207,236**	4,190,981

Chairman B.O.D. | CEO | CFO

ACWA POWER Company

(Saudi Listed Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(All amounts in ⃁ thousands unless otherwise stated)

	Share capital	Share premium	Treasury shares	Statutory reserve	Retained earnings	Proposed dividends	Other Reserves (note 10)	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Balance at 1 January 2025	7,148,765	5,335,893	(106,620)	1,214,643	4,872,289	-	3,394,115	21,859,085	2,447,127	24,306,212
Profit for the period	-	-	-	-	908,977	-	-	908,977	139,014	1,047,991
Other comprehensive loss	-	-	-	-	-	-	(1,354,324)	(1,354,324)	(27,553)	(1,381,877)
Total comprehensive income / loss	-	-	-	-	908,977	-	(1,354,324)	(445,347)	111,461	(333,886)
Dividends	-	-	-	-	-	-	-	-	(62,548)	(62,548)
Share-based payment transactions	-	-	-	-	-	-	58,640	58,640	-	58,640
Settlement of treasury shares	-	-	29,920	-	10,235	-	(40,155)	-	-	-
Balance at 30 June 2025	7,148,765	5,335,893	(76,700)	1,214,643	5,791,501	-	2,058,276	21,472,378	2,496,040	23,968,418
Balance at 1 January 2026	**7,664,905**	**11,874,971**	**(211,927)**	**1,399,866**	**6,553,917**	-	**1,743,030**	**29,024,762**	**2,626,520**	**31,651,282**
Profit for the period	-	-	-	-	**653,174**	-	-	**653,174**	**31,543**	**684,717**
Other comprehensive income	-	-	-	-	-	-	**483,296**	**483,296**	**51,611**	**534,907**
Total comprehensive income	-	-	-	-	**653,174**	-	**483,296**	**1,136,470**	**83,154**	**1,219,624**
Dividends	-	-	-	-	-	-	-	-	**(96,333)**	**(96,333)**
Purchase of treasury shares	-	-	**(136,211)**	-	-	-	-	**(136,211)**	-	**(136,211)**
Proposed dividends (note 20)	-	-	-	-	**(352,586)**	**352,586**	-	-	-	
Share-based payment transactions	-	-	-	-	-	-	**17,901**	**17,901**	-	**17,901**
Balance at 30 June 2026	**7,664,905**	**11,874,971**	**(348,138)**	**1,399,866**	**6,854,505**	**352,586**	**2,244,227**	**30,042,922**	**2,613,341**	**32,656,263**

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Chairman B.O.D.

Samir J. Serhan

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CEO

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CFO

The attached notes 1 to 22 form an integral part of these interim condensed consolidated financial statements.

1 ACTIVITIES

ACWA POWER Company (the “Company” or “ACWA” or the “Group” or the “Parent”) 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. Shortly after its establishment in 2008, ACWA POWER acquired ACWA Power Projects (APP), which had been active since 2004.

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. Additionally, the group also has short-term offtaker contracts in certain jurisdictions.

2 BASIS OF PREPARATION AND CHANGES TO GROUP ACCOUNTING POLICIES

2.1 STATEMENT OF COMPLIANCE

These interim condensed consolidated financial statements for the three and six months periods ended 30 June 2026 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 2025. These interim condensed consolidated financial statements for the three and six months period ended 30 June 2026 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 (“⃁”) which is the functional and presentation currency of the Company. All values are rounded to the nearest thousand (“⃁”), 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 2025.

2.2 MATERIAL ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these 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 2025. There are no new standards issued that are effective from 1 January 2026, however, there are a number of amendments to standards which are effective from 1 January 2026 that have been explained in the Group’s annual consolidated financial statements, but they do not have a material effect on these interim condensed consolidated financial statements.

<u>New Standards, Amendment to Standards and Interpretations</u>

IFRS 18 – Presentation and Disclosure in Financial Statements

IFRS 18 Presentation and Disclosure in Financial Statements was issued by the International Accounting Standards Board (IASB) on 9 April 2024 and subsequently endorsed in the Kingdom of Saudi Arabia by the Saudi Organization for Chartered and Professional Accountants (SOCPA). The standard replaces IAS 1 Presentation of Financial Statements and is effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted.

2.2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

New Standards, Amendment to Standards and Interpretations (continued)

IFRS 18 – Presentation and Disclosure in Financial Statements (continued)

The Group has not early adopted IFRS 18 in preparing these interim condensed consolidated financial statements.

The Group has established an implementation project to assess the impact of IFRS 18 on its consolidated financial statements. The assessment includes evaluating the new presentation and disclosure requirements, Management-defined Performance Measures (MPMs), consequential amendments to other IFRS Accounting Standards, and any related changes required to reporting systems, internal processes and financial reporting. The assessment remains ongoing and the expected impacts described below represent management's preliminary assessment as at the reporting date.

a) Statement of Profit or Loss

IFRS 18 introduces a revised structure for the statement of profit or loss, requiring entities to classify income and expenses into defined categories, including operating, investing, financing, income taxes and discontinued operations, based on the nature of the entity's business activities.

IFRS 18 requires the Group to assess whether investing in assets or providing financing to customers is a main business activity. Based on management's initial assessment, the Group is not expected to meet either definition, as its main activities are operating power and desalination assets, investing in related entities, and providing O&M, management and development services.

Furthermore, based on the Group's preliminary assessment:

- IFRS 18 is not expected to have any impact on the recognition or measurement of the Group's assets, liabilities, equity, income or expenses and, accordingly, is not expected to impact the Group's reported net profit or net assets.
- The presentation of the consolidated statement of profit or loss will change through the introduction of newly defined subtotals, including operating profit and profit before financing and income taxes.
- All equity-accounted investee related results, including share of profit/(loss), interest on shareholder loans and other short term advances, impairments and divestment gains/(losses), will be classified within the investing category.
- The presentation of certain other income and expense line items, including foreign exchange differences, impairment losses and other operating income, is expected to change following adoption of IFRS 18. The detailed classification and presentation of these items continues to be assessed as part of the Group's implementation project.

b) Statement of Financial Position

The Group expects certain presentation changes, including separate presentation of goodwill and intangible assets, together with enhanced disclosure requirements.

c) Management-defined Performance Measures (MPMs)

IFRS 18 introduces new disclosure requirements for Management-defined Performance Measures (MPMs), being subtotals of income and expenses used in public communications outside the financial statements to reflect management's view of the Group's financial performance.

The Group is currently assessing which performance measures fall within the scope of the MPM requirements and the related disclosure requirements that will be presented in future financial statements following adoption of IFRS 18.

d) Aggregation and Disaggregation

IFRS 18 provides enhanced guidance on the aggregation and disaggregation of information presented in both the primary financial statements and the accompanying notes to improve the usefulness of financial reporting.

The Group is assessing the impact of these requirements on the presentation and disclosure of financial information, including the level of aggregation of line items and the presentation of information currently included within "other" categories.

2.2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

New Standards, Amendment to Standards and Interpretations (continued)

IFRS 18 – Presentation and Disclosure in Financial Statements (continued)

e) Consequential Amendments

IFRS 18 introduces consequential amendments to other IFRS Accounting Standards, including IAS 7 Statement of Cash Flows.

Based on the Group's preliminary assessment, these amendments are expected to affect the presentation of certain items within the statement of cash flows, including the starting point for reporting operating cash flows under the indirect method and the classification of certain cash flow items. The detailed impact of these consequential amendments continues to be evaluated.

At this stage, the Group expects that IFRS 18 will primarily affect the presentation and disclosure of information within the consolidated financial statements rather than the recognition or measurement of transactions and balances. The implementation assessment remains ongoing, and the Group will continue to evaluate the implications of IFRS 18 ahead of its mandatory effective date of 1 January 2027.

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 the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025.

3 PROPERTY, PLANT AND EQUIPMENT ("PPE")

	Note	**30 Jun 2026**	31 Dec 2025
At the beginning of the period / year		**16,407,155**	12,060,529
Additions during the period / year, net	3.1	**1,869,562**	5,391,741
Depreciation charge for the period / year		**(316,713)**	(560,605)
Disposals / write-offs during the period / year		**(23,056)**	(7,279)
Transfers to finance lease receivables	5	**(1,334,371)**	-
Impairment charge	13.2	**(12,083)**	(127,024)
De-recognition on loss of control of a subsidiary		**-**	(399,750)
Foreign currency translation		**27,910**	49,543
At the end of the period / year		**16,618,404**	16,407,155

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 costs capitalised amounting to ⃁ 102.7 million (31 December 2025: ⃁ 118.2 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	**30 Jun 2026**	31 Dec 2025
At the beginning of the period / year		**22,244,736**	18,701,879
Additions during the period / year, net	4.1	**1,367,974**	4,984,183
Share of results for the period / year		**163,722**	454,780
Share of other comprehensive income / (loss) for the period / year	10	**443,869**	(898,918)
Dividends received during the period / year		**(132,327)**	(997,188)
At the end of the period / year		**24,087,974**	22,244,736
Equity accounted investees shown under non-current assets		**24,392,129**	22,690,118
Net obligations for equity accounted investees shown under non-current liabilities		**(304,155)**	(445,382)
		24,087,974	22,244,736

4.1 The major additions made during the period relates to the Group's investment in Shuaibah Water Electricity Company amounting to ⃁ 777 million (net of consideration adjustments) arising from the acquisition of an additional 32% equity interest. The Group continues to exercise joint control and account for this investment as an equity-accounted investee. Further, the Group made an additional investment in Neom Green Hydrogen Company amounting to ⃁ 479 million.

4.2 Additionally, following the divestment of 55% shareholding of Hamriyah Developer Holding Company, the Group lost control of the entity and has since accounted for its retained investment as equity accounted investee.

4.3 During prior periods, certain covenant breaches, including delays in achieving the Project Commercial Operations Date ("PCOD"), occurred under the lending arrangements of one of the Group's equity-accounted investees. Waiver requests in respect of these covenant breaches remained under review as at 30 June 2026, pending the provision of certain assurances requested by the lenders. Subsequent to the reporting date, PCOD was principally agreed, which will effectively resolve one of the covenant breaches.

5 NET INVESTMENT IN FINANCE LEASE

	Note	**30 Jun 2026**	31 Dec 2025
At the beginning of the period / year		**11,127,100**	11,125,001
Finance income recognized during the period / year	12	**317,181**	390,731
Lease payment received		**(550,279)**	(784,385)
Finance leases recognized during the period / year	3	**1,334,371**	-
Foreign exchange impact		**(124,130)**	639,384
Impairment	13.2	**(37,500)**	(239,863)
Other changes		**(9,238)**	(3,768)
At the end of the period / year		**12,057,505**	11,127,100
Less: Current portion of net investment in finance lease		**(456,547)**	(387,523)
Non-current portion of net investment in finance lease		**11,600,958**	10,739,577

6 CASH AND CASH EQUIVALENTS

	As of 30 Jun 2026	As of 31 Dec 2025
Cash at bank and cash in hand	**1,390,006**	2,039,055
Short-term deposits with original maturities of less than three months	**1,817,230**	6,018,575
Cash and cash equivalents	**3,207,236**	8,057,630

These short-term deposits primarily carry an average rate of return of 4.40% (2025: 4.79%) per annum.

7 SHORT-TERM INVESTMENTS

	As of 30 Jun 2026	As of 31 Dec 2025
Short-term deposits with original maturities of more than three months	**4,038,663**	106,000

These short-term deposits carry an average rate of return of 4.63% (2025: 4.22%) per annum.

8 LONG-TERM FINANCING AND FUNDING FACILITIES

	As of 30 Jun 2026	As of 31 Dec 2025
Recourse debt:		
Financing facilities in relation to projects	**4,269,520**	4,526,765
Corporate facilities	**88,662**	58,021
Sukuk	**4,593,009**	4,591,670
Non-recourse debt:		
Financing facilities in relation to projects	**19,465,404**	17,965,398
Structured bond ("APMI One bond")	**1,363,313**	1,391,406
Loan notes ("APCM bond")	**538,691**	547,777
Rabigh Three Bonds	**1,222,345**	1,237,500
Total financing and funding facilities	**31,540,944**	30,318,537
Less: Current portion of long-term financing and funding facilities	**(1,495,869)**	(1,875,778)
Long-term financing and funding facilities presented as non-current liabilities	**30,045,075**	28,442,759

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 has a hedging policy to maintain more than 70% of its position hedged.

9 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" or "JVs"), 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 directors, the Chief Executive Officer and his direct reports.

The Group transacts business with related parties which include transactions with entities which are either controlled or jointly controlled by 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:

	Note	***Relationships***	***For the three month period ended 30 June***		***For the six month period ended 30 June***	
			2026	2025	**2026**	2025
Transactions:						
Revenue		JVs/ Affiliates	**914,360**	712,725	**1,688,960**	1,392,629
Group services	13	JVs	**73,932**	76,532	**151,341**	161,209
Finance income from shareholder loans	13	JVs	**69,162**	54,919	**136,007**	108,586
Financial charges on loans from related parties	14	JVs /Affiliates	**7,969**	8,944	**15,939**	17,887
Key management personnel compensation						
Long-term incentive plan*		-	**13,301**	4,077	**19,663**	28,992
End of service benefits		-	**472**	853	**1,031**	1,808
Remuneration including director's remuneration		-	**29,161**	36,141	**43,639**	50,600

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

9 RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

	Note	Relationships	As of 30 Jun 2026	As of 31 Dec 2025
Due from related parties				
Current:				
Hajar Efficiency Expansion Company	(a)	Joint venture	**425,193**	1,500
Al Mourjan for Electricity Production Company	(a)	Joint venture	**262,838**	228,266
Noor Energy 1 P.S.C.	(a)	Joint venture	**246,229**	223,352
Hajr for Electricity Production Company	(a)	Joint venture	**226,273**	150,734
Qudra One for Electricity Company	(a)	Joint venture	**197,726**	1,919
Sidra One for Electricity Company	(a)	Joint venture	**196,655**	1,169
ACWA Power Sirdarya	(a)	Joint venture	**188,313**	178,011
Gulf Alliance for Power and Water Company	(b)	Joint venture	**168,433**	-
Dhofar O&M Company LLC	(a)	Joint venture	**161,017**	75,783
ACWA Power Solarreserve Redstone Solar TPP	(a)	Joint venture	**119,579**	116,281
Marafiq Red Sea for Energy	(a)	Joint venture	**89,688**	91,915
ACWA Power Sazagan Solar 1 LLC	(c)	Joint venture	**72,044**	2,904
Ad-Dhahirah Generating Company SAOC	(a)	Joint venture	**58,519**	41,051
Hassyan Energy Phase 1 P.S.C	(a)	Joint venture	**56,126**	74,998
Rabigh Electricity Co.	(a)	Joint venture	**52,383**	44,576
Shuqaiq Services Company for Maintenance	(a)	Joint venture	**50,980**	50,223
Shinas Generating Company SAOC	(c)	Joint venture	**50,451**	35,335
ACWA Power Solafrica Bokpoort CSP Power Plant (Pty) Ltd.	(a)	Joint venture	**48,756**	58,679
Haya Power & Desalination Company B.S.C	(a)	Joint venture	**47,414**	40,191
Sudair 1 Holding Company	(c)	Joint venture	**39,709**	39,685
Neom Green Hydrogen Company	(a)	Joint venture	**36,088**	8,982
Dhofar Desalination Company SAOC	(c)	Joint venture	**34,858**	233
Jazan Integrated Gasification and Power Company	(d)	Joint venture	**34,588**	38,381
Shuaibah Expansion Project Co.	(a)	Joint venture	**32,208**	29,867
Jazlah Water Desalination company	(a)	Joint venture	**28,378**	24,255
AL Dur Power and Water Co BSC	(a)	Joint venture	**21,746**	31,140
ACWA Power Uzbekistan Wind Project Holding Company Ltd	(c)	Joint venture	**20,821**	36,064
Shuaa Energy 3 P.S.C.	(a)	Joint venture	**20,359**	14,670
Shuaibah 3 Water Desalination Company	(a)	Joint venture	**19,890**	20,458
ACWA Power Bokpoort Holdings (Pty) Ltd	(a)	Joint venture	**16,786**	16,792
Taweelah RO Desalination Company LLC	(a)	Joint venture	**14,327**	15,109
ACWA Power Uzbekistan Project Holding Co	(c)	Joint venture	**13,993**	13,946
Rawabi Water Desalination Company	(a)	Joint venture	**13,637**	1,561
Shuaibah Holding Company	(a)	Joint venture	**11,322**	10,111
Hassyan Water Company A P.S.C	(a)	Joint venture	**7,198**	14,712
ACWA Power Bash Wind LLC	(a)	Joint venture	**5,776**	44,611
ACWA Power Dzhankeldy Wind LLC	(a)	Joint venture	**5,554**	44,447
Naqa'a Desalination Plant LLC	(a)	Joint venture	**5,153**	12,543
Al Mourjan Two Electricity Company	(b) (c)	Joint venture	**2,106**	352,539
ACWA Power Bash Wind Project Holding Company	(a)	Joint venture	**1,852**	14,485
Hajar Two Electricity Company	(b) (c)	Joint venture	**1,563**	539,509
Shaqra First Renewable Energy Company	(b) (c)	Joint venture	**987**	46,610
Ras Moheisen First Water Desalination Company	(c)	Joint venture	**507**	63,401
Starah First Renewable Energy Company	(b) (c)	Joint venture	**294**	85,113
Other related parties	(a)	Joint venture	**210,849**	181,014
			3,319,166	3,117,125

9 RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

	Relationships	*As of*	
		30 Jun 2026	31 Dec 2025
Due to related parties			
Non-current:			
Water and Electricity Holding Company CJSC	Affiliate	**857,566**	841,627
Loans from minority shareholders of subsidiaries	-	**85,461**	84,507
		943,027	926,134
Current:			
Loans from minority shareholders of a subsidiary	-	**45,107**	47,003
ACWA Power Africa Holdings (Pty) Ltd	Joint venture	**15,769**	10,303
ACWA Guc Isletme Ve Yonetim Sanayi Ve Ticaret	Joint venture	**15,253**	12,269
Others	Joint ventures	**34,708**	29,416
		110,837	98,991

(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.

(b) This represents shareholder advance against limited notice to proceed (“LNTPs”) agreement signed between project company and EPC contractors to initiate construction activities.

(c) These balances represent advances, receivables (on account of development services) or other fundings provided to related parties that have no specific repayment.

(d) The balance represents interest receivable from an equity accounted investee on account of shareholder loan. The shareholder loan is a long-term interest in the project and classified within investment in equity accounted investees.

10 OTHER RESERVES

Movement in other reserves 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**	**Others**	**Total**
Balance as of 1 January 2025	1,091,955	6,798	2,301,422	(41,554)	62,674	(27,180)	3,394,115
Change in fair value of cash flow hedge reserve net of settlements	(328,389)	-	(1,008,293)	-	-	-	(1,336,682)
Cash flow hedge reserve recycled to profit or loss	(284,022)	-	-	-	-	-	(284,022)
Cash flow hedge reserve recycled to profit or loss upon loss of control of subsidiaries	(36,185)	-	-	-	-	-	(36,185)
Other changes	-	(25,330)	(17,678)	12,398	36,414	-	5,804
Balance as of 31 December 2025	443,359	(18,532)	1,275,451	(29,156)	99,088	(27,180)	1,743,030
Change in fair value of cash flow hedge reserve net of settlements	**117,010**	**-**	**443,869**	**-**	**-**	**-**	**560,879**
Cash flow hedge reserve recycled to profit or loss	**(54,054)**	**-**	**-**	**-**	**-**	**-**	**(54,054)**
Other changes	**-**	**(12,889)**	**-**	**(10,640)**	**17,901**	**-**	**(5,628)**
Balance as of 30 June 2026	**506,315**	**(31,421)**	**1,719,320**	**(39,796)**	**116,989**	**(27,180)**	**2,244,227**

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 financing 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. As at the reporting date, the cash flow hedge reserve includes an amount of ⃁ 181.16 million relating to hedge instruments that have been terminated. The amount is expected to be reclassified to profit or loss in future periods, upon the determination that the forecasted transactions to which the hedges related to are no longer expected to occur.

11 ZAKAT AND TAXATION

11.1 Amounts recognised in profit or loss

	Note	For the three months period ended 30 June		For the six months period ended 30 June	
		2026	2025	**2026**	2025
Zakat charge	11.2	**(29,988)**	(45,038)	**(61,908)**	(75,489)
Tax charge		**(34,910)**	(63,035)	**(60,219)**	(82,029)
Deferred tax credit *		**40,518**	20,863	**45,050**	91,427
Zakat and tax charge reflected in profit or loss		**(24,380)**	(87,210)	**(77,077)**	(66,091)

**Deferred tax credit for the period ended 30 June 2026 mainly includes an impact of foreign exchange movements relating to the Group's subsidiaries in Morocco, whereby foreign currency denominated assets and liabilities are carried in local currency for tax base purposes.*

11.2 Significant zakat and tax assessments

The Company

The Company has filed zakat and tax returns for all the years up to 2025. The Company has closed its position with the Zakat, Tax & Customs Authority (the "ZATCA") until year 2018 and 2022. In 2025, the ZATCA concluded the Zakat assessment for 2021 and 2022 with a zakat demand of ⃁ 31.9 million and ⃁ 11.6 million, respectively. The Company has partially accepted adjustments and paid and settled ⃁ 23.5 million and has filed an appeal against the remaining assessments amount of ⃁ 20 million pertaining to 2021. The Company has created full provision in the books for outstanding assessment.

Further, during May 2026, the ZATCA issued initial findings for the year 2023 amounting to ⃁ 62.7 million. The Company has filed its response against the same. ZATCA is yet to issue formal Zakat assessment and the Company is going through discussions with ZATCA and has provided requested information and awaiting outcome. Should there be any formal Zakat assessment from ZATCA for the year 2023, the Company is confident of defending its position. The Company has not made any provisions against this specific matter. The audits for the year 2024 and 2025 are ongoing.

Subsidiaries and associates

Given the Group's multinational footprint, subsidiaries and associates are subject to varied and complex tax and Zakat regulations across multiple jurisdictions, including the Kingdom of Saudi Arabia ("KSA").

Certain subsidiaries and associates have received assessments from ZATCA and other tax authorities, resulting in additional liability of ⃁ 9.8 million (ACWA share is ⃁ 6.6 million). As of 30 June 2026, the management has recognised provisions of ⃁ 5.8 million (ACWA share is ⃁ 5.2 million) against these assessments where appropriate. Currently, these subsidiaries and associates have lodged objections against these assessments before the appellate authorities. Management believes that adequate provisions been recognised and anticipates no further liabilities arising from these assessments once they are finalized.

Other aspects

The Group meets the revenue threshold of EUR 750 million (⃁ 3,235 million) and is conducting operations in multiple jurisdictions and is therefore within the scope of the Organization for Economic Co-operation and Development ("OECD") Pillar Two Global Minimum Tax framework.

Across relevant jurisdictions, management has undertaken Pillar Two assessments. A jurisdiction-by-jurisdiction summary is set out below:

- **KSA:** Pillar Two legislation has not yet been announced as at 30th June 2026.
- **UAE:** Cabinet Decision No. 142 of 2024 introduced a Domestic Minimum Top-up Tax effective 1 January 2025. Based on the Group's analysis, no additional top-up tax is expected due to transitional safe harbour.
- **Turkey, South Africa, Bahrain, Vietnam, Germany, Singapore, Thailand, Oman, Indonesia, Netherlands:** Each of these jurisdictions has enacted Qualified Domestic Minimum Top Up Taxes ("QDMTT") and /or Income Inclusion Rule ("IIR") and / or Undertaxed Profits Rule ("UTPR") rules applicable from 2024 or 2025. The Group has performed an assessment for each jurisdiction and concluded that, except for Bahrain and Kuwait (see below), no material additional tax liability is expected under Pillar Two.
- **Kuwait:** A QDMTT provision of ⃁ 6.3 million has been recognised for Q2 FY 2026, recovery under the "Change in Law" clause in project agreement is being evaluated.
- **Bahrain:** A QDMTT provision of ⃁ 21.2 million has been recognised for Q2 FY 2026, of which ⃁ 9.3 million is expected to be recovered under the "Change in Law" clause in project agreements.

11 ZAKAT AND TAXATION (CONTINUED)

11.2 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.

Additionally, from 1 January 2026, the OECD Pillar Two framework enters a new phase with the transition from transitional reliefs to permanent Safe Harbour mechanisms under the Side-by-Side (SbS) package. Given that certain countries including Saudi Arabia (UPE jurisdiction) have not implemented a qualifying Pillar Two regime and does not meet the criteria for a Safe Harbour, the Group is potentially exposed to Undertaxed Profit Rule ("UTPR") allocations in implementing jurisdictions. However, due to significant legal uncertainty, evolving guidance, and operational complexities, management believes any such liabilities related to Pillar 2 liability with respect to UTPR is remote.

Further due to the continued uncertainties and on-going developments in respect to Pillar 2, more particularly in relation to UTPR, in other countries in the world, 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.

12 REVENUE

	Note	For the three months period ended 30 June		For the six months period ended 30 June	
Revenue by product:		**2026**	2025	**2026**	2025
Electricity related revenue					
Development, procurement and construction		**122,203**	251,863	**349,248**	705,125
Capacity charges under the lease	12.3	**201,421**	255,235	**386,847**	487,132
Energy output services		**278,185**	124,992	**494,491**	234,792
Finance lease income	12.4	**174,400**	77,552	**270,117**	137,190
Operation and maintenance		**820,251**	645,202	**1,531,468**	1,265,047
Sale of shared facilities		**-**	-	**151,114**	-
Other services		**2,713**	-	**3,068**	-
		1,599,173	1,354,844	**3,186,353**	2,829,286
Water related revenue					
Development, procurement and construction		**-**	-	**-**	72,750
Capacity charges under the lease	12.2, 12.3	**247,147**	226,936	**490,259**	450,456
Water output services	12.2	**42,997**	48,932	**95,751**	126,957
Finance lease income	12.4	**23,212**	24,098	**47,064**	48,153
Operation and maintenance		**111,754**	85,488	**207,294**	169,644
		425,110	385,454	**840,368**	867,960
Other services	12.1	**(12,169)**	7,166	**7,696**	17,453
		2,012,114	1,747,464	**4,034,417**	3,714,699

Revenue by lease arrangements:

Operating lease	**448,568**	482,171	**877,106**	937,588
Finance lease	**197,612**	101,650	**317,181**	185,343
Lease component	**646,180**	583,821	**1,194,287**	1,122,931
Non-lease component	**1,365,934**	1,163,643	**2,840,130**	2,591,768
	2,012,114	1,747,464	**4,034,417**	3,714,699

12 REVENUE (CONTINUED)

Revenue by energy sources:	For the three months period ended 30 June 2026	2025	For the six months period ended 30 June 2026	2025
Natural gas	**730,566**	782,997	**1,438,920**	1,379,301
Heavy fuel oil	**324,851**	311,226	**642,995**	636,765
Solar	**513,988**	317,775	**864,919**	978,422
Wind	**229,585**	134,233	**641,952**	231,649
Electricity	**225,293**	194,067	**437,935**	471,109
Others	**(12,169)**	7,166	**7,696**	17,453
	2,012,114	1,747,464	**4,034,417**	3,714,699

Refer to note 17 for the geographical distribution of revenue.

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

12.2 Includes revenue from sale of steam of ⃁ 101.4 million for the three months and ⃁ 201.4 million for the six months periods ended 30 June 2026 (30 June 2025: ⃁ 94.2 million for three months and ⃁ 194 million for six months).

12.3 This represents revenue in relation to the Group's operating lease assets.

12.4 The finance lease income includes energy generation shortfall amounting to ⃁ 0.5 million for the three months and shortfall of ⃁ 35.5 million for the six months period ended 30 June 2026 (30 June 2025: Shortfall of ⃁ 24.6 million for the three months and shortfall of ⃁ 63.9 million for the six months). Energy generation shortfalls 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 three months and six months periods ended 30 June 2026 is ⃁ 136.2 million and ⃁ 279.1 million respectively (30 June 2025: ⃁ 110.6 million for three months and ⃁ 212.5 million for six months).

13 OTHER OPERATING INCOME

	Note	For the three months period ended 30 June 2026	2025	For the six months period ended 30 June 2026	2025
Group services	13.1	**73,932**	76,532	**151,341**	161,209
Finance income from shareholder loans	9	**69,162**	54,919	**136,007**	108,586
Performance liquidated damages and insurance income	13.2	**-**	664,872	**18,516**	664,872
		143,094	796,323	**305,864**	934,667

13.1 Group services amounting ⃁ 151.3 million (30 June 2025: ⃁ 161.2 million) relates to management advisory, and ancillary support provided by the Group to its various equity accounted investees.

13.2 During the previous period, one of the Group's subsidiaries settled ⃁ 318 million claim with the EPC contractor, related to delays and performance issues during the project's commissioning and early operations. Further, the subsidiary had also finalized an insurance claim of ⃁ 246 million covering historical losses incurred by it due to the plant performance issues.

Further, the same Group's subsidiary recognized an impairment charge of ⃁ 37.5 million represented by loss of generation, due to a leakage in its molten salt tank. The subsidiary also incurred capital expenditure for the construction of a new molten salt tank, which was assessed to be fully impaired as at 30 June 2026 amounting to ⃁ 12.0 million. As a result, a total impairment charge of ⃁ 49.5 million was recognized in the current period (30 June 2025: ⃁ 297.0 million).

14 FINANCIAL CHARGES

		For the three months period ended 30 June		For the six months period ended 30 June	
	Note	**2026**	2025	**2026**	2025
Financial charges on borrowings		**405,528**	289,546	**774,882**	747,854
Financial charges on letters of guarantee		**14,478**	11,303	**29,305**	24,818
Financial charges on loans from related parties	14.1	**7,969**	8,944	**15,939**	17,887
Cashflow hedge reserve recycled to profit or loss	14.2	**(40,146)**	91,972	**(54,054)**	91,972
Other financial charges		**12,701**	9,892	**24,054**	22,313
		400,530	411,657	**790,126**	904,844

14.1 This represents discount unwinding, on long term related party balances amounting to ⃁ 15.9 million (2025: ⃁ 17.8 million).

14.2 During the period, a gain of ⃁ 54.1 million (30 June 2025: loss of ⃁ 91.9 million) was recognized in the condensed consolidated statement of profit or loss, relating to the release of the cash flow hedge reserve. This release occurred as the hedged risk is no longer expected to occur, resulting in the discontinuation of hedge accounting. Accordingly, the cumulative gains previously recognized in other comprehensive income were reclassified to profit or loss.

15 EARNINGS PER SHARE

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

	For the three months period ended 30 June		For the six months period ended 30 June	
	2026	2025	**2026**	2025
Issued ordinary shares as at	**766,491**	732,562	**766,491**	732,562
Weighted average number of ordinary shares outstanding during the period ended	**766,491**	736,990	**766,491**	736,990
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**766,491**	766,490	**766,491**	766,490

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	**308,418**	481,826	**653,174**	908,977
Basic earnings per share to equity holders of the Parent (in ⃁)	**0.40**	0.65	**0.85**	1.23
Diluted earnings per share to equity holders of the Parent (in ⃁)	**0.40**	0.63	**0.85**	1.19

16 CONTINGENCIES AND COMMITMENTS

As of 30 June 2026, the Group had outstanding contingent liabilities in the form of letters of guarantee, performance guarantees and corporate guarantees issued in relation to bank facilities for project companies amounting to ⃁ 30.52 billion (31 December 2025: ⃁ 25.83 billion). The amount also includes the Group's share of equity accounted investees' commitments.

16 CONTINGENCIES AND COMMITMENTS (CONTINUED)

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

	As of 30 June 2026	As of 31 Dec 2025
Guarantees in relation to equity bridge loans and equity LCs *	**17,340,473**	12,659,200
Guarantees on behalf of joint ventures	**27,339**	98,852
Debt service reserve account (“DSRA”) standby LCs	**2,078,990**	1,932,483
Guarantees for funded facilities of joint ventures	**40,666**	41,662
Financial Obligations	**19,487,468**	14,732,197
Performance / development securities and completion support Letters of Credit (“LCs”)	**7,621,820**	7,279,377
Guarantees on behalf of joint ventures	**3,193,061**	3,572,647
Bid bonds for projects under development stage	**222,118**	245,896
Performance Obligations	**11,036,999**	11,097,920
Total Contingencies and Commitments	**30,524,467**	25,830,117

* This primarily represents the Group’s equity commitments towards its joint ventures (the “Investees"). In addition, the Group’s other future equity commitments towards the Investees amounts to ⃁ 4.67 billion (31 December 2025: ⃁ 9.68 billion).

The Group also has a loan commitment amounting to ⃁ 354.8 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.

There is a formal dispute between one of the project companies and its EPC Contractor relating to certain claims amounting to ⃁ 487.5 million (ACWA share ⃁ 195.0 million). As the matter is currently subject to arbitration and the outcome cannot be determined as of 30 June 2026 because the decision is awaited, therefore the group has not recorded any provisions. The Group will continue to monitor the progress of the arbitration until a final decision is reached.

17 OPERATING SEGMENTS

The Group has determined that the Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”) jointly act as 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.

17 OPERATING SEGMENTS (CONTINUED)

Key indicators by reportable segment

Revenue

	For the three months period ended 30 June		For the six months period ended 30 June	
	2026	2025	**2026**	2025
(i) Thermal and Water Desalination	**1,426,126**	1,157,828	**2,665,267**	2,622,883
(ii) Renewables	**598,157**	582,470	**1,361,454**	1,074,363
(iii) Others	**(12,169)**	7,166	**7,696**	17,453
Total revenue	**2,012,114**	1,747,464	**4,034,417**	3,714,699

Operating income before impairment and other expenses

	For the three months period ended 30 June		For the six months period ended 30 June	
	2026	2025	**2026**	2025
(i) Thermal and Water Desalination	**631,164**	560,405	**1,203,111**	1,428,655
(ii) Renewables	**320,473**	1,021,234	**669,564**	1,234,043
(iii) Others	**(10,315)**	5,982	**430**	15,817
Total	**941,322**	1,587,621	**1,873,105**	2,678,515
Unallocated corporate operating income / (expenses)				
General and administration expenses	**(254,780)**	(254,202)	**(502,126)**	(499,036)
Depreciation and amortization	**(11,831)**	(13,988)	**(20,582)**	(22,681)
Provision for long-term incentive plan	**(13,301)**	(6,479)	**(19,663)**	(31,394)
Provision / (reversal) on due from related party	**-**	(57)	**-**	5,036
Other operating income	**53,870**	24,141	**113,390**	76,549
Total operating income before impairment and other expenses	**715,280**	1,337,036	**1,444,124**	2,206,989

Key indicators by reportable segment

Segment profit / (loss)

	Note	For the three months period ended 30 June		For the six months period ended 30 June	
		2026	2025	**2026**	2025
(i) Thermal and Water Desalination		**451,926**	348,631	**773,882**	995,208
(ii) Renewables		**264,464**	812,975	**416,962**	848,231
(iii) Others		**(48,158)**	6,886	**(32,656)**	17,513
Total		**668,232**	1,168,492	**1,158,188**	1,860,952
Reconciliation to profit for the period					
General and administration expenses		**(254,780)**	(233,866)	**(502,126)**	(478,700)
Income in relation to termination of hedging instruments	14	**40,146**	-	**54,054**	-
Provision for long-term incentive plan		**(13,301)**	(6,479)	**(19,663)**	(31,394)
Impairments	13.2	**(49,583)**	(289,681)	**(49,583)**	(297,089)
Corporate social responsibility contribution		**(2,642)**	(27,196)	**(4,240)**	(35,650)
Provision / (reversal) on due from related party		**-**	(57)	**-**	5,036
Discounting impact on loan from shareholder	14	**(7,969)**	(8,944)	**(15,939)**	(17,887)
Depreciation and amortization		**(11,831)**	(13,988)	**(20,582)**	(22,681)
Other operating income		**53,870**	24,141	**113,390**	76,549
Other (expenses) / income		**(48,828)**	968	**43,399**	41,090
Financial charges and exchange (loss) / gain, net		**(52,958)**	867	**(61,690)**	(8,668)
Provision for zakat and tax on prior year assessments		**-**	(21,800)	**-**	(21,800)
Zakat and tax charge		**6,435**	(4,573)	**(10,491)**	(21,767)
Profit for the period		**326,791**	587,884	**684,717**	1,047,991

17 OPERATING SEGMENTS (CONTINUED)

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		Non-current assets	
	30 Jun 2026	30 Jun 2025	**30 Jun 2026**	31 Dec 2025
Kingdom of Saudi Arabia	**1,864,966**	1,937,844	**27,229,736**	26,037,729
Middle East and Asia	**1,758,096**	1,427,469	**18,258,031**	17,242,932
Africa	**411,355**	349,386	**11,130,503**	10,406,708
	4,034,417	3,714,699	**56,618,270**	53,687,369

Information about major customers
During the period, one customer (2025: 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	
	30 Jun 2026	30 Jun 2025
Customer A	**589,207**	567,919
Customer B	**-**	282,641

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

18 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 30 June 2026					
Financial liabilities / (asset)					
Fair value of derivatives used for hedging	**(523,660)**	**-**	**(523,660)**	**-**	**(523,660)**
Long-term financing and funding facilities	**31,540,944**	**1,372,046**	**19,300,770**	**10,876,862**	**31,549,678**
As of 31 December 2025					
Financial liabilities / (asset)					
Fair value of derivatives used for hedging	(398,944)	-	(398,944)	-	(398,944)
Long-term financing and funding facilities	30,318,537	1,463,620	17,723,281	11,203,850	30,390,751

18 FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value of other financial instruments have 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

** 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.*

19 GEOPOLITICAL DEVELOPMENTS

The Group continues to monitor the regional geopolitical developments and their potential impact on Saudi Arabia and the broader GCC environment given that the majority of the Group's operations are conducted within GCC region. While the situation remains evolving, the Group maintains a robust operational framework to manage associated risks. These developments have not had a material impact on Group's financial statements for the period ended 30 June 2026; however, given the evolving nature of the conflict, the potential long-term impact on the Group's business will continue to be assessed on future reporting dates.

20 SUBSEQUENT EVENTS

Subsequent to 30 June 2026, the Board of Directors of the Company recommended the distribution of a cash dividend of ⃁ 0.46 per share, totalling ⃁ 352,585,629 to eligible shareholders in respect of the year ended 31 December 2025. The proposed dividend is subject to approval by the shareholders at the General Assembly meeting, which is scheduled to be held on 12 Rabi ul Awwal 1448H, corresponding to 25 August 2026.

Further, the Group in accordance with the nature of its business has entered into or is negotiating various agreements. Management does not expect these to have any material impact on the Group's consolidated results and financial position as of the reporting date.

21 COMPARATIVE FIGURES

Certain figures for the prior period have been reclassified or adjusted to conform to the presentation in the current period. Summary of reclassification/adjustments are as follows:

- Reclassification from operating costs to general and administration expenses of ⃁ 20.34 million.

22 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 23 Safar 1448H, corresponding to 6 August 2026.