شـركة الكهرباء والمـــاء القطريــة ش.م.ع.ق

QATAR ELECTRICITY & WATER CO. Q.P.S.C.

ANNUAL REPORT

2024

بسم الله الرحمن الرحيم

QATAR ELECTRICITY & WATER COMPANY Q.P.S.C.
ANNUAL REPORT 2024

His Highness
Sheikh Hamad bin Khalifa Al-Thani
The Father Amir

His Highness
Sheikh Tamim bin Hamad Al-Thani
The Amir of the State of Qatar

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H.E. Eng. Saad bin Sherida Al- Kaabi
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CHAIRMAN OF QEWC

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VICE CHAIRMAN

BOARD MEMBERS

H.E. Sh. Saoud bin Khalid Al-Thani

H.E. Sh. Saheim bin Khalid Al-Thani

H.E. Sh. Hamad bin Jassim Al-Thani

H.E. Sh. Hamad bin Jabor Al-Thani

Mr. Nasser bin Khalil Al-Jaidah

Mr. Adel Ali bin Ali

Mr. Fahad bin Abdulla Al-Mana

Mr. Abdulla bin Khalifa Al-Rabban

Mr. Mohammed bin Nasser Al-Hajri
MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER

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CHAIRMAN'S FOREWORD

HIS EXCELLENCY ENG.
SAAD BIN SHERIDA AL-KAABI

Minister of State for Energy Affairs

Chairman of the Board of Directors of Qatar Electricity and Water Company

Dear Shareholders,

On my behalf and on behalf of the members of the Board of Directors, I am pleased to welcome you to the annual meeting of the Ordinary General Assembly of Qatar Electricity and Water Company, to review the performance and achievements of the company during the fiscal year ended on December 31, 2024.

The close cooperation and coordination between the Company and Qatar General Electricity and Water Corporation (Kahramaa) has resulted in enhancing the country's production capacity of electricity and water and contributed to supporting the growth of the national economy. This has further consolidated the company's position and its leading role in production of electricity and water according to the latest international specifications and efficiency standards, and in fulfilling its responsibility towards shareholders and society, in line with its vision and mission.

The company, in cooperation with QatarEnergy, Kahramaa and a group of international developers, signed agreements to develop the Ras Abu Fontas Power Project with a production capacity of 2,400 MW of electricity and 110 million gallons per day of drinking water. This project will contribute to 23% of the Country's total electricity production and 20.4% of water production capacity. The project is characterized by low fuel consumption rates, which supports the Country's efforts to reduce carbon emissions and create a more sustainable environment.

The company, in collaboration with Kahramaa, submitted a proposal to build a 500 MW peak-time power generation station, which will increase the flexibility and ability of the network to absorb and meet the demand for electricity during peak hours.

In terms of foreign investments, the company continued its expansion in global markets and diversified its investment portfolio in the energy and renewable energy sector. It acquired solar energy projects in Brazil and is in the process of developing a power generation project in Uzbekistan with a production capacity of up to 1,590 MW, in which the company holds 35% share. By the end of 2024, Qatar Electricity and Water Company's assets were diversified in a number of countries, with gross production capacities of 20 GW of electricity and 541 million gallons of water per day.

Qatar Electricity and Water Company achieved strong operational and financial performance during 2024, maintaining excellent operational results, resulting in revenues of QAR 2,999 million and net profits of QAR 1,416 million.

Therefore, the Board of Directors of the Company recommends distributing 61% of the Company's net profits, equivalent to 0.78 dirhams per share as dividend to shareholders.

In conclusion, I can only extend my sincere thanks and great gratitude to His Highness Sheikh Tamim bin Hamad Al-Thani, Emir of the country, "may God protect and preserve him", for his wise vision, guidance and continuous support.

I also extend my thanks to the honorable shareholders for their support to the Company's journey towards achieving its goals. I highly appreciate the efforts of the Board of Directors, the Executive Management Team, and the employees of the company and its subsidiaries for their great efforts, dedication and sincerity.

May the peace, mercy and blessings of God be upon you.

COMPANY OBJECTIVES

Qatar Electricity and Water Company is one among the first few private sector companies in the region working in the field of electricity production and water desalination.

VISION:

To be the leading power generation and water desalination company in the Middle East.

MISSION:

Our mission is to:

- Motivate our employee to work congenially towards positive growth.
- Partnering with our customers to ensure success.
- Operate in a clean and safe environment.
- Create wealth for our shareholders.

VALUES

SOCIAL RESPONSIBILITY

We value the safety and quality of life of our employees and respect the environment of the surrounding community where we operate.

INTEGRITY

We are responsible for our decisions and actions. We honor our commitments. We are trustful and ethical. We treat others as we would like to be treated ourselves.

INNOVATION

We create innovative processes and solutions to boost our productivity and meet our customers' requirements.

TEAMWORK

We value our employees multicultural thinking and experience.

OVERVIEW OF QATAR ELECTRICITY & WATER COMPANY 2024

Qatar Electricity and Water Company (QEWC) is a public Qatari joint-stock company established in 1990 under the provisions of the Qatari Commercial Companies Law and its amendments.

The company was founded with the purpose of owning and operating electricity generation and water desalination plants and selling its products. It is one of the pioneering private sector companies in the region working in the field of electricity generation and water desalination.

At the time of its establishment, the company's capital was one billion Qatari Riyals, distributed into one hundred million shares of QAR 10 per share. Following a decision by the Extraordinary General Assembly on February 25, 2014, to distribute ten million free shares to shareholders at a rate of one share per every ten shares held, the company's capital was amended to one billion and one hundred million Qatari Riyals, fully paid and distributed across one hundred and ten million shares. The Government of the State of Qatar and its affiliated institutions own approximately 60% of the capital, while the remaining 40% is owned by corporate and individual shareholders. In line with a decision by the Extraordinary General Assembly on March 6, 2019, the nominal value of each share was amended to QAR 1 instead of QAR 10, resulting in the total number of shares being one billion and one hundred million.

To further enhance investor confidence in the market, a decision by the Extraordinary General Assembly on March 14, 2023, set the ceiling for non-Qatari ownership in the company to 100%. To support the national economy, which is one of the core principles of Qatar's National Vision 2030, based on the decision of Extraordinary General Assembly meeting on September 8, 2024, the company decided to distribute interim dividends for the period ending on June 30, 2024. The Board of Directors was authorized to distribute interim dividends whenever it is determined that sufficient distributable profits are available, in accordance with the regulations of the Qatar Financial Markets Authority and the provisions of the Commercial Companies Law and its amendments.

The company is managed by a Board of Directors representing all shareholders, ensuring the company's interests and those of its stakeholders are met in accordance with the Commercial Companies Law and the regulations of the Qatar Financial Markets Authority. The current board was elected and appointed on March 14, 2023, for a term of three years. The board consists of eleven members, chaired by His Excellency Engineer Saad bin Sherida Al-Kaabi, Minister of State for Energy Affairs.

Qatar Electricity and Water Company is one of the largest companies in the field of energy production and water desalination in the Middle East and North Africa region. It is the main provider of electricity and desalinated water in the State of Qatar. The company has experienced significant growth over the past decade, in line with the rapid growth of the Qatari economy, the increasing population, and the corresponding rise in demand for electricity and water. The total assets of the company amount to approximately 23 billion Qatari Riyals.

The company owns and operates a number of key facilities for electricity generation and water desalination, which are:

1. **Ras Abu Fontas A1:** with a production capacity of 45 million gallons of water per day.
2. **Ras Abu Fontas A2:** with a production capacity 36 million gallons of water per day.
3. **Ras Abu Fontas A3:** with a production capacity of 36 million gallons of water per day.
4. **Ras Abu Fontas B:** with a production capacity of 609 MW of electricity and 33 million gallons of water per day.
5. **Ras Abu Fontas B1:** with a production capacity of 376.5 MW of electricity.
6. **Ras Abu Fontas B2:** with a production capacity of 567 MW of electricity and 30 million gallons of water per day.

The company also holds significant stakes in several power and water production companies in Qatar:

1. **80% in Ras Laffan Power Company:** with a production capacity of 756 MW of electricity and 40 million gallons of water per day.
2. **55% in Qatar Power:** with a production capacity of 1,025 MW of electricity and 60 million gallons of water per day.
3. **40% in Mesaieed Power Company:** with a production capacity of 2,007 MW of electricity.
4. **45% in Ras Girtas Power Company:** One of the largest projects in the region, with a production capacity of 2,730 MW of electricity and 63 million gallons of water per day.
5. **60% in Umm Al Houl Power Company:** with a production capacity of 2,520 MW of electricity and 198 million gallons of water per day.
6. **100% in Nebras Power:** A global power development and investment company headquartered in Doha, Qatar.

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Through Nebras Power, QEWC has investments in several international power generation projects:

1. **9.8% in Sur Power Station, Oman:** with a production capacity of 2,000 MW of electricity.
2. **9.9% in Amin Solar Power Station, Oman:** with a production capacity of 105 MW of electricity.
3. **50% in Amman East Power Station, Jordan:** with a production capacity of 370 MW of electricity.
4. **50% in IPP4 Power Station, Jordan:** with a production capacity of 241 MW of electricity.
5. **24% in AM Solar Power Station, Jordan:** with a production capacity of 40 MW of electricity.
6. **35% in Shams Ma'an Solar Power Station, Jordan:** with a production capacity of 52.5 MW of electricity.
7. **26.0% in Paiton Power Station, Indonesia:** with a production capacity of 2,045 MW of electricity.
8. **24% in Unique Power Station, Bangladesh:** with a production capacity of 584 MW of electricity.
9. **33.33% in Syrdarya II CCGT Power Station, Uzbekistan:** Under construction, with a capacity of 1,572 MW of electricity.
10. **35% in Surkhandarya CCGT Power Station, Uzbekistan:** Under construction, with a capacity of 1,590 MW of electricity.
11. **49% in Stockyard Hill Wind Farm, Australia:** with a production capacity of 527.6 MW of electricity.
12. **49% in Moorabool Wind Farm, Australia:** with a production capacity of 312 MW of electricity.
13. **75% in Zen Solar Projects, Netherlands:** with a production capacity of 31 MW of electricity.
14. **40% in Terneuzen Solar Power Station, Netherlands:** with a production capacity of 60 MW of electricity.
15. **40% in Duisterweg Solar Power Station, Netherlands:** with a production capacity of 15 MW of electricity.
16. **75% in Terslav Solar Power Station, Ukraine:** with a production capacity of 20 MW of electricity.
17. **75% in Sun Power Solar Power Station, Ukraine:** with a production capacity of 6.5 MW of electricity.
18. **4.02% in UKGIRL Offshore Wind Farm Portfolio, United Kingdom:** with a production capacity of 2,400 MW of electricity.
19. **80% in Jaiba Solar Power Station, Brazil:** with a production capacity of 88.5 MW of electricity.
20. **80% in Salgueiro Solar Power Station, Brazil:** with a production capacity of 90 MW of electricity.
21. **80% in Francisco Solar Power Station, Brazil:** with a production capacity of 99 MW of electricity.
22. **80% in Lavras Solar Power Station, Brazil:** with a production capacity of 135 MW of electricity.
23. **50% in several hydroelectric Power Stations in Brazil:** with a production capacity of 67.3 MW of electricity.

ATTRACTIVE FEATURES AND DRIVING FACTORS:

The company stands out for its stable market position and low risks within the infrastructure and utilities sector in Qatar. Its shares are stable, with the potential for market value growth, especially following the noticeable progress in the local economy and projects completed outside Qatar.

Additionally, the consistent dividend payout is a key positive factor. Some of the most attractive and motivating factors include:

- Steady Revenue Stream: Qatar Electricity and Water Company benefits from a distinctive revenue stream, particularly due to its long-term electricity and water purchase agreements with the Qatar General Electricity and Water Corporation (Kahramaa).
- Fuel Supply Contracts: The company holds long-term fuel supply contracts with QatarEnergy for all its plants in Qatar, ensuring stability for the largest variable in operational expenses and thus stabilizing production costs. QatarEnergy is a major, globally trusted supplier of natural gas, both in its gaseous form and as LNG, ensuring a reliable and efficient gas supply to the generation and desalination plants, meeting high global environmental standards.
- Expansion Opportunities: With its long history since its establishment in 1990 and its well-established reputation, the company has expansion opportunities outside Qatar in the Middle East, North Africa, East and Central Asia, Europe, and Latin America. Successful projects in these regions would significantly enhance the company's valuation.
- Attractive Dividend Policy: The company's balanced annual profit distribution policy aligns with its financial performance.

FINANCIAL POLICY:

The company adopts a long-term policy to increase operational revenues, as evidenced by its accumulated annual results. The credit largely goes to operational efficiency and optimal control over production costs. The company has consistently achieved steady increase in financial results, allowing it to regularly distribute dividends to shareholders, which has positively impacted its stock price in the local market. This approach has helped maintain stock stability despite price fluctuations. Additionally, the company has implemented a balanced policy for distributing profits to meet its financial obligations and fund new projects.

SOCIAL RESPONSIBILITY:

The company believes in its role and responsibility to contribute to community development and environmental preservation. It actively participates in corporate social responsibility initiatives and supports various health, educational, cultural, artistic, social, humanitarian, sports, and environmental institutions. The company also sponsors and supports scientific and intellectual conferences aimed at enhancing and developing civil society organizations. In 2024, its total contributions amounted to QAR one million.

CREDIT RATING:

According to Moody's annual credit rating for 2024, the company maintains a rating of **A1**, same as the previous year.

CONCLUSION:

The company is committed to developing its activities and projects according to the highest international standards and practices. It continues to adhere to transparency and disclosure principles towards the public and shareholders, aiming to achieve the highest profit levels for its investors. The company has achieved high performance levels, contributing to the nation's overall development, which has positively impacted its revenue and distributed profits. With strong financial positions, trust from shareholders, the esteemed board of directors and a highly skilled team working in unison, the company is well-positioned to achieve its goals.

REPORT OF THE BOARD OF DIRECTORS

FOR THE FISCAL YEAR ENDED ON DECEMBER 31, 2024

The Board of Directors of Qatar Electricity and Water Company (QEWC) is pleased to present the annual report to the esteemed shareholders, detailing the company's activities and financial performance for the fiscal year ended on December 31, 2024.

This report has been prepared in accordance with the requirements of the Commercial Companies Law, the Governance System, the Stock Exchange Listing and Registration Rules, and the company's Articles of Association. It includes the audited financial statements and accompanying notes, as well as the governance report for the same year, documenting its activities and achievements, including those of its subsidiaries and associates, and highlighting the company's future vision to ensure the sustainable supply of electricity and water to all public and private facilities in the country.

FIRST: **FINANCIAL RESULTS**

Operating revenues for 2024 amounted to QAR 2,999 million compared to QAR 2,911 million for 2023, an increase of 3%. Share of profit from joint venture companies and associates amounted to QAR 680 million compared to QAR 672 million for 2023. Interest income amounted to QAR 237 million compared to QAR 312 million for 2023. Other income amounted to QAR 232 million compared to QAR 283 million for 2023.

The cost of sales for the year 2024 amounted to QAR 2,004 million compared to QAR 1,902 million for the year 2023, an increase of 5%. General and administrative expenses amounted to QAR 258 million compared to QAR 285 million in 2023, a decrease of 9%. Financing expenses amounted to QAR 444 million compared to QAR 507 million for the year 2023, a decrease of 12%. Income tax expenses during the year amounted to QAR 4 million and the loss from discontinued operations amounted to QAR 1 million. The net profit attributable to minority shareholders amounted to QAR 20 million compared to QAR 9 million for the year 2023.

Based on the above, the net profit of Qatar Electricity and Water Company for the year 2024 amounted to QAR 1,416 million compared to QAR 1,551 million for the year 2023, a decrease of 9%.

(The honorable shareholders can view the detailed financial statements approved by the Board of Directors and the external auditor of the company in the Annual Report) Based on the financial results for the year 2024, the Board of Directors recommends to the Company's General Assembly to approve payment of cash dividends to shareholders for the fiscal year 2024 at a rate of 78% of the nominal value of each share.

SECOND: **COMPANY PROJECTS AND FUTURE PLANS**

QEWC places the highest priority on continuously meeting Qatar's electricity and water needs through the operation, maintenance, and management of its power and water production facilities. Our team is committed to ensuring that all plants operate according to the highest standards of efficiency and reliability, thereby meeting the country's needs without any interruption.

The company also seeks to implement projects initiated by the Qatar General Electricity and Water Corporation (Kahramaa) to meet Qatar's future electricity and water requirements, thereby enhancing energy security and meeting anticipated growth.

Internationally, the company's international investment arm, Nebras Power, is executing projects outside Qatar that align with the company's expansion objectives, support its presence in global markets, and contribute to its growth strategy.

QEWC's Asset Management Department monitors the performance of its portfolio of assets, which includes diverse generation technologies, with a gross capacity of 20 GW of power and 541 MIGD of water, across 10 countries. This includes asset development and acquisition, improving technical, operational, and commercial performance to maximize economic value, enhance asset performance, and ensuring each asset effectively contributes to the overall business objectives of the Qatar Electricity and Water Company.

In recent years, QEWC has achieved significant milestones through various projects, fulfilling key objectives both locally and internationally. Looking ahead, the company aims to build on these achievements by expanding its energy production capabilities and increasing its share in the global energy market. Through these efforts, QEWC continues to strive for sustainable growth and support Qatar's development goals.

Below is an overview of the company's projects at both local and international levels, reflecting QEWC's ongoing commitment to expansion and growth.

Locally:

The company's future investment plans are designed to meet the growing demand for electricity and water by establishing high-capacity plants and replacing older, less efficient plants with new and more efficient ones. The company operates in alignment with the state's directions and Qatar National Vision 2030 to utilize all available opportunities to diversify energy sources.

- **Facility (E) Project "Ras Abu Fontas Power Company":** At the request of Kahramaa, the Ras Abu Fontas A station was demolished due to its age and poor performance, to build a new power and water plant in its place. A tender for the new plant was reissued in September 2023, and on July 25, 2024, Kahramaa received a single bid for the project from a consortium led by Sumitomo Corporation. After reviewing and evaluating the bid, Sumitomo was notified in October 2024 of the acceptance of their offer and agreements were signed in the fourth quarter of 2024. The total capacity of the project is 2,415 MW of electricity and 110 MIGD of Water. The plant is scheduled to commence production in the first half of 2028, with full design capacity expected to be available by the first half of 2029.

- **Peaker Power Plant Project:** At Kahramaa's request, the company submitted a proposal to build a peaker power plant (open cycle) with a production capacity of 500 MW in the Ras Abu Fontas area. The company issued a tender for the project's development on April 4, 2024, to select the EPC contractor, and submitted its proposal to Kahramaa on October 7, 2024. Some of the Project agreements between QEWC and Kahramaa were signed in the fourth quarter of 2024 and the remaining agreements are expected to be signed in the first quarter of 2025. Construction work is anticipated to begin in early 2025, with commercial operation expected to commence in early 2027.

Internationally:

QEWC continues to expand its global presence, achieving sustainable growth and notable successes in implementing and expanding projects and investments worldwide through Nebras Power. In 2024, Nebras Power focused on enhancing its investments in the energy and renewable energy sectors across a wide geographical area, resulting in financial returns that support its strategy for sustainable growth.

Key projects include:

- **UK Offshore Wind Projects:** In March 2024, Nebras Power expanded its renewable energy portfolio by acquiring an additional stake in Equitix Aragon Holdco Ltd. in the United Kingdom, which holds interests in several offshore wind power generation projects with a total capacity of 2,400 MW. This investment marks Nebras Power's first project in the UK and in the offshore wind sector, enhancing its position in sustainable energy projects and enabling investment in other offshore wind markets.

- **Brazil Solar Expansion:** In June 2024, Nebras Power added approximately 2.5 MW of solar energy to its portfolio in Brazil through the expansion of its investment in NEC, in which Nebras Power holds a 50% stake.

- **Jordanian Power Plants:** In March 2024, Nebras Power completed the acquisition process to increase its stake in two power plants in Jordan from 24% to 50%.

- **Syrdarya II Combined Cycle Power Plant in Uzbekistan:** Nebras Power holds a 33.33% stake in this project, which continued construction activities throughout 2024. The project is progressing according to the agreed-upon schedule. The construction expected to be completed and commercial operation is expected to start in the third quarter of 2026.

- **Surkhandarya CCGT Power Plant in Uzbekistan:** In partnership with EDF (France), Siemens (Germany), and Stone City (Uzbekistan), Nebras Power is developing the Surkhandarya CCGT power plant with a production capacity of 1,590 MW. Nebras Power's stake in the project is 35%. Agreements for the project were signed in March 2024 and construction activities commenced during the same month. The construction progress is in line with the project schedule and the project is expected to enter commercial operation in the third quarter of 2027.

- **Unique CCGT power project in Bangladesh:** The construction and commissioning activities of Unique CCGT fuel gas fired power plant in Bangladesh have been completed with a total capacity of 584 MW. Nebras Power owns a 24% stake in the project and the commercial operation phase of the plant started in January 2024.

THIRD: **COMMITMENT TO GOVERNANCE SYSTEM**

The company is committed to applying the procedures outlined in the governance system issued by the Qatar Financial Markets Authority. The Board of Directors regularly reviews governance practices and works on enhancing them in line with changing needs. Several measures have been taken in compliance with the governance system issued under Qatar Financial Markets Authority Board Decision No. 5 of 2016, including:

- Signing a dividend distribution agreement between the company and Qatar Central Securities Depository in January 2024. Under this agreement, the Depository Company will transfer dividends to eligible shareholders, in compliance with Qatar Financial Markets Authority Board Decision No. 7 of 2023 concerning dividend distribution regulations for listed joint-stock companies.

- Signing a services agreement with Nebras Power Company in July 2024 for managing all commercial, administrative, and technical affairs. As part of this, Nebras Power employees and related administrative systems were transferred to the company. The completion of the integration between QEWC and Nebras Power was announced in August 2024.

- Amending the company's Articles of Association in the Extraordinary General Assembly Meeting on 08/09/2024, authorizing the Board of Directors to distribute interim dividends during the year, if sufficient distributable profits are available, in accordance with Qatar Financial Markets Authority Board Decision No. 7 of 2023 and amended by Decision No. 5 of 2024. The amended Articles of Association was published in the Official Gazette, Issue 19, on 27/11/2024, and posted on the company's website.

- Updating and approving the insider register in accordance with the regulations outlined in Qatar Financial Markets Authority Decision No. 2 of 2024 concerning insider trading rules.

- Providing the Qatar Financial Markets Authority with the company's legal entity identifier as per Circular No. 8 of 2024, dated November 17, 2024, regarding the legal entity identifier for companies listed on the Qatar Stock Exchange.

All reports and requirements specified in the company's Articles of Association and governance system, as well as the Commercial Companies Law, have been disclosed and published in accordance with the prescribed procedures and timelines.

The Governance Report for 2024 is attached to the Annual Report for approval by the company's General Assembly.

FOURTH: **CORPORATE SOCIAL RESPONSIBILITY**

The company believes in its role and responsibility in community development and environmental preservation through active and sincere participation in corporate social responsibility initiatives. The company supports a number of health, educational, cultural, artistic, social, humanitarian, sports, and environmental institutions, in addition to sponsoring and supporting various conferences and intellectual seminars aimed at serving and developing civil society institutions in all their activities and goals.

The company provided a donation of QAR 1,000,000 to the Abdullah bin Hamad Al-Attiyah International Foundation for Energy and Sustainable Development.

FIFTH: OCCUPATIONAL HEALTH, SAFETY, AND ENVIRONMENT

The company considers the implementation of safety and security measures as one of its top priorities and obligations towards its employees. The Occupational Health, Safety, and Environment Department works to ensure compliance with all occupational health and safety requirements, providing a safe environment that prevents risks to both human and material resources. International health and safety standards are applied, including providing all necessary precautions and safety measures to protect employees' lives, equipment, and the surrounding environment from potential hazards.

The company has obtained the global certification for Occupational Health and Safety Management System (ISO 45001) and Environmental Management System (ISO 14001) and received the Gold RoSPA Award, reflecting its strong commitment to employee safety and environmental performance.

In 2024, the company organized several health, safety, and environmental initiatives, including 6,646 training hours for employees in firefighting, safety, and environmental protection, a general station cleaning day on March 5, 2024, a beach cleaning event on February 8, 2024, a blood donation campaign in collaboration with Hamad Medical Corporation on May 9, 2024, and World Cleanup Day on September 19, 2024. Other activities included a summer awareness campaign on "Heat Stress" on July 16, 2024, and a safety campaign before routine maintenance work titled "Hand in Hand for Everyone's Safety" on October 24, 2024. These initiatives aim to enhance the work environment, ensure employee safety, reduce accidents, and improve environmental performance.

A mock evacuation drill was conducted on October 1, 2024, with the Operation and Maintenance Contractor, Acciona and Qatari Electricity and Water Company's fire team at RAF A3 Station.

SIXTH: ADMINISTRATIVE DEVELOPMENT AND QATARIZATION

In line with the company's general policy, it strives to adopt the latest management practices that are suitable for its size and operations, aiming to continuously develop its workforce, improve productivity, and strengthen customer trust, which in turn drives profitability.

The strategy of the Qatar Electricity and Water Company, through the Qatarization Committee, which includes members from the company and its seven subsidiaries, aims to increase the employment of Qatari nationals in the company and its subsidiaries. Qatari employees hold leadership positions, and the company collaborates with universities and accredited training centers both locally and internationally for further education and development of Qatari Employees.

The total number of Qatari employees at the end of 2024 was 153. Out of the same, 3 employees are undergoing university studies in Qatar, 4 employees are undergoing studies abroad, 5 Qatari employees are under training, and 4 employees under development. The Qatarization rate in the company stands at 32.4% of the total workforce of 472 employees. The company aims to increase this percentage in leadership positions followed by other roles.

May Allah Grant Success,

Saad bin Sherida Al-Kaabi
Chairman of the Board

Mohammed Nasser Al-Hajri
Managing Director and CEO

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According to the rules of the Governance system issued by Resolution No. (5) of 2016 of the Board of Directors of the Qatar Financial Markets Authority

INTRODUCTION:

The Company generally implements specific procedures to improve its performance, achieve the true meaning of promoting the public interest, the interests of the Company and its shareholders, prioritize any interest, provide assurance to the Board in monitoring the Company's procedures from within, and establish the principles of transparency, accountability, justice and equality. The Company's management is carried out in accordance with Law No. (11) of 2015 on the Business Companies Law and its amendments and the Governance System for Companies and Legal Entities Listed on the Main Market issued by the Qatar Financial Markets Authority, in addition to all relevant regulations, laws and circulars issued by the Authority and the Qatar Stock Exchange to establish transparency and disclosure policies. The Board of Directors reviews the governance procedures on an ongoing basis and makes necessary amendments from time to time, throughout the year ended on December 31, 2024, the company has complied with the provisions of the system stipulated in Article (2) of the Governance System issued by the Qatar Financial Markets Authority.

FIRST:
Governance applications and commitment to its principles

The Board is committed to applying the governance principles contained in Article (3) of the Governance System. The Board also reviews and updates governance applications on an ongoing and regular basis, and is committed to applying the best government principles. It is also committed to developing rules of professional conduct that embody the company's values, and to periodically and regularly reviewing its policies, charters, and internal procedures that Board members, senior executive management, consultants, and employees must adhere to.

The governance report is an integral part of the company's annual report, attached to it and signed by the Chairman. The latest of these was the 2023 report, which was approved by the General Assembly on March 10, 2024. The governance report includes the company's disclosure of its commitment to implementing the provisions of the Governance System and all information related to the implementation of its principles and provisions.

SECOND:
The procedures followed by the company regarding implementing the provisions of the system

Based on the Board's continuous review of the management procedures and the continuous updating of its applications, the Board took a number of actions in 2024, the most important of which are:

- The signing of a profit distribution agreement between the Company and the Edaa Company in January 2024, in order to implement the decision of the Board of Directors of the Qatar Financial Markets Authority No. (7) of 2023 Concerning Rules of Dividend Distribution in Shareholding Companies Listed on the Financial Markets pursuant to which Edaa Company will transfer the dividend to the entitled shareholders.
- In July 2024, a service agreement was signed between the Company and Nebras Power Company to manage all commercial, administrative and technical affairs, pursuant to which the Nebras Power employees and management bodies were transferred to the Company, and the completion of the joint venture structure between the Company and Nebras Power Company was announced in August 2024.
- Amend the Articles of Association according to the decision of the Extraordinary General Meeting held on 08/09/2024 to authorize the Board of Directors to distribute interim dividends during the year, if the distribution is justified by sufficient distributable profits for the company, according to Resolution No. (7) of 2023 of the Qatar Financial Markets Concerning Rules of Dividend Distribution in Shareholding Companies Listed on the Financial Markets, as amended by Resolution no. (5) of 2024. The revised Appendix to the Rules of the Association was published in the Official Gazette, Issue no. 19, dated 27/11/2024, and the Amended Articles of Association was also published on the company's website.
- Prepare and approve the register of company insiders in accordance with the rules and procedures contained in Resolution QFMA's Board Decision No. (2) of the year 2024 Concerning the Issuance of Insider Trading Rules .
- Providing the Qatar Financial Markets Authority with the company's legal identifier pursuant to Circular No. (8) of 2024 dated November 17, 2024 regarding companies and legal entities listed on the Qatar Stock Exchange obtaining the legal entity identifier code.

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THIRD:
Board of Directors

A. Council composition:

According to the law and Article (26) of the company's Articles of Association, amended and authenticated on 09/07/2023, the Board of Directors shall consist of eleven members, as follows: First: Representatives of the State of Qatar, who are:

1. The Minister of Energy as Chairman.
2. A member appointed by QatarEnergy.
3. Two members appointed by the Qatar Investment Authority representing Qatar Holding Company, one of whom shall be Vice Chairman.
4. A member appointed by the General Retirement and Social Insurance Authority (Civil Pension Fund) as its representative.

The remaining members are elected by the company's general assembly, and independent members constitute more than one-third. All members of the council are non-executive except the managing director and CEO, Mr. Mohammed Nasser Al-Hajri. The following list shows the council members for the year 2024, their qualifications, and the entities they represent: (Appendix to the report: biographies of the Board members).

	Statement	
Name	Membership status	The party they represent
His Excellency Mr. Saad bin Sherida Al- Kaabi	Chairman/ Non-Executive – Non-Independent	Minister of State for Energy Affairs/ Government of the State of Qatar
His Excellency Mr. Ahmed Ali Al-Hammadi	Vice Chairman/ Non-Executive – Non-Independent	Qatar Investment Authority/ Government of the State of Qatar
Mr. Fahad bin Abdullah Al-Mana	Non-Executive Member - Non-Independent	Qatar Investment Authority/ Government of the State of Qatar
Mr. Abdullah bin Khalifa Al-Raban	Non-Executive Member - Non-Independent	General Retirement and Social Insurance Authority/Government of the State of Qatar
Mr. Mohammed bin Nasser Al-Hajri	Managing Director Executive - Non-Independent	QatarEnergy/Government of the State of Qatar
His Excellency Sheikh / Hamad bin Jabor Al-Thani	Non-Executive Member - Independent	Qatar National Bank
His Excellency Sheikh / Saoud bin Khalid Al-Thani	Non-Executive Member - Independent	Qatar Insurance Company
His Excellency Sheikh/ Saheim bin Khalid Al-Thani*	Non-Executive Member - Independent	Qatar Navigation Company
His Excellency Sheikh / Hamad bin Jassim Al-Thani	Non-Executive Member - Independent	Private Sector & Individuals
Mr. Nasser bin Khalil Al-Jaidah	Non-Executive Member - Independent	Private Sector & Individuals
Mr. Adel Ali bin Ali	Non-Executive Member - Non-Independent	Private Sector & Individuals

The current Board of Directors was elected and appointed by the Ordinary General Meeting on 14 March 2023 for a period of three years, session (2023-2025), and Mr. Mohammed bin Nasser Al-Hajri was appointed as the Managing Director representing QatarEnergy on 1 January 2021.

Except for representatives of the State of Qatar, no member of the Board, either alone or in his capacity, is a Board Chairman or Deputy Chairman of more than two State-headquartered companies, or a Board member of more than three State-headquartered companies No state of the Board of Directors of two companies engaged in homogeneous activity, and His Excellency the Chairman of the Board of Directors does not hold any executive position in the company, nor is he a member of any committee of the Board of Directors.

THIRD:
Board of Directors
(continued)

The Chairman and members of the Board submit a declaration kept by the Secretary in a file prepared for that purpose, in which each of them declares that he or she will not consolidate areas prohibited from consolidation in accordance with the law and the provisions of the Governance System.

Main functions and tasks of the Council:
The Board represents all shareholders and exerts the necessary care in managing the company in an effective and productive manner that achieves the interests of the company, partners, shareholders, and stakeholders, and achieves the public benefit and development of investment in the country and the development of society. It bears the responsibility of protecting shareholders from illegal or arbitrary actions and practices, or any actions or decisions that may harm them or work to discriminate between them or enable one group to dominate another.

The Board of Directors has the broadest powers in managing the company, and its powers are not limited except by what is stipulated in the law, the articles of association, or the decisions of the General Assembly. Its members shall be jointly and severally directly responsible for the decisions issued by the Board (Article 32 of the Articles of Association). The Board's regulations include the functions and tasks stipulated in Article (8) of the Governance System.

Invitation to the meeting:
The Council shall meet at the invitation of its Chairman. The Chairman shall call the Council to meet whenever at least two members request it. The invitation shall be sent to each member, accompanied by the agenda, at least two weeks before the date set for the meeting. Any member may request the addition of one or more items to the agenda in accordance with the text of Article (34) of the Bylaws and Articles (16-18-19) of the Council's Bylaws.

Board meetings:
According to the text of Article (34) of the Articles of Association and Article (20) of the Board's regulations, the Board shall hold at least six meetings during the year, and three months may not pass without holding a meeting. The Board's meeting shall not be valid unless attended by the majority of members, including the Chairman or Vice Chairman.

The absent member may delegate in writing one of the Board members to represent him in attendance and voting, provided that one member may not represent more than one member. If a Council member is absent from attending three consecutive meetings, or four non-consecutive meetings without an excuse accepted by the Board, he shall be considered resigned - Article (36) of the Articles of Association. It is permissible to participate in the Board's meeting by any secure means of modern technology known to enable him to listen and participate effectively in the Board's work and issue decisions.

The Board of Directors held (6) meetings during the year 2024, and this was done in person and using Microsoft Teams video communication technology.

Most members attended the Board Meetings regularly, and no one was absent without an excuse or authorization, as shown in the following table:

Number of meetings	Meeting date	Number of attending members	Number of absent members	Quorum
1	14-02-2024	7	4	Complete
2	23-04-2024	9	2	Complete
3	09-06-2024	9	2	Complete
4	08-09-2024	10	1	Complete
5	27-10-2024	9	2	Complete
6	17-12-2024	8	3	Complete

THIRD:
Board of Directors
(continued)

Board decisions:
The Board of Directors has the broadest powers to manage the company and it may directly carry out all the work required for this management in accordance with its purpose. This power shall not be limited except by what is stipulated in the law or the governance system issued by the Board of Directors of the Qatar Financial Markets Authority or this system or the decisions of the General Assembly in accordance with the text of Article (32) of the Articles of Association. The Board alone shall issue decisions in the following matters, for example, but not limited to:

- Approving the strategic plan and main objectives of the company and supervising their implementation.
- Approving the establishment of projects and approving their costs.
- Approving the general budget and annual balance sheet of the company.
- Approving the executive regulations of the company.
- Approving nominations for appointment to senior executive management positions.

Without prejudice to the provisions of the law in this regard, the Board's decisions shall be issued by a majority of the votes of those present and represented. When the votes are equal, the side of the meeting chairperson shall prevail in accordance with the provisions of Article (34) of the Bylaws. Minutes shall be prepared for each meeting, specifying the names of the members present and absent and stating what took place in the meeting. They shall be signed by the meeting chairperson and the secretary. A member who does not agree to any decision taken by the Board may record his objection in the minutes of the meeting in accordance with the provisions of Article (39) of the Bylaws.

The Board may, in case of necessity and for urgent reasons, issue some of its decisions by circulation, provided that all its members agree in writing to those decisions, and they are presented at the next meeting of the Board, to be included in the minutes of its meeting. The Board issued (5) decisions by circulation during the year 2024, and they were included in the Board meetings after their issuance as follows:

- Resolution No. (1) of the Board of Directors for the year 2024 regarding the expansion of a comprehensive proposal by Qatar General Electricity and Water Corporation "Kahramaa" to expand its generating capacity by adding peak units to 500 MW by mid-May 2026.
- Resolution No. (2) of the Board of Directors for the year 2024 relating to the transfer of additional employees from senior management to the list of authorized sponsored employees under Category (B).
- Resolution No. (3) of the 2024 approval of financial results for the six months ended on June 30, 2024
- Resolution no. (4) of Board of Directors for the year 2024 with respect to the distribution of interim profit sharing in accordance with Qatar Financial Markets Authority Board Resolution No. 2024; (7) of 2023 relating to interim profit sharing controls, amended by Resolution no. (5) of 2024.
- Resolution No. (5) of Board of Directors for the year 2024 regarding the circular authorizing the Chairman of the Board to amend the commercial register data in accordance with a circular issued by the Ministry of Commerce and Industry, and authorizing removal of authorized signatory directors and addition of four employees to senior executives.

Evaluating the performance of the Board, its committees and senior executive management.
A self-assessment process was conducted for the Board for the year 2024 in accordance with the requirements of the Corporate Governance System issued by the Qatar Financial Markets Authority, to measure independence, oversight and impartiality, the performance index of the Board's objectives, the criteria for contributions and

THIRD:
Board of Directors
(continued)

interaction, and the quality and understanding of the main responsibilities and tasks. Based on the comprehensive assessment report of the Board, its committees, and senior executive management, the following was decided:

- The effectiveness of the performance of the Board and its committees during the year 2024, as the Chairman and members adhered to the tasks and responsibilities stipulated in accordance with the law, the Articles of Association, and the Board's internal regulations, and no member violated the provisions of the law, the Articles of Association, the Governance System, or the Board's regulations.
- The performance of the company's senior executive management during the year 2024 is fruitful by ensuring that work proceeds in accordance with professional and ethical standards, taking into account integrity and independence in promoting the company's interest.
- Contributions of members of the Board of Directors and executive directors, and those who own more than 5%:

Ownership %	Number of shares	Position	Name
28.09	308,948,749	member	Qatar Holding Company
14.34	157,766,478	member	Retirement and Pension Fund General Retirement and Social Insurance Authority
10.74	118,166,440	member	QatarEnergy
4.59	50,440,120	member	Navigation Company
0.67	7,391,136	member	Qatar National Bank
0.2	2,200,000	member	Qatar Insurance Company
0.2	2,200,000	member	Hamad Jassim Mohammed Jassim Al-Thani
0.2	2,200,000	member	Adel Ali bin Ali Al Musalmani

- Secretary:
  Ms. Shaqra Adel Al-Sulaiti, the company's legal counsel , assumes the duties of the Board Secretary pursuant to Board of Directors Resolution No. (2) issued by circulation on 22/03/2023. Her duties include recording and coordinating all minutes of the Board's meetings, its records, books, and reports submitted to and from the Board, cooperating with the Chairman and all members of the Board in their tasks, and managing all the Board's work in accordance with the provisions of Article (16) of the Board's Bylaws and Article (17) of the Governance System.

FOURTH:
Board Committees

The Board formed three committees pursuant to its Resolution No. (2) of 2017, including the framework for the work of each committee and its functions in accordance with the text of Article (18) of the Governance System. The Nominations, Remunerations and Salaries Committee was merged pursuant to Resolution No. (7) at the third meeting of 2020, as follows:

First: Nomination, Remuneration & Salaries Committee. Chaired by Mr. Nasser bin Khalil Al-Jaidah and comprising His Excellency Sheikh/ Saheim bin Khalid Al-Thani and Mr. Fahad bin Abdullah Al-Mana, who have the necessary experience to exercise their powers.

Its powers include setting rules and bylaws for appointing new Board members, receiving nomination applications for Board member, submitting list of candidates for Board member including its opinion on the matter and copying to Qatar Financial Markets Authority, drafting succession plan for company directors that he is qualified to fill any position in senior executive management, and to submit an annual report to the Board including a comprehensive analysis of the Board's performance to identify strengths and weaknesses and proposals in this regard.

FOURTH:
Board Committees
(continued)

The Committee recommended a nomination and appointment policy and a remuneration and salary policy, which were approved by the Board of Directors and submitted to the Ordinary General Meeting for approval on March 14, 2023 and published on the company's website.

The Committee reported its review of the performance of the Board, its committees and senior management, and a report including a recommendation for determining the remuneration of the members of the Board of Directors at its first meeting on February 5, 2025.

The committee held two meetings, and we summarize the work and meeting of the committee:

- The Committee held its first meeting on 08/01/2025 and discussed the performance report of the Board of Directors, its committees and senior management for the year 2024.
- The Committee held a second meeting on 3/2/2025 to recommend Board compensation for 2024, and the recommendation will be presented to the Board at the first meeting held on 4/2/2025 for approval and forwarded to the General Assembly for approval.

Second: Audit Committee. Chaired by His Excellency Sheikh / Hamad bin Jabor Al-Thani (Independent) and membership of His Excellency Sheikh/ Saheim bin Khalid Al-Thani and Mr. Abdullah bin Khalifa Al-Raban, none of whom have audited the company's accounts during the two years prior to their nomination for membership of the committee, directly or indirectly, and they have the necessary experience to exercise the committee's powers. The committee submitted its report to the Board at its first meeting on February 5, 2025, including the nomination of the external auditor for the fiscal year 2025. The committee held (6) meetings during 2024, and we explain a summary of the committee's work and meetings:

- The committee held its first meeting on 11/02/2024, where the financial results for 2023 were discussed, the work accomplished with the external auditor (KPMG), the risk register was updated, the results of the internal control process over financial reports for 2023 were discussed, and the latest developments in the process of incorporating Nebras Energy were discussed.
- The committee held its second meeting on 22/04/2024, where the financial results for the first quarter of 2024 were discussed with the Director of Finance, the work accomplished with the external auditor (KPMG) during the first quarter of 2024, the risk register was updated, the requirements for internal control controls over financial reports were discussed, and the developments in the incorporation of Nebras Energy were noted.
- The committee held its third meeting on 05/06/2024, where the internal audit procedures that were presented in the previous meeting were discussed, as well as the progress report on the audit plan for 2024. The amendments to the audit plan for 2024 due to the restructuring with Nebras Energy were noted.
- The Committee held its fourth meeting on 24/07/2024 and discussed the financial results for the second quarter of 2024, the work accomplished with the external auditor (KPMG), a report on the audit plan for 2024 and approved the amendments submitted regarding it due to the restructuring with Nebras Power Company.
- The Committee held its fifth meeting on 22/10/2024 and discussed the financial results for the third quarter of 2024, the work accomplished with the external auditor (KPMG), the progress made in (ICoFR), and the results of the Audit Bureau report.
- The Committee held its sixth meeting on 03/12/2024 and discussed the progress regarding the audit plan for 2024, updates on the company's risk register, the progress made in (ICoFR), and the approval of the company's internal audit plan for 2025, and confirmed that the Committee will hold six meetings in 2024.

FOURTH: Board Committees *(continued)*

Third: Investment Committee. Chaired by His Excellency Mr. Ahmed bin Ali Al Hammadi - Vice Chairman of the Board of Directors - and the membership of Mr. Nasser bin Khalil Al-Jaidah, Mr. Adel Ali bin Ali, Mr. Mohammed bin Nasser Al-Hajri, and Mr. Fahad bin Abdullah Al-Mana. It was formed pursuant to Board of Directors Resolution No. (12) at its first meeting on 14/2/2021, and His Excellency Mr. Ahmed bin Ali Al Hammadi was assigned pursuant to Board of Directors Resolution No. (2) dated 22/03/2023. The committee is responsible for managing and following up on the company's investments, and submits a report to the Board at each meeting on the latest developments in the aforementioned investments and its new proposals in this regard.

The committee held (3) meetings during 2024:

- The committee held its first meeting on 06/06/2024, and discussed the latest developments in investments in the Qatar Stock Exchange and investment opportunities in the Omani Stock Market, as well as the latest developments in Qatar Electricity and Water Company projects.
- The committee held its second meeting on 02/10/2024 and discussed the latest developments in investments in the Qatar Stock Exchange and the company's projects.
- The committee held its third meeting on 19/11/2024 and discussed the opportunity to acquire a share of the capital of Q-Power and RGPC.

The Work of the Committees: In accordance with the decision to form committees referred to in the previous clause, no member shall chair more than one committee formed by the Board, and the Chairman of the Audit Committee shall not be a member of any other committee, and the committee's meeting shall not be valid unless its Chairman and the majority of its members are present. Minutes shall be prepared for each meeting, stating what was discussed in the meeting, and shall be signed by the Chairman of the Committee.

Evaluation of the committees emanating from the Board of Directors

The Board of Directors shall evaluate the work of the three committees and ensure the extent of the members' commitment to achieving the company's interests by attending committee meetings and carrying out the work stipulated in the Governance System, the Board of Directors' internal regulations, and the directives and instructions issued by the Chairman of the Board of Directors. The Board also approved the reports submitted by the committees, each according to its jurisdiction, which includes the work they carried out during the year 2024 and their recommendations.

	Committee Meeting Attendance Schedule		
Name	Nominations, Remuneration and Salaries Committee	Audit Committee	Investment Committee
His Excellency Mr. Ahmed bin Ali Al Hammadi	–	–	3/3
Mr. Fahad bin Abdullah Al-Mana	2/2	–	3/3
Mr. Abdullah bin Khalifa Al-Raban	–	4/6	–
Mr. Mohammed bin Nasser Al-Hajri	–	–	3/3
His Excellency Sheikh / Hamad bin Jabor Al-Thani		6/6	–
His Excellency Sheikh/ Saheim bin Khalid Al-Thani*	2/2	4/6	–
Mr. Adel Ali bin Ali	–	–	3/3
Mr. Nasser bin Khalil Al-Jaidah	2/2	–	3/3

FOURTH: Board Committees *(continued)*

- Senior Executive Management:

The Senior Executive Management seeks to achieve the public interest and the company's objectives by exercising the powers and carrying out the responsibilities stipulated in the contract, the company's articles of association, the Commercial Companies Law and its amendments, the corporate governance system, the company's internal regulations, and the tasks assigned to it pursuant to the decisions issued by the Board of Directors in order to manage the work of the company.

The Board of Directors is responsible for evaluating the Senior Executive Management regarding the implementation of the internal control and risk management system, including determining the number of grievances, complaints, proposals, and reports, and a list showing the Senior Executive Management during the year 2024 and their experiences is attached to the report.

FIFTH: Board, Committees and Senior Executive Management Remuneration

The Rewards and Salaries Policy was developed in accordance with the provisions of the Corporate Governance System and was approved at the Ordinary General Assembly on 14/03/2023. The Rewards and Salaries Committee is responsible for proposing the wages, rewards and incentives policy, directing the company's rewards system in a way that leads to raising the level of performance to ensure the company's growth and achieving its goals. Reviewing and developing the Key Performance Indicator (KPI) system, which is used to evaluate the company's actual performance and determine the basis for calculating annual incentives.

• Board of Directors and its Committees Remuneration

The remuneration of the Chairman and members of the Board of Directors shall be determined by the General Assembly and shall not exceed 5% of the annual net profits in accordance with the provisions of Article (39) of the Articles of Association. No remuneration has been paid to the Board of Directors exceeding the aforementioned percentage since the establishment of the company. The recommendation for the remuneration of the Chairman and members of the Board for the fiscal year 2024 has been approved at a rate of 0.83% of the value of the net profits and will be presented to the Ordinary General Assembly on February 26, 2025 for approval, with a total amount of 11.75 million Qatari riyals.

The Board of Directors determines the remuneration of the Board's committees. The remuneration for the fiscal year 2024 was approved at the first Board of Directors meeting held on February 5, 2025, with a total amount of 290 thousand Qatari riyals for the Nominations, Remunerations and Salaries Committee, a total amount of 290 thousand Qatari riyals for the Audit Committee, and a total amount of 450 thousand Qatari riyals for the Investments Committee.

• Rewards for senior executive management and employees of the company

According to the company's regulations, no special bonuses are paid to those occupying senior executive management positions. The periodic bonus and the fixed annual bonus are paid to all employees in the company, and are calculated (50%) based on the annual evaluation of the employee's performance, and (50%) on the goals and standards (KPI) achieved by the company.

SIXTH: Internal Control and Risk

The Board of Directors is fully responsible for the company's internal control system, and for setting policies, guidelines and controls to determine the limits of responsibility and performance to monitor mechanisms. The company's general management is responsible for the general oversight of these systems with department managers and section heads. The work is evaluated by the internal auditor and the external auditor. The company attaches utmost importance to developing a structured and organized business management framework, in order to identify, evaluate, mitigate and manage risks in the company. The technical advisor of the company is responsible for assessing operational risks, while the internal controller is responsible for assessing financial risks in coordination with the financial management.

SIXTH: Internal Control and Risk *(continued)*	**Risk Management Committee** The Risk Management Committee of Qatar Electricity and Water Company was formed to identify the financial, legal and operational risks affecting the company. The committee's charter was approved. Its responsibilities include, but are not limited to, assessing risks, estimating their impact on the company and reporting them, making recommendations to mitigate them, formulating policies and procedures in cooperation with relevant departments and reviewing them periodically, and promoting constructive and open exchange in the company in order to achieve the committee's objectives. The high-level risk report is submitted to the company's Managing Director and CEO during the quarterly meeting of the Leadership Committee. **Internal Audit Unit:** The company has a fully independent internal audit department, headed by a qualified and experienced specialist accountant appointed by the Board of Directors, who is responsible to it and undertakes financial auditing, performance evaluation and risk management, and submits his reports to the Audit Committee, including any violations or transgressions, if any, along with the proposed action to be taken. The internal auditor shall submit a report on the company's internal control activities to the Audit Committee, including the following: 1. Procedures for controlling and supervising financial affairs, investments and risk management. 2. Reviewing the development of risk factors in the company and the suitability and effectiveness of the systems in place in the company in the face of radical or unexpected changes in the market. 3. A comprehensive assessment of the company's performance regarding compliance with the implementation of the internal control system and the provisions of this system. 4. The extent of the company's compliance with the rules and conditions governing disclosure and listing in the market. 5. The extent of the company's compliance with internal control systems when identifying and managing risks. 6. The risks to which the company was exposed, their types and causes, and what was done about them. 7. Proposals to correct violations and eliminate the causes of risks. The internal auditor issued 12 reports in this regard during 2024 for the company and 4 reports for Nebras Power Company.
SEVENTH: External Audit	The Audit Committee reviews and examines the offers of the auditors registered in the external auditors' list with the Authority, and submits to the Board a reasoned recommendation to select one or more offers to appoint an external auditor for the company. Once the Board approves the recommendation, it is included in the agenda of the company's general assembly meeting. The shareholders, through the Ordinary General Assembly meeting on 14/3/2023, appointed KPMG as the company's auditor, and submitted its report to the General Assembly on 10/4/2024, which was read to it, and was approved by the General Assembly, and a copy of it was sent to the Authority, including all the auditing work in accordance with the provisions of Article (24) of the Governance System. KPMG was reassigned as the company's auditors for a period of one year at the Ordinary General Assembly meeting on 10/3/2024, and conducted a quarterly, semi-annual and annual review of the company's financial statements for the year 2024 in accordance with the provisions of the relevant laws and procedures, and will submit its annual report to the General Assembly scheduled to be held on 26/2/2025.

EIGHTH: Disclosure and Transparency	The company has adopted the information and communications disclosure policy, which was approved at the General Assembly meeting on 14/3/2023. The company is committed to periodic disclosure requirements, including financial reports, the number of shares owned by each of the Chairman and members of the Board, senior executive management, major shareholders or controlling shareholders, as well as disclosing information about the Chairman and members of the Board and its committees and their scientific and practical experiences based on their CVs, and whether any of them is a member of the Board of Directors of another company or its senior executive management or a member of any of its Board of Directors committees, through the periodic basic data sent to the Authority and the Stock Exchange and published on the company's website. No information is published or disclosed except after it is presented to the Board of Directors for approval. The Board members have signed the Governance Approval for 2024, including not combining positions and jobs according to legal requirements, and the forms have been kept with the Secretary of the Board.
NINTH: Disclosure of disputes and violations committed during the year	Regarding the disclosure of disputes or conflicts in which the company is a party, including arbitration and lawsuits, there is a financial claim with the Qatar General Electricity and Water Corporation (Kahramaa) that was agreed to be referred to the expert to give an opinion, and no decision has been issued regarding it, and this claim does not affect the company's financial position and activity. There were deductions for employees regarding end-of-service gratuity before the Qatari courts during the year 2024, and the ruling was issued in favor of the company.
TENTH: Conflict of Interest	The company has adopted and published on its website the Conflict of Interest Regulations, to ensure that the company, its employees and members of its Board of Directors adhere to the internationally recognized professional rules, standards and controls, to enhance the confidence of others in the integrity of the company and its employees at all levels. Article (40) of the Articles of Association requires the Board of Directors to place a special statement of financial information at the disposal of shareholders one week before the General Assembly, including transactions in which a member of the Board of Directors or managers has an interest that conflicts with the interest of the company. The Board members were notified to stop any dealings on their shares before the Board meetings that discuss the periodic financial statements and fifteen days before the General Assembly meeting, and the Qatar Stock Exchange was notified at the same time. The Board members signed the Governance Declaration for 2024, including the disclosure of conflicts of interest, and the forms were kept with the Board Secretary.
ELEVENTH: Disclosure of trading operations:	The Board members, senior executive management, all insiders, their spouses and minor children are committed to disclosing their trading operations on the company's shares and other securities, in accordance with the clear rules and procedures regulating insiders' trading in securities issued by the company, which were issued by the Board pursuant to its Resolution No. (26) at its fifth meeting on October 26, 2018. The Ordinary General Assembly also approved the insiders' policy, and the insiders' register was updated according to the designated form, and the Board members, senior executive management, and insiders in the company acknowledged their commitment to the rules and procedures in accordance with the Board of Directors of the Qatar Financial Markets Authority Resolution No. (2) of 2024 regarding the controls for insiders' trading, and disclosure to the Authority is made annually and in cases where there is a change in the register. The forms and the insiders' register were kept with the Secretary of the Board.

TWELFTH: Disclosure of transactions and deals with related parties

The General Assembly approved on 14/3/2023 the Related Parties Policy. The Board of Directors must review all information, papers and documents related to related transactions. The Board of Directors may approve this transaction if it becomes clear that it is in the interest of the company and shareholders. In all cases, the Board of Directors, at its sole discretion, may impose conditions on the company or the related party regarding the transaction. All transactions concluded must be at market prices and on a purely commercial basis, and must not include conditions that conflict or contravene the interests of the company. The Board of Directors discussed in the second meeting held on 23/04/2024 the detailed statement of Tender No. (431702) regarding the supply of Anti-Scale and Anti-Foam chemicals to the company and its subsidiaries. Two qualified companies in Qatar applied to supply the materials, namely:

1. Qatar Chemical Desalination Company (LLC) owned by Mohammed bin Mubarak Al-Khulaifi Trading Company and Sons.

2. National Chemical Industries Company (LLC), His Excellency Sheikh Hamad bin Jabor Al-Thani owns 80% of the shares through Petromec, and he is a member of the Board of Directors of Qatar Electricity and Water Company.

The estimated value of supplying the required quantities is an approximate total amount of (21,850,200.00) million Qatari Riyals, according to the unit prices shown below:

Serial	Description	National Chemical Industries Company *Unit price (metric ton/riyal)*	Qatar Chemical Desalination Company *Unit price (metric ton/riyal)*
1	Anti-Scale	4,850.00	4,850.00
2	Anti-Foam	12,000.00	12,000.00

In application of the provisions of the Commercial Companies Law, the Governance System and the company's policy in regulating contracting with related parties, His Excellency Sheikh / Hamad bin Jabor Al-Thani- a related party in the deal - abstained from attending part of the meeting scheduled to discuss this deal and did not participate in voting on the decision, and this was documented in the minutes of the meeting.

The Board issued a decision approving the award of Tender No. (431702) regarding the supply of Anti-Scale and Anti-Foam chemicals to both Qatar Chemical Company for Desalination (LLC) and the National Chemical Industries Company (LLC) to supply the required quantities for an approximate total amount of (21,850,200.00) million Qatari Riyals, for a period of three years.

And approving the contracting of the subsidiaries with Qatar Chemical Company for Desalination (LLC) and the National Chemical Industries Company (LLC) - a related party - according to the policy and procedures of each company.

THIRTEENTH: Stakeholders' Rights

On 14/3/2023, the General Assembly approved the Stakeholders and Minority Shares Policy, which includes the following stakeholder rights:

Equality of rights among shareholders:
Shareholders are equal and have all the rights arising from share ownership in accordance with the provisions of the law, regulations and relevant decisions. The company's articles of association include the procedures and guarantees necessary for all shareholders to exercise their rights, in particular the right to dispose of shares, the right to obtain the prescribed share of dividends, the right to attend the general assembly and participate in its deliberations and vote on its decisions, and the right to access and request information without harming the interests of the company. This is in accordance with the provisions of Articles (9-11-19-40-44-47-54-56) of the articles of association.

THIRTEENTH: Stakeholders' Rights *(continued)*

The shareholder's right to obtain information:
Articles (9) and (40) of the company's articles of association include the shareholder's right to obtain information that enables him to exercise his full rights, without prejudice to the rights of other shareholders or harming the company's interests. The company is committed to auditing and updating the information on a regular basis, and to providing all information that is of interest to shareholders and enables them to exercise their rights in the fullest manner. It is published on the company's website and the stock exchange website. The company is also committed to publishing periodic information in daily newspapers.

Shareholders' rights related to the General Assembly:
Articles (44 - 47 - 48 - 49 - 51 - 54 - 56) of the company's articles of association include organizing the rights of shareholders related to the two types of general assembly meetings, including the items stipulated in Article (32) of the governance system, voting rights, and the election of members of the board of directors, and the company has committed to implementing them.

Shareholders' rights related to dividend distribution:
The company has adopted a dividend distribution policy pursuant to the decision of the Ordinary General Assembly dated 14/3/2023, and Articles (66 - 67 - 68) of the company's Articles of Association clearly define the policy governing the distribution of dividends. The company is committed to the decision of the Board of Directors of the Qatar Financial Markets Authority No. 7 of 2023 regarding the controls for distributing dividends in joint stock companies listed in the financial markets, and it is committed to applying it annually upon distribution, and including it in the company's annual financial report distributed to shareholders for discussion in the General Assembly. The right to receive the profits that the General Assembly has approved to distribute, whether in cash or free shares, shall be for the shareholders registered in the shareholders' register with the depository on the day of the General Assembly meeting, and the Depository Company shall undertake, pursuant to the agreement signed in January 2024, to transfer the dividend amounts to the eligible shareholders, in accordance with the decision of the Board of Directors of the Qatar Financial Markets Authority No. (7) of 2023 regarding the controls for distributing dividends in listed joint stock companies. The shareholders' dividends for the fiscal year 2023, approved by the General Assembly on 10/3/2024, were transferred at 86% of the nominal value of the shares. The interim semi-annual dividends for shareholders for the period ending on 30/06/2024, approved by the Extraordinary General Assembly on 08/09/2024, were transferred at 25% of the nominal value of the shares, and are scheduled to be due at the end of the trading session on the day of the Extraordinary General Assembly.

Shareholders' rights related to major transactions:
Article (69) of the Company's Articles of Association guarantees the protection of shareholders' rights in general and minorities in particular in the event of any errors that may harm their interests or prejudice the ownership of the Company's capital. The Company is committed to periodically disclosing to the Authority and the Stock Exchange the structure of the Company's capital and any agreement it makes in this regard at the time in accordance with the specified procedures, and disclosing the owners (5%) or more of the Company's shares, directly or indirectly, during the periodic disclosure before June 30 and before December 31.

Rights of stakeholders other than shareholders:
The company is keen to respect and preserve the rights of stakeholders by providing all necessary documented information about all its transactions, whether by publishing in local newspapers, the company's website, the stock exchange website, or through direct contact.

In 2019, the company established an investor relations section on its website and appointed an investor relations officer with contact information. Based on the procedures of the Qatar Stock Exchange, a conference call was held for investors during the month of April to discuss the financial results for the first quarter, during the month of August to discuss the financial results for the second quarter, during the

THIRTEENTH: Stakeholders' Rights *(continued)*

month of October to discuss the financial results for the third quarter of 2024, and during the month of February 2025 to discuss the financial results for the last quarter of 2024.

Any stakeholder in the company may request information related to his interest, and the company is committed to providing the required information in a timely manner and to the extent that does not threaten the interests of others or harm its interests.

FOURTEENTH: Dealing with rumors

In implementation of Article (25) of the Corporate Governance System issued by the Qatar Financial Markets Authority, the company has organized the procedures for dealing with rumors and the procedures for responding to them in accordance with the rules regulating the information and communications disclosure policy approved by the Ordinary General Assembly on 14/03/2023. According to it, rumors are referred to the specialist in the company, whether they were raised by an employee or a third party, and he has the right to take the appropriate action that does not conflict with the relevant rules of the Authority.

FIFTEENTH: Reporting violations and handling complaints

In implementation of the Corporate Governance System issued by the Qatar Financial Markets Authority, the whistleblowing policy was approved by virtue of the Board of Directors' decision at the sixth meeting dated 10/12/2023, which regulates the procedures for reporting any violation, infringement or practices that may harm the company, shareholders and stakeholders, and decides on a set of guarantees to protect the whistleblower. The competent committee is committed to reviewing and examining the report via the e-mail published on the company's official website, and this process is supervised by the Audit Committee, and the committee did not receive any complaints during the year 2024.

SIXTIETH: Social Responsibility

The company has contributed to the development and advancement of society and the preservation of the environment, through its effective participation in the corporate social responsibility system based on its commitment to national responsibility and in order to achieve Qatar National Vision 2030. The company contributes to the development of society on an ongoing basis through various activities (in accordance with the law), and the company has provided support to the Abdullah bin Hamad Al-Attiyah International Foundation for Energy and Sustainable Development in the amount of 1,000,000 (one million Qatari riyals).

SEVENTIETH: Disclosure of external auditor fees

The total fees of the external auditors of the Group (including controlled subsidiaries) are as follows:

Service classification	2024	2023
Financial Statement Audit	1,222,647	1,222,647
Non-Audit Services:		
1. Audit Related Services	22,745	465,000
2. Tax Compliance Services	65,316	126,903
3. Consulting Services	1,494,541	4,500
Total	**2,803,572**	**1,819,050**

APPROVED:

His Excellency Mr. Saad bin Sherida Al- Kaabi
Chairman of the Board of Directors

APPENDIX 1 : THE BOARD OF DIRECTORS - BIOGRAPHIES

HIS EXCELLENCY MR. SAAD BIN SHERIDA AL- KAABI

CHAIRMAN

His Excellency Mr. Saad bin Sherida Al- Kaabi joined QatarEnergy (then known as Qatar Petroleum) in 1986 as a scholarship student to study petroleum and natural gas engineering at Pennsylvania State University in the United States of America, from which he obtained a Bachelor's degree in petroleum and natural gas engineering in 1991. Immediately after graduation, he joined the Fields and Reservoir Development Department at QatarEnergy, where he held several technical, engineering and commercial positions until he assumed the duties of Director of the North Field Development Department. In this position, Eng. Al-Kaabi, along with the work team he supervised, played a leading role in the development of several giant gas projects based on the latest global technologies, which were implemented in record time. In doing so, he contributed effectively to strengthening the leading position of the State of Qatar as the capital of the LNG and GTL industries in the world. He also supervised the establishment of a number of giant gas pipeline projects for local use and export.

In 2006, Engineer Al-Kaabi assumed the position of Director of the Oil and Gas Projects Affairs Department at QatarEnergy, where he was responsible for managing and developing oil and gas resources in the State of Qatar. His duties included supervising all North Field development activities, oil field development, and exploration operations in the country.

In September 2014, Engineer Al-Kaabi was appointed Managing Director and CEO of QatarEnergy, where he supervised - and continues to supervise - gas, oil and petrochemical activities and projects in Qatar and around the world.

On November 4, 2018, His Excellency Engineer Saad bin Sherida Al-Kaabi was appointed as Minister of State for Energy Affairs, a member of the Council of Ministers in the State of Qatar, and Deputy Chairman of the Board of Directors of QatarEnergy in addition to his position as Managing Director and CEO.

His Excellency Mr. Ahmed Ali Al Hammadi Vice Chairman of the Board of Directors	He holds the position of Director General of the General Retirement and Social Insurance Authority. He has held several senior positions, most notably Chief Investment Officer for Europe, Russia and Turkey at the Qatar Investment Authority, where he managed the European portfolio across a number of sectors. Mr. Al-Hammadi graduated from the Wharton School at the University of Pennsylvania and holds an MBA from Harvard Business School. **Board Memberships:** • Chairman of United Development Company. • Chairman of Qatar Cool Company. • Vice Chairman - Qatar Electricity and Water Company. • Board Member - Masraf Al Rayan. • Board Member - Industries Qatar. • Board Member - Qatar Stock Exchange. • Board Member – Ooredoo Mr. Al Hammadi is also a Board Member at Heathrow Airport.
Mr. Mohammed bin Nasser Al-Hajri Managing Director and Chief Executive Officer	Joined QatarEnergy (then known as Qatar Petroleum) in 1991 and has over 32 years of experience in the oil and gas production and petrochemical industries. He has held several leadership positions at QatarEnergy, including Executive Vice President for Petrochemical and Industrial Projects Development. He holds a Master's degree in Gas Engineering from the University of Salford, UK, and a Bachelor's degree in Chemical Engineering from Qatar University. **Board Memberships:** • Managing Director and CEO - Qatar Electricity and Water Company. • Chairman of the Board of Directors of Umm Al Houl Power Company. • Chairman of the Board of Directors of Nebras Power Company. • Board Member of Gulf International Services Company.
H.E. Sh. Hamad bin Jassim Al-Thani Board Member	Businessman, Owner and Chairman of the Board of Directors of the Arab Engineering Construction Company (ACEC) Group, one of the leading companies in the State of Qatar, established in 1967 with a diverse group of companies focusing on the sectors of oil and gas, telecommunications, shipping, utilities and infrastructure. Holds a Bachelor's degree in Economics from the United States of America. **Board Memberships:** • Currently a member of the Board of Directors of Qatar Electricity and Water Company. • Previously served as Chairman of the Board of Directors of the Qatar Chamber of Commerce and Industry (1990-2002)

H.E. Sh. Hamad bin Jabor Al-Thani Board Member	Sheikh Hamad bin Jabor Al-Thani has managed institutions from the private, public and mixed sectors, achieving great results and goals in the field of strategic planning and performance based on management and building national efficiency. He played an effective role in establishing the Qatar Statistics Authority and supervising the preparation of the National Strategy for the Development of Statistics. He also held the position of Director General of the General Secretariat for Development Planning, where he played a major role in preparing and formulating Qatar National Vision 2030. He previously worked for seventeen years at Qatar Petroleum. Sheikh Hamad bin Jabor Al-Thani holds a Bachelor's degree in Business Administration from Metropolitan State College Denver, Colorado, USA. **Board Memberships:** • Board Member - Qatar National Bank. • Chairman of the Advisory Board of the College of Business and Economics at Qatar University.
H.E. Sh. Saoud bin Khalid Al-Thani Board Member	Member of the ruling family, founder and chairman of SBK, started his career in trading and contracting in 1994. He chaired the Qatar Olympic Committee from 1995-2000, and chaired the Qatar Youth Committee from 2000-2008. **Board Memberships:** • Chairman of Al Rayyan Club. • Chairman of Qatar Life and Medical Insurance Company (Q Life) • Board Member of Qatar Fuel Company (WOQOD). • Board Member of Qatar Electricity and Water Company. • Board Member of Qatar Insurance Company (QIC)
Mr. Nasser bin Khalil Al-Jaidah Board Member	He joined Qatar Petroleum in 1977 and during that time he held several responsibilities and positions, progressing from the position of Petroleum Geologist in 1979 to Oil and Gas Projects Manager in 1994. In 2006, he assumed the position of CEO and Board Member of Qatar Petroleum International. Mr. Al-Jaidah holds a Bachelor's degree in Geology and Petroleum Engineering. Mr. Al-Jaidah has held several positions: • Member of the Shura Council and Chairman of the Qatar Friendship Group Committee with the United States, Canada, Australia and New Zealand 2004-2021. • Member of the Arab Parliament from 2004 to 2018. • Vice Chairman of the Board of Directors of Qatar Petroleum International. • Member of the Board of Directors of Qatar Gas and Vice Chairman of the Executive Committee. • Vice Chairman of the Board of Directors of Tasweeq. • Member of the Board of Directors of Industries Qatar. • Vice President of Qatar Fuel Additives Company "QAFAC". • Chairman of the Board of Directors of South Hook Gas Liquefaction. • Chairman of the Board of Directors of Adriatic Gas Liquefaction. • Chairman of the Management Committees of several Production Sharing Agreement companies.

Mr. Nasser bin Khalil Al-Jaidah Board Member *(continued)*	• Chairman of the Management Committee of the Gulf Gas Field Project. • Member of the Board of Directors of Hamad Medical Corporation. • Member of the Society of Petroleum Engineers (SPE) and the American Association of Geological Engineers (AAPG) • Participant and member of both the Oxford Energy Club and the Paris Energy Club. **Board Memberships:** • Member of the Board of Directors of QatarEnergy. • Chairman of the Audit Committee of the Board of Directors of QatarEnergy. • Member of the Board of Directors of Qatar Electricity and Water Company. • Member of the Board of Trustees of Qatar University.
Mr. Adel Ali bin Ali Board Member	As Chairman of Ali bin Ali Holding Group, one of Qatar's most respected business conglomerates, Mr. Adel Ali bin Ali leads an organization with a heritage and legacy spanning over seven decades. He presides over a diversified holding company comprising 18 distinct business activities. He provides wise leadership to over 5,000 employees and plans local and regional business operations that reflect Ali bin Ali's ambitious growth plans. In addition to his role in leading Ali bin Ali Holding with its various business interests and joint ventures, he is involved in several local and international companies and business ventures in various fields. In recognition of his distinguished contribution to the field of mutual trade cooperation and partnership with France, the French Republic honored Mr. Adel Ali bin Ali with the title of "National Order of Merit". Mr. Adel Ali bin Ali holds a Bachelor's degree in Electrical and Electronic Engineering from California State University, Sacramento. **Board Memberships:** • General Manager and Managing Director of the Board of Directors of Doha Insurance Company. • Board Member of Qatar Navigation Company. • Board Member of Qatar Electricity and Water Company. • Former Board Member of Amwal Company. • Former Honorary Treasurer of Qatar Chamber of Commerce and Industry. • Former Board Member of Qatar National Bank. • Former Vice Chairman of Qatar Sports Club.
H.E. Sh. Saheim bin Khalid Al-Thani Board Member	Sheikh Saheim bin Khalid Al-Thani holds a Bachelor's degree in Business Administration. **Board Membership:** • Member of the Board of Directors of Qatar Navigation Company since November 2020. • Member of the Board of Directors of Qatar Electricity and Water Company representing Qatar Navigation Company. • Member of the Board of Directors of Qatar Central Markets Company (Hayat Plaza). • Member of the Board of Directors of Doha Festival City. • He also previously held the position of Chairman of the Board of Directors of Dlala Brokerage Company.

Mr. Abdullah Khalifa Al-Rabban Board Member	Joined the General Retirement and Social Insurance Authority - State of Qatar from January 2017 to date. Mr. Al-Rabban holds a Business and Economics degree from the University of Oregon, USA - 2016. **Board Membership:** • Member of the Board of Directors of Qatar Electricity and Water Company since March 2020. • Member of the Tenders Committee of Mesaimeer City Real Estate Company. • Member of the Board of Directors of Mesaimeer City Real Estate Company. • Secretary of the Investment Committee of the Civil and Military Pension Funds (. (2017 - 2023) • Member of the Board of Directors of Gulf International Services Company from February 2018 to January 2020.
Mr. Fahad bin Abdullah Al-Mana Board Member	He joined Qatar Investment Authority in 2011 and is currently a member of the Real Estate Investments Department with a focus on Asian investments. Mr. Al-Mana holds a degree in Business Administration from Qatar University, majoring in Finance and Accounting. **Board Memberships:** • Board Member of Qatar Broadband Network Company. • Board Member of Katara Hospitality. • Board Member of Qatar Electricity and Water Company.

APPENDIX 2
EXECUTIVE MANAGEMENT - BIOGRAPHIES

Mr. Abdulrahman Mohammed Al-Emadi Special Advisor to the Managing Director and CEO	Mr. Al-Emadi was appointed as a Special Advisor to the Managing Director and CEO of Qatar Electricity and Water Company, and was the Director of Business Development at the company (2021-August 2024), and has approximately (30) years of experience in the energy and water sector. He previously held the position of CEO at Ras Abu Fontas (RAF) Power and Water Generation Plants for 5 years (2016-2020), and Mr. Al-Emadi holds a Bachelor's degree in Mechanical Engineering from Qatar University.
Mr. Andrew Smith Internal Audit Manager	Mr. Smith was appointed as Internal Audit Manager at Qatar Electricity and Water Company in June 2023. He has over 25 years of experience in the energy and water sector, and previously held the position of Head of Internal Audit for 6 years (2017 – 2023). Mr. Smith holds a Master of Business Administration (MBA) specializing in Corporate Governance, and a Bachelor of Arts (Hons) in Politics.
Mr. Mubarak Nasser Al-Nasr Chief Operations & Maintenance Officer	Mr. Al-Nasr was appointed as Chief Operations & Maintenance Officer, and was previously the Chief Operating Officer of Ras Abu Fontas Power and Desalination Plants (2021 – August 2024). Prior to joining the Company, he was the Managing Director of Ras Laffan Power Company for 11 years (2010 to 2020). Mr. Al-Nasr holds a Bachelor's degree in Mechanical Engineering from Qatar University.
Mr. Khalid Mohammed Jolo Chief Business Development Officer	Mr. Jolo was appointed as Chief Business Development Officer at Qatar Electricity and Water Company in August 2024. He has more than (27) years of experience in the electricity generation and water desalination sector, and previously held the position of CEO of Nebras Power (2014 – August 2024), and previously held the position of Business Development Manager at Qatar Electricity and Water Company. Mr. Jolo holds a Bachelor's degree in Mechanical Engineering from Qatar University. Mr. Jolo is also a member of the boards of directors of a group of companies operating in the field of electricity generation inside and outside Qatar.

Mr. Faisal Obaid Al Siddiqi Chief Executive Officer of Asset Management	Mr. Al-Siddiqi has been appointed as the Chief Executive Officer of Asset Management at Qatar Electricity and Water Company since August 2024. He has more than (32) years of experience in the electricity generation and water desalination sector, and previously held the position of Chief Business Development Officer at Nebras Power Company (2015- August 2024), Chief Executive Officer of Ras Girtas Power Company (2008-2015), and Technical Director at Qatar Electricity and Water Company (2007-2008). Mr. Al-Siddiqi holds a Bachelor's degree in Mechanical Engineering from Qatar University.
Mr. Mohammed Mosaed Al-Mohannadi Chief Administration Officer	Mr. Al-Mohannadi was appointed Chief Administrative Officer of Qatar Electricity and Water Company in August 2024. He has more than (22) years of experience in the field of finance and executive management in the energy and real estate investment sectors. He previously held the position of Business Support Manager at Nebras Power Company, and previously held the position of Investment Manager at Makeen Holding Company. Mr. Al-Mohannadi holds a Bachelor's degree in Accounting from Qatar University.
Mr. Gill Shahzad Iqbal Chief Finance & Planning Officer	Mr. Gill has been appointed as the Chief Finance & Planning Officer at Qatar Electricity and Water Company, and has over (24) years of experience. Mr.Gill holds a Master of Business Administration (Accounting) from Monash University-Australia, a Master of Business Administration (Finance) from Lahore School of Economics-Pakistan, and a Bachelor of Economics and Statistics from Government College University (GCU)-Pakistan.
Mr. Ian Gregory Theron General Counsel	Mr. Theron was appointed as General Counsel of Qatar Electricity and Water Company in August 2024. He has over (19) years of experience in the legal field. He previously served as Deputy General Counsel of Nebras Power Company and was General Counsel of one of the leading companies developing energy projects in South Africa. He previously worked for a listed construction company in the engineering, procurement and construction sector. Mr. Theron holds a Bachelor of Laws degree from the University of Johannesburg.

MANAGEMENT ASSESSMENT OF INTERNAL CONTROL OVER FINANCIAL REPORTING

GENERAL

The Board of Directors of the Company and its consolidated subsidiaries (together "the Group") is responsible for establishing and maintaining adequate internal controls over financial reporting ("ICOFR") as required by Qatar Financial Markets Authority ("QFMA"). Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Group's consolidated financial statements for external reporting purposes in accordance with International Financial Reporting Standards (IFRS). ICOFR also includes our disclosure controls and procedures designed to prevent misstatements.

RISKS IN FINANCIAL REPORTING

The main risks in financial reporting are that either the consolidated financial statements are not presented fairly due to inadvertent or intentional errors, or the publication of consolidated financial statements is not done on a timely basis. A lack of fair presentation arises when one or more financial statement accounts or disclosures contain misstatements (or omissions) that are material. Misstatements are deemed material if they could, individually or collectively, influence economic decisions that users make on the basis of the consolidated financial statements.

To confine those risks of financial reporting, the Group has established ICOFR with the aim of providing reasonable but not absolute assurance against material misstatements. We have also assessed the design, implementation and operating effectiveness of the Group's ICOFR based on the criteria established in Internal Control Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). COSO recommends the establishment of specific objectives to facilitate the design and evaluate the adequacy of a control system. As a result, in establishing ICOFR, management has adopted the following financial statement objectives:

- Existence / Occurrence - assets and liabilities exist and transactions have occurred;
- Completeness - all transactions are recorded, account balances are included in the consolidated financial statements;
- Valuation / Measurement - assets, liabilities and transactions are recorded in the financial reports at the appropriate amounts;
- Rights and Obligations and ownership - rights and obligations are appropriately recorded as assets and liabilities; and
- Presentation and disclosures - classification, disclosure and presentation of financial reporting is appropriate

However, any internal control system, including ICOFR, no matter how well designed and operated, can provide only reasonable, but not absolute assurance that the objectives of that control system are met. As such, disclosure controls and procedures or systems for ICOFR may not prevent all errors and fraud. Furthermore, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs.

ORGANISATION OF THE INTERNAL CONTROL SYSTEM

Functions Involved in the System of Internal Control over Financial Reporting

Controls within the system of ICOFR are performed by all business and support functions with an involvement in reviewing the reliability of the books and records that underlie the consolidated financial statements. As a result, the operation of ICOFR involves staff based in various functions across the organization.

Controls to Minimize the Risk of Financial Reporting Misstatement

The system of ICOFR consists of a large number of internal controls and procedures aimed at minimizing the risk of misstatement of the consolidated financial statements. Such controls are integrated into the operating process and include those which:

- are ongoing or permanent in nature such as supervision within written policies and procedures or segregation of duties;
- operate on a periodic basis such as those which are performed as part of the annual consolidated financial statement preparation process;
- are preventative or detective in nature;
- have a direct or indirect impact on the consolidated financial statements themselves. Controls which have an indirect effect on the consolidated financial statements include Control Environment, Risk Assessment, Monitoring, and Information and Communication (CERAMIC) controls and Information Technology general controls such as system access and deployment controls whereas a control with a direct impact could be, for example, a reconciliation which directly supports a balance sheet line item; and
- feature automated and/or manual components. Automated controls are control functions embedded within system processes such as application enforced segregation of duty controls and interface checks over the completeness and accuracy of inputs. Manual internal controls are those operated by an individual or group of individuals such as authorization of transactions.

Measuring Design, Implementation and Operating Effectiveness of Internal Control

For the financial year 2024, the Company and its subsidiaries in Brazil and The Netherlands have undertaken a formal evaluation of the adequacy of the design, implementation, and operating effectiveness of the system of ICOFR considering:

- The risk of misstatement of the consolidated financial statement line items, considering such factors as materiality and the susceptibility of the financial statement item to misstatement; and
- The susceptibility of identified controls to failure, considering such factors as the degree of automation, complexity, and risk of management override, competence of personnel and the level of judgment required.

These factors, in aggregate, determine the nature, timing and extent of evidence that management requires in order to assess whether the design, implementation and operating effectiveness of the system of ICOFR is effective. The evidence itself is generated from procedures integrated within the daily responsibilities of staff or from procedures implemented specifically for purposes of the ICOFR evaluation. Information from other sources also form an important component of the evaluation since such evidence may either bring additional control issues to the attention of management or may corroborate findings.

The evaluation has included an assessment of the design, implementation, and operating effectiveness of controls within various processes including Power Generation and Sale, Purchases, Inventory Management, Human Resources and Payroll, General Ledger and Financial Reporting, Property, Plant & Equipment, Investment Management, Treasury Management, Entity Level Controls and Information Technology General Controls. As a result of the assessment of the design, implementation, and operating effectiveness of ICOFR, management did not identify any material weaknesses and concluded that ICOFR is appropriately designed, implemented, and operated effectively as of 31 December 2024.

The Management Assessment of Internal Control over Financial Reporting as at and for the year ended 31 December 2024 were approved by the Board of Directors and signed on its behalf by the following on 4 February 2025.

Saad bin Sherida Al-Kaabi
Chairman

Mohammed bin Nasser Al-Hajri
Managing Director & Chief Executive officer

INDEPENDENT LIMITED ASSURANCE REPORT

TO THE SHAREHOLDERS OF QATAR ELECTRICITY AND WATER COMPANY Q.P.S.C.

Report on the Company's compliance with its Articles of Association and the provisions of the Qatar Financial Markets Authority's law and relevant legislations including the Corporate Governance Code for Companies and Legal Entities Listed on the Main Market

In accordance with Article 24 of the Corporate Governance Code for Companies and Legal Entities Listed on the Main Market ("the Code") issued by the Qatar Financial Markets Authority ("QFMA"), we were engaged by the Board of Directors of Qatar Electricity and Water Company Q.P.S.C. ("the Company") to carry out a limited assurance engagement over Board of Directors' assessment (a) whether the Company has a process in place to comply with its Articles of Association, the provisions of the QFMA's law and relevant legislations; and (b) whether the Company is in compliance with the provisions of the Code during the year ended 31 December 2024, together referred to as "the Corporate Governance Statement".

RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The Board of Directors of the Company is responsible for:

- preparation and fair presentation of the Corporate Governance Statement in accordance with the Code. The Board of Directors provided the Corporate Governance Statement, which was shared with KPMG on 05 February 2025 ('Appendix 1'), and to be included as part of the annual corporate governance report.
- designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the Corporate Governance Statement that is free from material misstatement, whether due to fraud or error.
- preventing and detecting fraud and for identifying and ensuring that the Company has a process in place to comply with its Articles of Association, the provisions of the QFMA's law and relevant legislations and compliance with the provisions of the Code.
- ensuring that management and staff involved with the preparation of the Corporate Governance Statement are properly trained, systems are properly updated and that any changes in reporting encompass all significant business units.

OUR RESPONSIBILITIES

Our responsibility is to examine the Corporate Governance Statement prepared by the Company and to report thereon in the form of an independent limited assurance conclusion based on the evidence obtained. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform our procedures to obtain a meaningful level of assurance about whether the Corporate Governance Statement is fairly presented in all material respects, in accordance with the requirements as per Article 24(4) of the Code.

We apply International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The procedures selected depend on our understanding of the Company's process for compliance with its Articles of Association, the provisions of the QFMA's law and relevant legislations, and its compliance with the provisions of the Code and other engagement circumstances, and our consideration of areas where material non-compliances are likely to arise.

In obtaining an understanding of the Company's process for compliance with its Articles of Association, the provisions of the QFMA's law and relevant legislations, and its compliance with provisions of the Code and other engagement circumstances, we have considered the process used to prepare the Corporate Governance Statement in order to design limited assurance procedures that are appropriate in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of the Company's process or internal control over the preparation and fair presentation of the Corporate Governance Statement.

Our engagement also included assessing the appropriateness of the Company's process for compliance with its Articles of Association, the provisions of the QFMA's law and relevant legislations and its compliance with the provisions of the Code, the suitability of the criteria used by the Company in preparing the Corporate Governance Statement in the circumstances of the engagement, evaluating the appropriateness of the methods, policies and procedures used in the preparation of the Corporate Governance Statement.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our limited assurance procedures do not involve assessing the qualitative aspects or effectiveness of the procedures adopted by the Board of Directors to comply with the requirements of the provisions of the Code.

The procedures performed over the Corporate Governance Statement included, but were not limited to:

- Examining the assessment completed by the Board of Directors to validate whether the Company has a process in place to comply with its Articles of Association, the provisions of the QFMA's law and relevant legislations, and whether it is in compliance with the provisions of the Code;
- Examining the supporting evidence provided by the Board of Directors to validate the Company's compliance with the Code; and
- Conducting additional procedures as deemed necessary to validate the Company's compliance with the Code (e.g. review governance policies, procedures and practices, etc.).

As part of this engagement, we have not performed any procedures by way of audit, review or verification of the Corporate Governance Statement nor of the underlying records or other sources from which the Corporate Governance Statement was extracted.

OTHER INFORMATION

The Board of Directors is responsible for the other information. The other information comprises the information to be included the Company's annual report which is expected to be made available to us after the date of this report. The Corporate Governance Statement and our limited assurance report thereon will be included in the annual report. When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Board of Directors.

CHARACTERISTICS AND LIMITATIONS OF THE CORPORATE GOVERNANCE STATEMENT

Many of the procedures followed by entities to adopt governance and legal requirements depend on the personnel applying the procedure, their interpretation of the objective of such procedure, their assessment of whether the compliance procedure was implemented effectively, and in certain cases would not maintain audit trail. It is also noticeable that the design of compliance procedures would follow best practices that vary from one entity to another, which do not form a clear set of criteria to compare with. Non-financial information is subject to more inherent limitations than financial information, given the characteristics of the Board of Directors' assessment on the process in place to ensure compliance with the Company's Articles of Association, the provisions of the QFMA's law and relevant legislations and compliance with the provisions of the Code and the methods used for determining such information. Because of the inherent limitations of internal controls over compliance with relevant laws and regulations, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

The Corporate Governance Statement is prepared to meet the common needs of a broad range of users and may not, therefore, include every aspect of the information that each individual user may consider important in its own particular environment.

CRITERIA

The criteria for this engagement is the process for compliance with the Company's Articles of Association, the provisions of the QFMA's law and relevant legislations and compliance with the provisions of the Code.

CONCLUSION

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Board of Directors' Corporate Governance Statement for the year ended 31 December 2024, that

(a) the Company has a process in place to comply with its Articles of Association, the provisions of the QFMA's law and relevant legislations; and

(b) the Company is in compliance with the provisions of the Code

is not, in all material respects, fairly stated in accordance with the requirements as per Article 24(4) of the Code.

RESTRICTION OF USE OF OUR REPORT

Our report is prepared for the shareholders of the Company and QFMA solely.

Our report is designed to meet the requirements of the QFMA's Corporate Governance Code and to discharge the responsibilities assigned to external auditors as specified in Article 24 of the Code. Our report should not therefore be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the shareholders of the Company and QFMA for any purpose or in any context. Any party other than the shareholders of the Company and QFMA who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than the shareholders of the Company and QFMA for our work, for this independent limited assurance report, or for the conclusions we have reached.

Our report is released to the shareholders of the Company and QFMA on the basis that it shall not be copied, referred to or disclosed, in whole (save for the Company's own internal purposes) or in part, without our prior written consent.

05 February 2025
Doha
State of Qatar

Gopal Balasubramaniam
KPMG
Qatar Auditors' Registry No. 251
Licensed by QFMA: External
Auditors' License No. 120153

Appendix 1: Board of Directors assessment on the process for compliance with the Company's Articles of Association, the provisions of the QFMA's law and relevant legislations and compliance with the provisions of the Code.

INDEPENDENT REASONABLE ASSURANCE REPORT

TO THE SHAREHOLDERS OF QATAR ELECTRICITY AND WATER COMPANY Q.P.S.C.

REPORT ON INTERNAL CONTROLS OVER FINANCIAL REPORTING

In accordance with Article 24 of the Corporate Governance Code for Companies and Legal Entities Listed on the Main Market ("the Code") issued by the Qatar Financial Markets Authority ("QFMA"), we were engaged by the Board of Directors of Qatar Electricity and Water Company Q.P.S.C. ("the Company") and its subsidiaries (together referred to as "the Group") to carry out a reasonable assurance engagement over Board of Directors' description of the processes and internal controls and assessment of the suitability of the design, implementation and operating effectiveness of the Group's internal controls over financial reporting (the 'ICOFR') as at 31 December 2024 (the "ICOFR Statement").

RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The Board of Directors of the Company is responsible for preparation and fair presentation of the ICOFR Statement in accordance with the control objectives set out in the criteria.

The ICOFR Statement, which was signed by the Group Chairman and the Managing Director and Chief Executive Officer, and shared with KPMG on 05 February 2025 ('Appendix 1') and is to be included in the annual report of the Group, includes the following:

- the Board of Directors' assessment of the suitability of design, implementation and operating effectiveness of the ICOFR;
- the description of the process and internal controls over financial reporting for the processes of:
  - Power generation and sale;
  - Purchases;
  - Inventory management;
  - Human resources and payroll;
  - Property, plant and equipment;
  - General ledger and financial reporting;
  - Investment management;
  - Treasury management;
  - Entity level controls; and
  - Information technology general controls.

- designing, implementing and testing controls to achieve the stated control objectives;
- identification of control gaps and failures, how they are remediated, and procedures set to prevent such failures or to close control gaps; and
- planning and performance of the management's testing, and identification of the control deficiencies.

The Board of Directors is responsible for establishing and maintaining internal controls over financial reporting based on the criteria established in *Internal Control – Integrated Framework (2013),* issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO" or "COSO Framework").

This responsibility includes designing, implementing, maintaining and testing internal controls relevant to the preparation and fair presentation of the ICOFR Statement that is free from material misstatement, whether due to fraud or error. It also includes developing the control objectives in line with the COSO Framework; designing, implementing and effectively operating controls to achieve the stated control objectives; selecting and applying policies, making judgments and estimates that are reasonable in the circumstances, and maintaining adequate records in relation to the appropriateness of the Group's ICOFR.

The Board of Directors is also responsible for preventing and detecting fraud and for identifying and ensuring that the Group complies with laws and regulations applicable to its activities. The Board of Directors is responsible for ensuring that management and staff involved with the preparation of the ICOFR Statement are properly trained, systems are properly updated and that any changes in reporting encompass all significant business units.

OUR RESPONSIBILITIES

Our responsibility is to examine the ICOFR Statement prepared by the Group and to issue a report thereon in the form of an independent reasonable assurance conclusion based on the evidence obtained. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform our procedures to obtain reasonable assurance about whether the ICOFR Statement is fairly presented, in all material respects, in accordance with the control objectives set out therein.

We apply International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the suitability of the design, implementation and operating effectiveness of the Group's internal controls over financial reporting, whether due to fraud or error.

Our engagement also included assessing the appropriateness of the Group's ICOFR, and the suitability of the criteria used by the Group in preparing and presenting the ICOFR Statement in the circumstances of the engagement, evaluating the overall presentation of the ICOFR Statement, and whether the internal controls over financial reporting are suitably designed, implemented and are operating effectively as of 31 December 2024 based on the COSO Framework. Reasonable assurance is less than absolute assurance.

The procedures performed over the ICOFR Statement include, but are not limited to, the following:

- Conducted inquiries with management of the Group to gain an understanding of the risk assessment and scoping exercise conducted by management;
- Examined the in-scope areas using materiality at the Group's consolidated financial statement level;
- Assessed the adequacy of the following:
  - Process level control documentation and related risks and controls as summarized in the Risk & Control Matrix ("RCM");
  - Control Environment, Risk Assessment, Monitoring, and Information and Communication (CERAMIC) controls documentation and related risks and controls as summarized in the RCM;
  - Risk arising from Information Technology and controls as summarized in the RCM;
  - Disclosure controls as summarized in the RCM.
- Obtained an understanding of the methodology adopted by management for internal control design and implementation testing;
- Inspected the walkthrough and design and implementation testing completed by management and conducted independent walkthrough testing, on a sample basis, as deemed necessary;
- Assessed the significance of any internal control weaknesses identified by management;
- Assessed the significance of any additional gaps identified through the procedures performed.
- Examined the management plans for testing the operating effectiveness to evaluate the reasonableness of tests with respect to the nature, extent and timing thereof, and whether the testing responsibilities have been appropriately assigned;
- Examined the management's testing documents to assess whether the operating effectiveness testing of key controls has been performed by the management in accordance with the management testing plan; and
- Re-performed tests on key controls to gain comfort on the management testing of operating effectiveness.

As part of this engagement, we have not performed any procedures by way of audit, review or verification of the ICOFR Statement nor of the underlying records or other sources from which the ICOFR Statement was extracted.

OTHER INFORMATION

The Board of Directors is responsible for the other information. The other information comprises the information to be included in the Group's annual report which is expected to be made available to us after the date of this report. The ICOFR Statement and our reasonable assurance report thereon will be included in the annual report. When we read the annual report if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Board of Directors.

CHARACTERISTICS AND LIMITATIONS OF THE ICOFR STATEMENT

Non-financial information is subject to more inherent limitations than financial information, given the characteristics of the Board of Directors' Report on Internal Controls over Financial Reporting and the methods used for determining such information. Because of the inherent limitations of internal controls over financial reporting including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Therefore, internal controls over financial reporting may not prevent or detect all errors or omissions in processing or reporting transactions and consequently cannot provide absolute assurance that the control objectives will be met. Also, projections of any evaluation of the internal controls over financial reporting to future periods are subject to the risk that the internal control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. Furthermore, the controls activities designed, and operated as of 31 December 2024 covered by our assurance report will not have retrospectively remedied any weaknesses or deficiencies that existed in relation to the internal controls over the financial reporting prior to the date those controls were placed in operation.

The ICOFR Statement is prepared to meet the common needs of a broad range of users and may not, therefore, include every aspect of the information that each individual user may consider important in its own particular environment.

CRITERIA

The criteria for this engagement are the control objectives based on the COSO Framework against which the design, implementation and operating effectiveness of the controls is measured or evaluated.

CONCLUSION

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

In our opinion, based on the results of our reasonable assurance procedures, the Board of Directors' ICOFR Statement as of 31 December 2024 that the controls were properly designed and implemented and operated effectively in accordance with the COSO framework is, in all material respects, fairly stated.

RESTRICTION OF USE OF OUR REPORT

Our report is prepared for the shareholders of the Company and QFMA solely.

Our report is designed to meet the requirements of the QFMA's Corporate Governance Code and to discharge the responsibilities assigned to external auditors as specified in Article 24 of the Code. Our report should not therefore be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the shareholders of the Company and QFMA for any purpose or in any context. Any party other than the shareholders of the Company and QFMA who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than the shareholders of the Company and QFMA for our work, for this independent reasonable assurance report, or for the conclusions we have reached.

Our report is released to the shareholders of the Company and QFMA on the basis that it shall not be copied, referred to or disclosed, in whole (save for the Company's own internal purposes) or in part, without our prior written consent.

05 February 2025
Doha
State of Qatar

Gopal Balasubramaniam
KPMG
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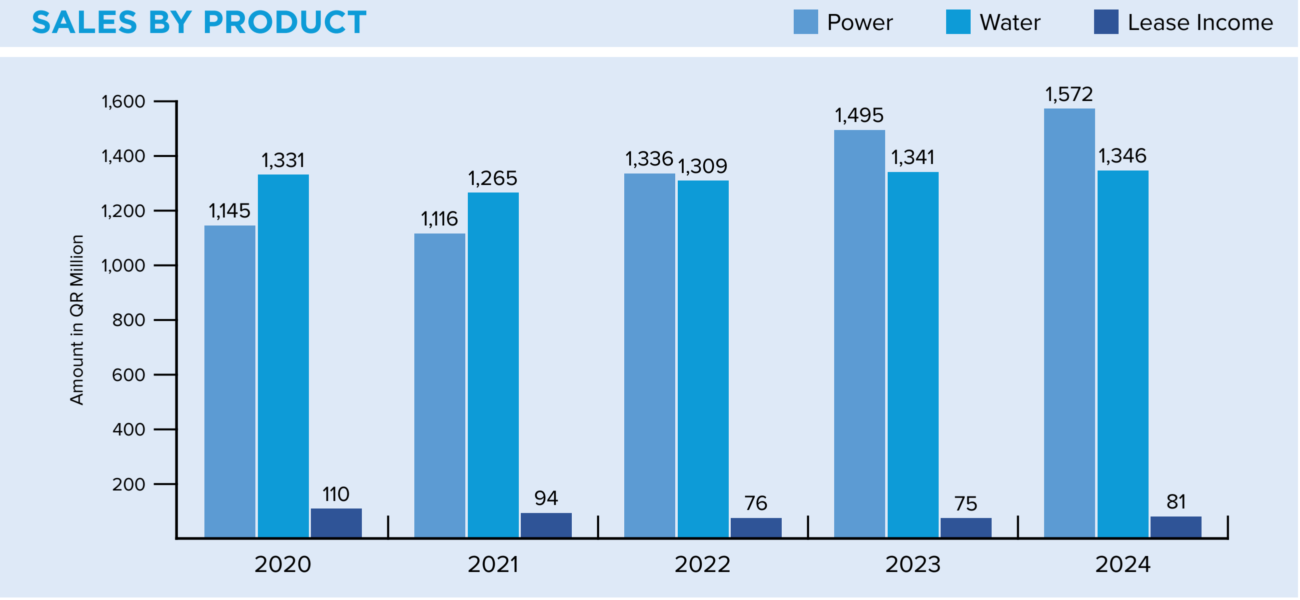
Appendix 1: Board of Directors Statement on ICOFR

FINANCIAL HIGHLIGHTS

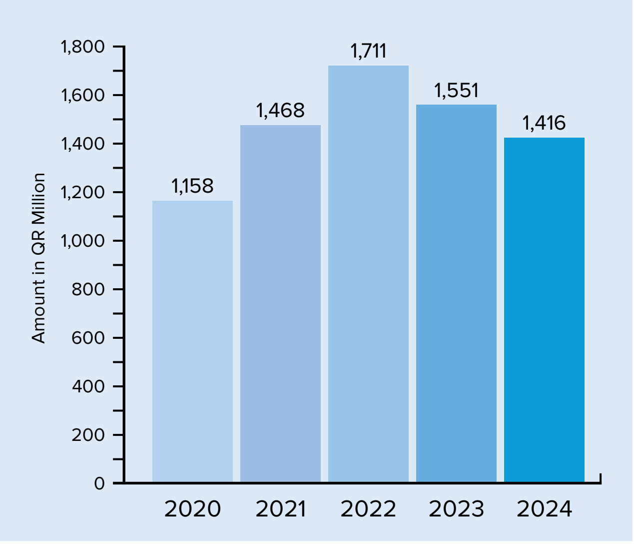
For the Year (amount in QR million)	2024	2023	2022	2021	2020
Sales Revenue	2,999	2,911	2,721	2,475	2,586
Gross Profit	994	1,009	1,052	966	899
Net Profit	1,416	1,551	1,711	1,468	1,158
At Year end (amount in QR million)					
Total Assets	22,744	23,290	27,809	18,491	17,150
Total Shareholders' equity	15,360	14,886	15,124	11,811	9,758
Long Term Debt	4,894	5,157	7,126	3,685	4,017
QR per Share					
Cash Dividends	0.780	0.860	0.950	0.800	0.630
Earnings per Share	1.29	1.41	1.56	1.33	1.05
Ratios					
Return on Equity (%)*	9.36	10.34	12.70	13.61	11.72
Return on Capital Employed (%)**	8.06	8.26	9.65	10.32	8.78
Debt Equity (Times)	0.32	0.35	0.47	0.31	0.41

* *Net Profit/Average Equity*
** *(Net Profit plus net finance cost)/Average capital Employed*

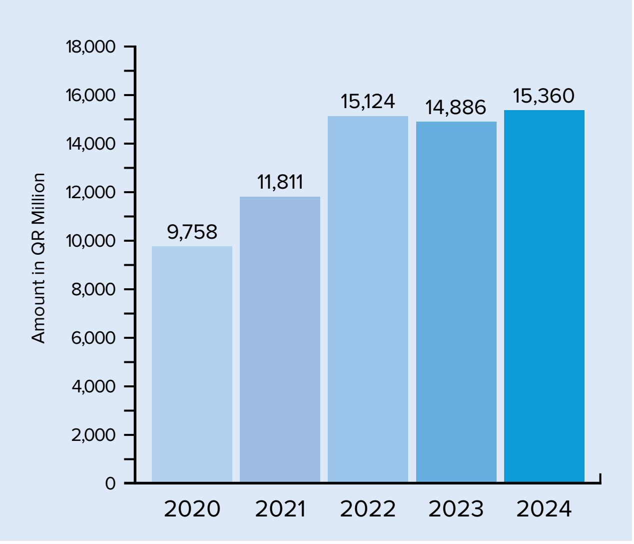
SALES BY PRODUCT



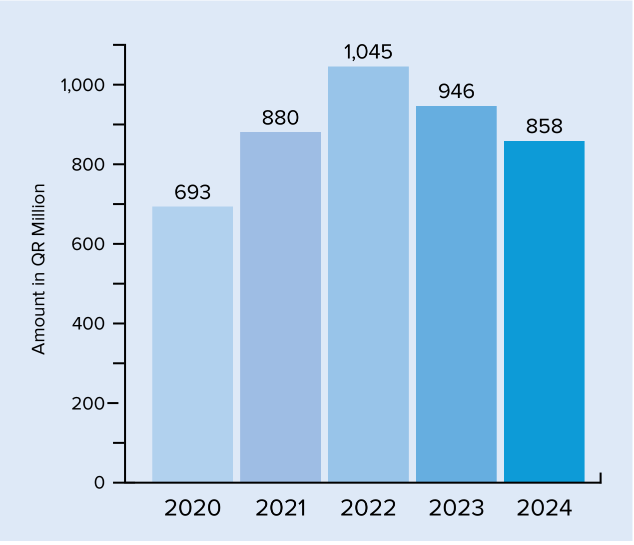
NET PROFIT



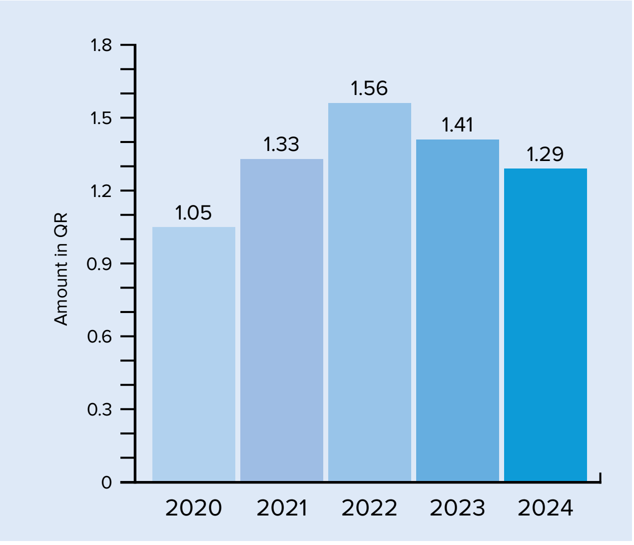
EQUITY GROWTH



DIVIDEND HISTORY



EARNINGS PER SHARE



QATAR ELECTRICITY AND WATER COMPANY Q.P.S.C

CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

INDEX

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Qatar Electricity and Water Company Q.P.S.C.

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Qatar Electricity and Water Company Q.P.S.C. (the 'Company') and its subsidiaries (together the 'Group'), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the Group's consolidated financial statements in the State of Qatar, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Carrying value of equity-accounted investees

See Note 8 to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Group has investment in several equity accounted investees in and outside Qatar amounting to QAR 8,901 million (2023: OR 8,305 million), which represents 39% of the total assets of the Group as at 31 December 2024 (2023: 36%). The impairment testing of equity-accounted investees in accordance with IAS 36, requires management to make significant estimates and judgments in determining the assumptions to be used to arrive at the recoverable amount. The recoverable amount of the Cash Generating Units (CGUs), which is based on the higher of the value in use or fair value less cost of disposal. The value in use has been derived from discounted forecast cash flows models. These discounted forecast cash flows models use several key assumptions, including estimates of growth in future revenues, operating costs, extension options, capital expenditures, and weighted average cost of capital (discount rate). Accordingly, we have considered above as a key audit matter.	Our audit procedures in this area included, among others: • Testing the design and implementation of key controls around the impairment assessment process. • Making inquiries of management regarding the indicators they assessed as possible indicators of impairment for CGUs. • Inspecting management's assessment and considered whether further indicators should have been assessed based on our knowledge of the business, its operating environment, industry knowledge, current market conditions and other information obtained during the audit. • Involving our valuation specialists to assist us in: ◦ evaluating the appropriateness of the discount rates applied, which included comparing the weighted-average cost of capital with industry averages for the relevant markets in which the CGUs operate; ◦ evaluating the appropriateness of the related assumptions applied in discounted forecast cash flows models to key inputs such as growth rate applied in revenues, operating costs, extension options, capital expenditures etc., by comparing these inputs with historical and externally derived data as well as our own assessments based on our knowledge of the client's business and the industry; and ◦ performing our own sensitivity analysis on assumptions applied in discounted forecast cash flows model which included assessing the effect of reasonably possible reductions in growth rates and forecast cash flows, and reasonably possible increase in discount rates to evaluate the impact on the value in use forecast of the CGUs. • Evaluating the adequacy of the financial statements' disclosures, including disclosures related to key assumptions, judgement, estimates and sensitivities.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditors' report thereon. Prior to the date of this auditors' report, we obtained the report of the Board of Directors which forms part of the Annual Report, and the remaining sections of the Annual Report are expected to be made available to us after that date. Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we have obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Board of Directors for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group's consolidated financial statements. We are responsible for the direction, supervision, and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal Requirements

As required by the Qatar Commercial Companies Law No. 11 of 2015, whose certain provisions were subsequently amended by Law No. 8 of 2021 ("amended QCCL"), we also report that:

i) We have obtained all the information and explanations we considered necessary for the purposes of our audit.

ii) The Company has maintained proper accounting records and its consolidated financial statements are in agreement therewith.

iii) We have read the report of the Board of Directors to be included in the Annual Report, and the financial information contained therein is in line with the books and records of the Company.

iv) Furthermore, the physical count of the Company's inventories was carried out in accordance with established principles.

v) We are not aware of any violations of the applicable provisions of the amended QCCL or the terms of the Company's Articles of Association and any amendments thereto having occurred during the year which might have had a material effect on the Company's consolidated financial position or performance as at and for the year ended 31 December 2024.

05 February 2025
Doha
State of Qatar

Gopal Balasubramaniam
KPMG
Qatar Auditors' Registry No. 251
Licensed by QFMA: External
Auditors' License No. 120153

As at 31 December 2024 In thousands of Qatari Riyals

Consolidated statement of financial position

	Notes	2024	2023
ASSETS			
Non-current assets			
Property, plant and equipment	5	5,388,804	5,857,797
Right-of-use assets	6(a)	36,579	49,129
Intangible assets and goodwill	7	60,665	66,635
Equity-accounted investees	8	8,900,963	8,304,635
Equity investments at FVOCI	9	2,138,739	2,017,318
Finance lease receivables	6(d)	410,898	594,806
Derivative assets	18(b)	10,697	24,530
Loans receivable from related parties	34(b)	1,313,158	1,144,340
Deferred tax assets	11	56,964	48,819
Other non-current assets	10	78,716	72,524
		18,396,183	18,180,533
Current assets			
Inventories	12	94,319	96,913
Trade and other receivables	13	1,145,036	856,257
Finance lease receivables	6(d)	183,907	170,082
Derivative assets	18(b)	14,262	12,265
Cash and bank balances	14	2,844,423	3,787,311
Assets held-for-distribution	37	65,861	186,385
		4,347,808	5,109,213
TOTAL ASSETS		**22,743,991**	23,289,746
EQUITY AND LIABILITIES			
Equity			
Share capital	15	1,100,000	1,100,000
Legal reserve	16	550,000	550,000
General reserve	17	3,243,870	3,243,870
Hedge reserve	18(a)	601,127	176,478
Fair value reserve	9	646,942	525,521
Foreign currency translation reserve	19	(173,436)	36,306
Retained earnings		9,391,311	9,254,158
Equity attributable to owners of the Company		15,359,814	14,886,333
Non-controlling interests	20	249,555	322,293
Total equity		15,609,369	15,208,626
Non-current liabilities			
Loans and borrowings	21	4,742,548	5,000,645
Lease liabilities	6(b)	32,688	45,055
Derivative liabilities	18(b)	3,063	–
Deferred tax liabilities	11	6,411	–
Employees' end of service benefits	22	93,527	92,266
Other non-current liabilities		15,721	18,683
		4,893,958	5,156,649

The consolidated statement of financial position continues on next page.

The notes on pages 83 to 156 form an integral part of these consolidated financial statements.

Consolidated statement of financial position (continued)
As at 31 December 2024

In thousands of Qatari Riyals

	Notes	2024	2023
Current liabilities			
Loans and borrowings	21	1,223,637	1,817,647
Lease liabilities	6(b)	10,858	10,762
Trade and other payables	23	947,837	916,392
Liabilities held-for-distribution	37	58,332	168,650
Other current liabilities		–	11,020
		2,240,664	2,924,471
Total liabilities		7,134,622	8,081,120
TOTAL EQUITY AND LIABILITIES		**22,743,991**	23,289,746

These consolidated financial statements were approved by the Board of Directors and signed on its behalf by the following on 05 February 2025.

Saad bin Sherida Al-Kaabi
Chairman

Mohammed bin Nasser Al-Hajri
Managing Director and Chief Executive Officer

The notes on pages 83 to 156 form an integral part of these consolidated financial statements.

For the year ended 31 December 2024

In thousands of Qatari Riyals

Consolidated statement of profit or loss and other comprehensive income

	Notes	2024	2023
Revenue from water and electricity	24	2,917,904	2,836,266
Income from finance lease		80,597	74,954
		2,998,501	2,911,220
Cost of sales	25	(2,004,404)	(1,902,292)
Gross profit		**994,097**	1,008,928
General and administrative expenses	26	(257,804)	(285,200)
Interest income	27	236,701	311,906
Other income	28	232,014	283,203
Operating profit		**1,205,008**	1,318,837
Finance costs	29	(444,169)	(507,302)
Share of results from equity-accounted investees – net of tax	8	680,162	672,284
Gain on disposal of asset held-for-sale		–	77,652
Profit before tax from continuing operations		**1,441,001**	1,561,471
Income tax (expense) / credit	11	(3,877)	6,037
Profit after tax from continuing operations		**1,437,124**	1,567,508
Loss from discontinued operation, net of tax	37	(631)	(7,156)
Profit for the period		**1,436,493**	1,560,352
Profit attributable to:			
Owners of the Company		1,416,044	1,551,436
Non-controlling interests	20	20,449	8,916
		1,436,493	1,560,352
Other comprehensive income:			
Items that are or may be reclassified subsequently to profit or loss:			
Equity-accounted investees - share of OCI – net of related tax	18(a)	439,547	(598,647)
Cash flow hedges – effective portion of changes in fair value – net of related tax	18(a)	(14,898)	(42,159)
Cash flow hedges reclassified to profit or loss on derecognition of an associate – net of related tax	18(a)	–	(78,720)
Foreign operations – foreign currency translation differences		(245,360)	28,371
Reclassification of foreign currency differences on derecognition of subsidiaries	19	–	9,083
		179,289	(682,072)
Items that will not be reclassified to profit or loss:			
Equity investments at FVOCI – net change in fair value	9	121,421	11,287
Other comprehensive income for the period – net of tax		**300,710**	(670,785)
Total comprehensive income for the period		**1,737,203**	889,567
Total comprehensive income attributable to:			
Owners of the Company		1,752,372	880,651
Non-controlling interests		(15,169)	8,916
		1,737,203	889,567
Earnings per share:			
Basic and diluted earnings per share (Qatari Riyals)	30	**1.29**	1.41

The notes on pages 83 to 156 form an integral part of these consolidated financial statements.

For the year ended 31 December 2024 — In thousands of Qatari Riyals

Consolidated statement of changes in equity

	Attributable to owners of the Company									
	Share capital	Legal reserve	General reserve	Hedge reserve	Fair value reserve	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
At 1 January 2024	1,100,000	550,000	3,243,870	176,478	525,521	36,306	9,254,158	14,886,333	322,293	15,208,626
Profit for the period	–	–	–	–	–	–	1,416,044	1,416,044	20,449	1,436,493
Other comprehensive income for the period	–	–	–	424,649	121,421	(209,742)	–	336,328	(35,618)	300,710
Total comprehensive income for the period	–	–	–	424,649	121,421	(209,742)	1,416,044	1,752,372	(15,169)	1,737,203
Contribution to social and sports support fund (Note 32)	–	–	–	–	–	–	(32,218)	(32,218)	–	(32,218)
Transactions with owners of the Group										
Dividends relating to year 2023 (Note 31)	–	–	–	–	–	–	(946,000)	(946,000)	(57,227)	(1,003,227)
Dividends relating to year 2024 (Note 31)	–	–	–	–	–	–	(275,000)	(275,000)	–	(275,000)
Other movements	–	–	–	–	–	–	(25,673)	(25,673)	(342)	(26,015)
At 31 December 2024	**1,100,000**	**550,000**	**3,243,870**	**601,127**	**646,942**	**(173,436)**	**9,391,311**	**15,359,814**	**249,555**	**15,609,369**
At 1 January 2023	1,100,000	550,000	3,243,870	888,196	614,751	(1,148)	8,728,092	15,123,761	333,573	15,457,334
Profit for the period	–	–	–	–	–	–	1,551,436	1,551,436	8,916	1,560,352
Other comprehensive income for the period	–	–	–	(719,526)	11,287	37,454	–	(670,785)	–	(670,785)
Total comprehensive income for the period	–	–	–	(719,526)	11,287	37,454	1,551,436	880,651	8,916	889,567
Transfer upon disposal of equity investments at FVOCI	–	–	–	–	(100,517)	–	100,517	–	–	–
Contribution to social and sports support fund (Note 32)	–	–	–	–	–	–	(35,937)	(35,937)	–	(35,937)
Deconsolidation of subsidiaries	–	–	–	–	–	–	–	–	139	139
Other movements	–	–	–	–	–	–	(817)	(817)	5,545	4,728
Prior period adjustment:										
Claim for social and sports support fund	–	–	–	–	–	–	(36,325)	(36,325)	–	(36,325)
Other movements	–	–	–	7,808	–	–	(7,808)	–	–	–
Transactions with owners of the Group										
Dividends (Note 31)	–	–	–	–	–	–	(1,045,000)	(1,045,000)	(25,880)	(1,070,880)
At 31 December 2023	1,100,000	550,000	3,243,870	176,478	525,521	36,306	9,254,158	14,886,333	322,293	15,208,626

The notes on pages 83 to 156 form an integral part of these consolidated financial statements.

QATAR ELECTRICITY & WATER COMPANY Q.P.S.C.
ANNUAL REPORT 2024

For the year ended 31 December 2024 — In thousands of Qatari Riyals

Consolidated statement of cash flows

	Notes	2024	2023
OPERATING ACTIVITIES			
Profit for the period		1,436,493	1,560,352
Adjustments for:			
Depreciation on property, plant and equipment	5	335,485	337,280
Depreciation of right-of-use assets	6(a)	10,778	10,376
Interest expense on lease liabilities	6(b)	1,947	13,709
Amortization of intangible assets	7	5,970	5,970
Share of results of equity-accounted investees	8	(680,162)	(672,284)
Dividend income from equity investments at FVOCI	9	(127,343)	(113,948)
(Reversal) / provision for slow-moving inventories	12	(889)	477
Allowance for impairment of trade and other receivables	13	6,179	3,765
Loan amortization fee		11,460	771
Provision for employees' end of service benefits	22	13,685	13,293
Interest income	27	(236,701)	(311,906)
Amortization of other non-current assets		1,805	1,861
Gain on sale of an asset held-for-sale		–	(77,652)
Loss on sale of asset		–	1,289
Profit on deconsolidation of subsidiaries		–	(38,249)
Interest expense excluding interest on lease liabilities		444,169	493,593
Operating profit before working capital changes		**1,222,876**	1,228,697
Working capital adjustments:			
Inventories		3,483	(3,403)
Trade and other receivables		(313,924)	(96,436)
Finance lease receivables		170,082	33,531
Deferred tax assets		(1,734)	(16,695)
Trade and other payables		25,114	(41,702)
Cash flows from operating activities		1,105,897	1,103,992
Employees' end of service benefits paid	22	(12,424)	(8,655)
Net cash from operating activities		**1,093,473**	1,095,337
INVESTING ACTIVITIES			
Acquisition of property, plant and equipment – net of adjustments	5	(208,007)	(50,951)
Proceeds from sale of asset held-for-sale – net of expenses		–	235,259
Net movement in other non-current assets		6,031	(63,140)
Proceeds from sale of property, plant and equipment		77	5,325
Investment in equity-accounted investees	8	(373,639)	(463,627)
Dividends received from equity-accounted investees	8	763,876	610,893
Proceeds from sale of equity investments at FVOCI	9	–	316,732
Dividends received from equity investments at FVOCI	28	127,343	113,948
Interest received		255,666	326,856
Net movement in term deposits with original maturity over 90 days		75,544	5,001,162
Net cash generation from investing activities		**646,891**	6,032,457

The consolidated statement of cash flows continues on next page.

The notes on pages 83 to 156 form an integral part of these consolidated financial statements.

Consolidated statement of cash flows (continued)
As at 31 December 2024 | In thousands of Qatari Riyals

	Notes	**2024**	2023
FINANCING ACTIVITIES			
Repayment of lease liabilities	6(b)	(11,866)	(20,363)
Dividends paid to non-controlling interests		(21,141)	(25,880)
Proceeds from loans and borrowings	21	297,059	124,666
Repayment of loans and borrowings	21	(897,490)	(4,399,450)
Dividends paid to owners of the Company		(1,221,000)	(1,041,834)
Loans granted to related parties – net of repayments	34(b)	(287,408)	(589,603)
Interest expense paid including interest on lease liabilities		(450,807)	(498,462)
Net cash used in financing activities		**(2,592,653)**	(6,450,926)
NET CHANGE IN CASH AND CASH EQUIVALENTS		(852,289)	676,868
Cash and cash equivalents at the beginning of the period		2,154,013	1,482,511
Effect of movements in exchange rates on cash held in foreign currencies		(15,056)	(5,366)
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	14	**1,286,668**	2,154,013

The notes on pages 83 to 156 form an integral part of these consolidated financial statements.

As at 31 December 2024 | In thousands of Qatari Riyals

Notes to the consolidated financial statements

1. REPORTING ENTITY

Qatar Electricity and Water Company Q.P.S.C. ("the Company" or "the Parent") is a Qatari Public Shareholding Company incorporated in the State of Qatar under commercial registration number 14275. The Company commenced its commercial operations in March 1992. The head office of the Company is located at Qatar Navigation Tower in Al-Dafna Area, West Bay, Doha, State of Qatar. The Company's shares are listed on the Qatar Stock Exchange since 3 May 1998.

These consolidated financial statements comprise the Company and its subsidiaries (collectively referred as the "Group" and individually as the "Group entities") and the Group's interests in equity-accounted investees.

The principal activities of the Group are to invest, develop, own and operate plants to produce electricity and desalinated water, including the renewable assets, inside and outside Qatar, and to supply them to the state-owned entities and private corporate customers i.e. off-takers, as per the power and water purchase agreements.

Details of the Company's subsidiaries as at 31 December 2024 and the immediate reporting period are as follows:

Name of subsidiaries	Country of Incorporation	Effective shareholding 2024	Effective shareholding 2023
Direct subsidiaries			
Ras Laffan Operating Company W.L.L.	Qatar	**100%**	100%
Ras Laffan Power Company Q.P.S.C.	Qatar	**80%**	80%
Nebras Power Q.P.S.C. ("Nebras")	Qatar	**100%**	100%
Subsidiaries of Nebras (Indirect subsidiaries)			
Nebras Power Netherlands B.V.	Netherlands	**100%**	100%
Nebras Power Investment Management B.V.	Netherlands	**100%**	100%
Zon Exploitatie Nederland Holding B.V.	Netherlands	**75%**	75%
Zon Exploitatie Nederland B.V.	Netherlands	**75%**	75%
Zon Exploitatie Nederland 2 B.V.	Netherlands	**75%**	75%
Zonhandel B.V.	Netherlands	**75%**	75%
Zon Brabant B.V.	Netherlands	**37.5%**	37.5%
Carthage Power Company SARL	Tunisia	**60%**	60%
Nebras Netherlands Brazil Investments 1 B.V.	Brazil	**100%**	100%
Nebras Power Latin America Ltda.	Brazil	**100%**	100%
Nebras do Brazil Investments 1 Ltda.	Brazil	**100%**	100%
Salgueiro Solar Holding S.A.	Brazil	**80%**	80%
Jaíba Solar Holding S.A.	Brazil	**80%**	80%
Francisco Sá Solar Holding S.A.	Brazil	**80%**	80%
Lavras Solar Holding S.A.	Brazil	**80%**	80%
Salgueiro I Energias Renováveis S.A.	Brazil	**80%**	80%
Salgueiro II Energias Renováveis S.A.	Brazil	**80%**	80%
Salgueiro III Energias Renováveis S.A.	Brazil	**80%**	80%
Jaíba 3 Energias Renováveis S.A.	Brazil	**80%**	80%
Jaíba 4 Energias Renováveis S.A.	Brazil	**80%**	80%
Jaíba 9 Energias Renováveis S.A.	Brazil	**80%**	80%
Francisco Sá 1 Energias Renováveis S.A.	Brazil	**80%**	80%
Francisco Sá 2 Energias Renováveis S.A.	Brazil	**80%**	80%

In thousands of Qatari Riyals

1. Reporting entity (continued)

Name of subsidiaries	Country of Incorporation	Effective shareholding 2024	2023
Subsidiaries of Nebras (Indirect subsidiaries) (continued)			
Francisco Sá 3 Energias Renováveis S.A.	Brazil	**80%**	80%
Lavras 2 Solar Energias Renováveis S.A.	Brazil	**80%**	80%
Lavras 1 Solar Energias Renováveis S.A.	Brazil	**80%**	80%
Lavras 3 Solar Energias Renováveis S.A.	Brazil	**80%**	80%
Lavras 4 Solar Energias Renováveis S.A.	Brazil	**80%**	80%
Lavras 5 Solar Energias Renováveis S.A.	Brazil	**80%**	80%
Terslav LLC	Ukraine	**75%**	75%
Sun Power Pervomaisk LLC	Ukraine	**75%**	75%
Nebras Power Australia Pty Ltd	Australia	**100%**	100%
Carmel Solar 1	South Africa	**100%**	100%
Carmel Solar 2	South Africa	**100%**	100%
Carmel Solar 3	South Africa	**100%**	100%
Turffontein Solar 1	South Africa	**100%**	100%
Varkenslaagte Solar	South Africa	**100%**	100%

The Company also has the following equity-accounted investees as at 31 December 2024 and the immediate reporting period:

Name of equity-accounted investees	Country of incorporation	Classification	Effective shareholding 2024	2023
Qatar Power Q.J.P.S.C.	Qatar	Joint venture	**55%**	55%
Mesaieed Power Company Q.P.S.C.	Qatar	Joint venture	**40%**	40%
Ras Girtas Power Company Q.P.S.C.	Qatar	Joint venture	**45%**	45%
Umm Al Houl Power Q.P.S.C.	Qatar	Joint venture	**60%**	60%
Equity-accounted investees via Nebras:				
Unique Meghnaghat Power Limited	Bangladesh	Joint venture	**18%**	18%
NEKS Energy B.V.	Netherlands	Joint venture	**33.30%**	33.30%
Shams Ma'an Solar UK Ltd	United Kingdom	Joint venture	**35%**	35%
Nebras-IPC Power Developments Limited	United Kingdom	Joint venture	**50%**	50%
Zonnepark Masselbanken Terneuzen B.V.	Netherlands	Joint venture	**40%**	40%
Zonnepark Duisterweg B.V.	Netherlands	Joint venture	**40%**	40%
NEC Energia e Participacaoes S.A.	Brazil	Joint venture	**50%**	50%
NEC Desinvolvimentod e Projectos em Energia e Participaoes S.A.	Brazil	Joint venture	**50%**	50%
Diamante Geração De Energia	Brazil	Joint venture	**50%**	50%
Phoenix Power Company SAOG	Oman	Associate	**9.84%**	9.84%
Phoenix Operation and Maintenance Company L.L.C.	Oman	Associate	**15%**	15%
Nebras Power Oasis Ltd (formerly "AES Oasis Ltd")	Cayman Islands	Associate	**83.33%**	38.89%
Nebras Power Baltic Holdings B.V. (formerly "AES Baltic Holding B.V.")	Netherlands	Associate	**83.33%**	40%
AES Jordan Solar B.V.	Netherlands	Associate	**40%**	40%
PT Paiton Energy Pte Ltd.	Indonesia	Associate	**26%**	26%
IPM Asia Pte Ltd	Singapore	Associate	**35%**	35%
Minejesa Capital B.V.	Netherlands	Associate	**26%**	26%
Stockyard Hill Wind Farm (Holding) Pty ltd	Australia	Associate	**49%**	49%
Moorabool North Wind Farm Pty Ltd	Australia	Associate	**49%**	49%
Moorabool South Wind Farm Pty Ltd	Australia	Associate	**49%**	49%
Equitix Aragorn Holdco Ltd.	United Kingdom	Associate	**49.9%**	49.9%
SCE-QUVVAT L.L.C. (Surkhandarya)	Uzbekistan	Associate	**46.67%**	–

2. MAJOR TRANSACTIONS AND AGREEMENTS OF THE GROUP

Below are the major transactions and agreements of the Group in chronological order:

a) On 10 February 1999, the Company entered into an agreement with the State of Qatar for the purchase of the power plant at Ras Abu Fontas B ("RAF B"). Based on the agreement, the Company was assigned the operation and management of the power plant.

b) In April 2001, the Company entered into a Power Purchase Agreement with the Qatar General Electricity and Water Corporation (hereafter the "KAHRAMAA") for the supply of electricity from the Company's Ras Abu Fontas B1 ("RAF B1") station, which commenced commercial operations on 29 August 2002.

c) In January 2003, the Company purchased the four stations set out below from KAHRAMAA for a total consideration of QAR 600 million. A Power and Water Purchase Agreement (hereafter "PWPA") was also signed with KAHRAMAA for its supply of electricity and desalinated water from these stations:

- Ras Abu Fontas A ("RAF A")
- Al Wajbah
- Al Saliyah
- Doha South Super

The Company discontinued the operations of the Al-Wajbah station during 2010 following instructions received from the State of Qatar. Also, Al Saliyah and Doha South Super facilities were discontinued as the relevant contracts with KAHRAMAA expired on 31 December 2014.

The Company discontinued the operations of the Ras Abu Fontas "A" station (RAF A) with effect from 31 December 2017.

d) In January 2003, the Company acquired from QatarEnergy, the Dukhan Desalination Plant for QAR 71.66 million. Subsequent to the conclusion of this purchase agreement, the Company also concluded a Land Lease Agreement, a Water Purchase Agreement, and a Fuel Supply Agreement with QatarEnergy relating to the Dukhan Desalination Plant.

Effective 31 December 2022, the Dukhan Desalination Plant's agreement with QatarEnergy was terminated and the plant was transferred back to QatarEnergy.

e) Qatar Power Q.P.J.S.C.
On 27 January 2005 Qatar Power Q.P.J.S.C. was incorporated as a joint venture for the production of electricity and desalinated water from the Ras Laffan B Integrated Water and Power Plant. The percentage shareholdings in Qatar Power Q.P.J.S.C. as at the current and the comparative reporting dates were as follows:

- Qatar Electricity and Water Company Q.P.S.C. (55%)
- International Power PLC (40%)
- Chubu Electric Power Company (5%)

f) In October 2005, the Company entered into a PWPA with KAHRAMAA for the supply of electricity and desalinated water from the Company's Ras Abu Fontas B2 ("RAF B2") station.

g) Mesaieed Power Company Limited Q.P.S.C.
On 15 January 2007, Mesaieed Power Company Limited Q.P.S.C. (MPCL) was incorporated as a joint venture between MPCL, Marubeni Corporation and QatarEnergy for the production of electricity from the Mesaieed power plant. In May 2009, Chubu Electric Power Company joined the joint venture. The shareholdings in Mesaieed Power Company Limited Q.P.S.C. as at the current and the comparative reporting dates were as follows:

- Qatar Electricity and Water Cmpany Q.P.S.C. (40%)
- Marubeni Corporation (30%)
- QatarEnergy (20%)
- Chubu Electric Power Company (10%)

h) In May 2007, the Company entered into a Water Purchase Agreement with KAHRAMAA for the supply of desalinated water from the Company's Ras Abu Fontas A1 ("RAF A1") station.

i) Ras Girtas Power Company Q.P.S.C.
On 25 March 2008, Ras Girtas Power Company Q.P.S.C. was incorporated as a joint venture for the production of electricity and desalinated water from the Ras Laffan C plant. The percentage shareholdings in Ras Girtas Power Company Q.P.S.C. as at the current and the comparative reporting dates were as follows:

- Qatar Electricity and Water Company Q.P.S.C. (45%)
- RLC Power Holding Company (40%)
- QatarEnergy (15%)

On 7 January 2013, the Company entered into a Water Purchase Agreement (WPA) for the Ras Abu Fontas A2 Water project with KAHRAMAA.

j) Nebras Power Q.P.S.C.
On 20 May 2013, Nebras Power Q.P.S.C. ("Nebras") was incorporated as a joint venture for the purpose of acquiring electricity and water production projects outside the State of Qatar. In July 2022, the Group acquired additional 40% of the shares and voting interests in Nebras. As a result, the Group's equity interest in Nebras increased from 60% to 100%, granting it controlling interests in Nebras.

k) Umm Al Houl Power Q.P.S.C.
On 13 May 2015, Umm Al Houl Power Q.P.S.C. was incorporated as a joint venture for the purpose of the production of electricity and desalinated water from the Facility D plant. The percentage shareholdings in Umm Al Houl Power Q.P.S.C. as at the current and the comparitive reporting date were as follows:

- Qatar Electricity and Water Company Q.P.S.C. (60%)
- QatarEnergy (5%)
- Qatar Foundation for Education, Science and Community Development (5%)
- K1 Energy Limited, incorporated in the U.K. (30%)

During 2021, the Group invested an additional amount of QAR 143.7 million in Umm Al Houl Power Q.P.S.C. The additional investment did not change the Company's shareholding percentage in the joint venture.

l) On 13 October 2015, the Company entered into a Water Purchase Agreement (WPA) for the Ras Abu Fontas A3 Water project with KAHRAMAA.

m) Phoenix Power Company SAOG and Phoenix Operation and Maintenance Company L.L.C.
On 18 June 2015, Nebras Power Q.P.S.C. ('Nebras'), one of the subsidiaries of the Group purchased a 0.088% shareholding in Phoenix Power Company SAOG ("PPC") at its Initial Public Offer. PPC is incorporated in the Sultanate of Oman and owns and operates a gas fired power generation facility with a capacity of 2,000 MW.

On 30 December 2015, Nebras entered into an agreement with Qatar Electricity and Water Company Q.P.S.C ("QEWC") (At this time, QEWC did not have controlling interest in Nebras), to purchase an additional 9.75% shareholding in PPC and to purchase 15% of the share capital of Phoenix Operation and Maintenance Company L.L.C.("POM"). POM is incorporated in the Sultanate of Oman and its primary activity is to provide repair and maintenance services to PPC's power plant.

The Group exercises significant influence over the financial and operating policy decisions of PPC and POM through its representation in the Board of Directors. In particular, the Group appoints the Chairman on the Board of Directors of PPC.

n) Shams Ma'an Solar UK Limited
On 26 June 2015, Nebras acquired a 35% shareholding in Shams Maan Solar UK Ltd, a joint venture company registered in England and Wales engaged in the financing, building, ownership and operation of a 52.5 MW solar power plant in Ma'an city in the Kingdom of Jordan.

o) Nebras Power Oasis ltd.
On 1 December 2015, Nebras, purchased from QEWC (at this time, QEWC did not have controlling interest in Nebras), a 38.89% shareholding in AES Oasis Ltd, incorporated in the Cayman Islands. AES Oasis Ltd holds effectively a 60% shareholding in AES Jordan PSC, which owns and operates a 370 MW combined cycle gas fired power plant in Jordan.

On 27 March 2024, the Group purchased additional shareholding in Nebras Power Oasis ltd. (formerly known as "AES Oasis Ltd.") (revised holding of 83.33%) which holds 60% interests in IPP1, a gas fired power plants in Jordan. The investee continues to be accounted as an associate in the Group's consolidated financial statements as the additional purchase did not result in obtaining controlling interests of the investee.

p) Nebras Power Baltic Holding B.V.
On 18 February 2016, Nebras purchased from QEWC (At this time, QEWC did not have controlling interest in Nebras), purchased 40% shareholding in AES Baltic Holding B.V., incorporated in the Netherlands. AES Baltic Holding BV effectively holds a 60% shareholding in AES Levant Holdings B.V. Jordan PSC, which owns and operates a 241 MW gas power plant in the Kingdom of Jordan.

On 27 March 2024, the Group purchased additional shareholding in Nebras Power Baltic Holding B.V. (formerly known as "AES Baltic Holding B.V.") (revised holding of 83.33%) which holds 60% interests in IPP4, a gas fired power plant in Jordan. The investee continues to be accounted as an associate in the Group's consolidated financial statements as the additional purchase did not result in obtaining controlling interests of the investee.

2. Major transactions and agreements of the Group (continued)

q) PT Paiton Energy Pte Ltd
On 22 December 2016, Nebras acquired a 35.514% shareholding in PT Paiton Energy Pte Ltd, incorporated in Indonesia, which owns and operates a 2,045 MW coal-fired power plant. During 2020, pursuant to the Board of Directors' approval, the Company entered into a Share Purchase Agreement ("SPA") to sell 9.513% stake in PT Paiton Energy Pte Ltd. The sale was fully executed in March 2022.

r) IPM Asia Pte Ltd
On 22 December 2016, Nebras acquired a 35% shareholding in IPM Asia Pte Ltd, incorporated in Singapore. IPM Asia Pte Ltd owns 84.1% of PT IPM Operation and Maintenance Indonesia, incorporated in Indonesia, which provides operation and maintenance services to PT Paiton Energy Pte Ltd. In addition, IPM Asia Pte Ltd owns 100% of the share capital of IPM O&M Services Pte Ltd, incorporated in Singapore, which provides technical services to PT IPM Operation and Maintenance.

s) Minejesa Capital BV
On 2 August 2017, Nebras Power Investment Management B.V., one of the subsidiaries of the Group entered into a shareholders' agreement with PT Batu Hitam Perkasa, Paiton Power Financing BV and Tokyo Electric Power Company International Paiton II BV for provision of governance and management services to Minejesa Capital BV, incorporated in the Netherlands on 29 June 2017 with the objective to provide financial services. As per the shareholders' agreement, the Group has a 35.51% shareholding in Minejesa Capital BV.

During 2020, pursuant to the Board of Directors' approval, the Company entered into a Share Purchase Agreement ("SPA") to sell 9.513% of its stake in the entity the sale was fully executed in March 2022.

t) AES Jordan Solar BV
On 31 October 2017, Nebras Power Netherlands B.V., one of the subsidiaries of the Group entered into a shareholders' agreement with AES Horizons Holdings BV for provision of governance and management services to AES Jordan Solar BV, incorporated in Jordan with the objective to provide engineering, procurement, construction, ownership, operation, maintenance, management, leasing and financing to AM Solar BV, a company registered in Jordan. As per the shareholders' agreement, the Group has a 40% shareholding in AES Jordan Solar BV.

u) Zen Exploitatie Nederland Holding B.V.
On 8 August 2018, Nebras acquired 75% interests in Zen Exploitatie Nederland Holding B.V., which owns 50% of Brabant Zon B.V., a joint venture company registered in the Netherlands engaged in the development of renewable energy projects. During 2019, the control structure of Brabant Zon B.V. was reassessed and the company was considered a subsidiary from 31 December 2019.

v) Nebras Brazil
On August 2019, the Group, through its subsidiary in Brazil, Nebras do Brazil Investments 1 Ltda. acquired 80% shareholding in Salgueiro Solar Holding S.A., Jaíba Solar Holding S.A., Francisco Sá Solar Holding S.A., and Lavras Solar Holding S.A.. The investees, through their underlying project companies hold solar PV projects with a projected combined capacity of 482.6 MW.

w) Nebras IPC Power Developments Ltd
On the 7 October 2019, Nebras formed a joint venture, in which it owns 50%, with The Independent Power Corporation Plc. The joint venture was formed to develop, finance and construct one or more power projects in Azerbaijan, Kazakhstan, or any other country.

x) Stockyard Hill Wind Farm (Holding) Pty ltd
On 22 November 2019, Nebras entered into a shareholders' agreement with Goldwind International Holding Limited and acquired 49% of shares in Stockyard Hill Wind Farm (Holding) Pty ltd to develop and operate renewable energy projects in Australia. The Group holds significant influence in the associate company based on its voting rights and representation in the board committees.

y) Zonnepark Mosselbanken Temeuzen B.V.
On the 25 September 2020 Nebras acquired 40% shareholding in Zonnepark Mosselbanken Temeuzen B.V, a joint venture company registered in Netherlands engaged in the development of renewable energy projects.

z) Zonnepark Duisterweg B.V.
On 27 January 2021, Nebras entered into a joint venture agreement with Gutami Solar development and acquired 40% of shares in Zon Duisterweg BV to construct and commission solar photovoltaic plant of target capacity of 14.5 MW in Netherlands.

aa) EC Energia e Participações S.A.
On 6 September 2021 Nebras entered into a shareholders' agreement with Companhia Energética Integrada (CEI) and acquired 50% of shares in NEC Energia e Participações S.A., a joint venture company registered in Brazil. The partnership will promote management, and operation of hydroelectric and solar energy projects in Brazil.

ab) NEC Desinvolvimento de Projectos em Energia e Participações S.A.
On the 6 September 2021 Nebras acquired 50% shareholding in NEC Desenvolvimento de Projetos em Energia e Participações S.A., a joint venture company registered in Brazil engaged in the development of renewable energy projects.

ac) Unique Meghnaghat Power Limtied
On 24 January 2022, Nebras acquired 18% shareholding in Unique Meghnaghat Power Limited, a joint venture company registered in Bangladesh for developing, constructing, building, owning and operating a 584 MW gas based power plant at Meghnaghat, Bangladesh on BOO (Build, Own and Operate) basis to cater to the growing power requirements of Bangladesh.

ad) Moorabool Wind farm (North and South)
On 12 December 2022, Nebras acquired 49% shareholding in Moorabool Wind farms (North and South), an associate based in Victoria, Australia. The project achieved commercial operation in July 2022 and has 104,100 wind turbines with an estimated generation capacity of 312MW.

ae) Diamante Geração De Energia Ltda
On 24 January 2023, the Group through one of its subsidiaries, Nebras Power Q.P.S.C. acquired 50% shareholding in Diamante Geração De Energia Ltda., a joint venture company registered in the State of Santa Catarina, Brazil for developing, and operating gas fired projects (natural gas thermoelectric projects) with an estimated capacity of 1,040MW.

af) Equitix Aragorn Holdco Limited
On 14 December 2023, Nebras acquired 49.9% shareholding in Equitix Aragorn Holdco Limited, a company based in United Kingdom which is engaged in the business of owning, shares and other equity and debt securities in green infrastructure projects and investments in Australia.

ag) Surkhandarya, Uzbekistan

On 15 March 2024, the Group acquired 46.67% shareholding in SCE-Quvvat LLC, a project company in Uzbekistan. The project company is established to design, construct, maintain and operate a greenfield combined-cycle gas turbine (CCGT) power plant of 1,590MW capacity and associated infrastructure in Surkhandarya region in Uzbekistan.

3. BASIS OF PREPARATION

a) Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards) as issued by the International Accounting Standards Board (IASB).

b) Basis of measurement

The consolidated financial statements are prepared under the historical cost convention, except for equity investments at fair value through other comprehensive income and derivative financial instruments which are measured at fair value.

c) Functional and presentation currency

Items included in the consolidated financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The Company has the Qatari Riyal ("QAR") as its functional currency which is also the presentation currency. The following subsidiaries of the Company, which operate in foreign jurisdictions, have the following functional currencies:

Name of the subsidiaries	Functional currency
Nebras Power Netherlands B.V.	United States Dollar
Nebras Power Investment Management B.V.	United States Dollar
Zon Exploitatie Nederland Holding B.V.	Euro
Zon Exploitatie Nederland B.V.	Euro
Zon Exploitatie Nederland 2 B.V.	Euro
Zonhandel B.V.	Euro
Zon Brabant B.V.	Euro
Carthage Power Company SARL	Tunisian Dinar
Nebras Netherlands Brazil Investments 1 B.V.	United States Dollar
Nebras Power Latin America Ltda.	Brazilian Real
Nebras do Brazil Investments 1 Ltda.	Brazilian Real
Salgueiro Solar Holding S.A.	Brazilian Real
Jaíba Solar Holding S.A.	Brazilian Real
Francisco Sá Solar Holding S.A.	Brazilian Real
Lavras Solar Holding S.A.	Brazilian Real
Salgueiro I Energias Renováveis S.A.	Brazilian Real
Salgueiro II Energias Renováveis S.A.	Brazilian Real
Salgueiro III Energias Renováveis S.A	Brazilian Real
Jaíba 3 Energias Renováveis S.A.	Brazilian Real

Name of the subsidiaries	Functional currency
Jaíba 4 Energias Renováveis S.A.	Brazilian Real
Jaíba 9 Energias Renováveis S.A.	Brazilian Real
Francisco Sá 1 Energias Renováveis S.A.	Brazilian Real
Francisco Sá 2 Energias Renováveis S.A.	Brazilian Real
Francisco Sá 3 Energias Renováveis S.A.	Brazilian Real
Lavras 1 Solar Energias Renováveis S.A.	Brazilian Real
Lavras 2 Solar Energias Renováveis S.A.	Brazilian Real
Lavras 3 Solar Energias Renováveis S.A.	Brazilian Real
Lavras 4 Solar Energias Renováveis S.A.	Brazilian Real
Lavras 5 Solar Energias Renováveis S.A.	Brazilian Real
Terslav LLC	Ukrainian Hryvnia
Sun Power Pervomaisk LLC	Ukrainian Hryvnia
Nebras Power Australia Pty Ltd	Australian Dollars
Carmel Solar 1	South African Rand
Carmel Solar 2	South African Rand
Carmel Solar 3	South African Rand
Turffontein Solar 1	South African Rand
Varkenslaagte Solar	South African Rand

d) Use of estimates and judgments

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Information about areas that involve a higher degree of judgement or complexity, or areas where assumptions or estimates have a significant risk of resulting in a material adjustment to the consolidated financial statements are as follows:

Judgments

Classification of Power and Water Purchase Agreements

The Group has entered into several long-term Power and Water Purchase Agreements ("PWPA"), Power Purchase Agreements ("PPA") and Water Purchase Agreements ("WPA") with government and non-government off-takers. The Group assesses these PWPAs, PPAs and WPAs on a case-to-case basis to determine whether the arrangement would fall under IFRIC 12, IFRS 16, IFRS 15 or IFRS 9. The Group applies significant judgement to assess the different arrangements entered into with the off-takers.

Under the PWPAs, PPAs and WPAs entered by the Group in Qatar, the Group receives payment for the provision of power and water capacity, whether or not the off-taker (KAHRAMAA) requests power or water output ("capacity payments"), and for the variable costs of production ("energy and water payments").

Based on management's estimate of the useful life and residual value of the assets, KAHRAMAA is not determined to control any significant residual interest in the property at the end of the concession term through ownership, beneficial entitlement or otherwise. Hence, the Group has assessed that these arrangements in the State of Qatar does not fall within the scope of IFRIC 12 and classified these agreements to contain lease under IFRIC 4 which were grandfathered on transition to IFRS 16.

Further, the Group assess the lease under IFRS 16 to be operating lease or finance lease. The classification of the PWPA, PPA or WPA as an operating lease is based on the judgement applied by management which considers that the Group retains the principal risks and rewards of ownership of the plants, based on management's estimate of the useful life and residual value of the assets. An estimate of the useful life of the asset and residual value is made and reviewed annually. The effects of changes in useful life and residual values are recognized prospectively, over the remaining life of the asset.

Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (also refer Note 6 (a)).

Lease liabilities

Management assesses whether contracts entered by the Group for renting various assets contain a lease. The lease identification, including whether or not the Group has contracted to substantially all the economic benefits of the underlying asset, may require significant judgement. Establishing the lease term may also present challenges where a contract has an indefinite term or is subject to auto renewal or there are renewal options that are unclear if they will be exercised at the option date.

The extend of the lease term significantly influences the value of the lease liability and the related right-of-use asset and arriving at a conclusion sometimes requires significant judgement calls. Furthermore, once the lease term is established, management needs to estimate the future cash flows payable over the lease term and discount them using the incremental borrowing rate that a lessee would have to pay to borrow over a similar term and with a similar security the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. That also requires significant judgment and affects both the finance lease liability and the fair value of the underlying asset (also refer Note 6 (b)).

Recognition of deferred tax assets

Deferred tax assets are recognized only to the extent management considers it probable that future taxable profits will be available against which the Group can use the benefits therefrom.

Assets held for sale, disposal group held-for-distribution and discontinued operations

Management has applied judgement that some of its non-current assets and a disposal group are classified as held for sale / distribution owing to the fact that their carrying values will be recovered primarily through sale and it is highly probable that the sale / distribution will occur in the next twelve months. Consequently, these assets and liabilities are classified as held for sale / distribution. Further, as part of this classification, management has applied judgement over the costs associated with the sale / distribution and have recognised certain provisions which management believes are necessary and adequate for the closure of the sale / distribution (also refer Note 39 and 40).

Interests in other entities

Judgement is required in assessing the level of control obtained in a transaction to acquire an interest in another entity; depending upon the facts and circumstances in each case, the Group may obtain control, joint control or significant influence over an entity or arrangement. This assessment involves consideration of a variety of factors, including shareholders' voting rights, Board representation and decision-making rights, the existence of any contractual arrangements, and indicators of de facto control.

Such classifications have a significant impact on the consolidated financial statements due to the significantly different accounting treatments of subsidiaries, associates and joint arrangements.

Going concern

The Group's management has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the consolidated financial statements continue to be prepared on a going concern basis.

Estimates

Useful life and residual value of property, plant and equipment and right-of-use assets

Items of property, plant and equipment are depreciated on a straight-line basis over their estimated individual useful lives. Management exercises significant estimate and judgement for the determination of the depreciation method and the useful lives and residual values of these assets, including their expected usage over their lives, the rate of their physical wear and tear, and their technological or commercial obsolescence. Such estimates could have a significant impact on the annual depreciation charge recognized in profit or loss (also refer Note 5 (C)).

Impairment of non-financial assets (other than inventories)

The carrying amounts of the Group's non-financial assets other than goodwill (Property, plant and equipment, right-of-use assets and equity accounted investees) are reviewed at each reporting date to determine whether there is any indication of impairment. That assessment requires judgement. Goodwill is tested annually for impairment. The determination of recoverable amounts of non-financial assets (the higher of their fair values less costs of disposal and their "value in use") requires management to make significant judgments, estimations and assumptions. In particular the assessment of "value in use" requires management to estimate expected future cash flows from an asset or a cash generating unit and also to choose an appropriate discount rate to discount those cash flows to present value.

Impairment of inventories

When inventories become old or obsolete, an estimate is made of their net realizable value. For individually significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant, but which are old or obsolete, are assessed collectively and a provision is applied according to the inventory type and the degree of ageing or obsolescence, based on historical selling prices. The necessity and setting up of a provision for slow moving and obsolete inventories requires considerable degree of judgment (also refer Note 12).

Impairment of financial assets measured at amortised cost

The "expected credit loss" (ECL) impairment model requires forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. It also requires management to assign probability and magnitude of default to various categories of financial assets measured at amortised cost (loans receivable, trade receivables, receivables from related parties, dividend receivable, other receivables and cash at bank). Probability of default constitutes a key input in measuring an ECL and entails considerable judgement; it is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. The magnitude of the loss in case there is a default is also an estimate of the loss arising on default; it is based on the difference between the contractual cash flows due and those that the Group would expect to receive (also refer note 35).

Fair value of cash flow hedges

The Group uses derivative financial instruments to manage their exposure to the variability of bank borrowings due to fluctuations in interest rates. All such derivatives are carried at fair value. Their fair values are estimated using models and valuation methods due to the absence of quoted prices or other market-observable data. These contracts are valued using models with inputs that include price curves for each of the different products that are built up from active market pricing data and extrapolated to the expiry of the contracts using the maximum available external pricing information (also refer Note 18).

Finance lease receivable

The Group's management determines estimated future cash flows in respect of capacity charge for calculating effective interest rate of finance lease. This estimate is determined after considering the expected Scheduled and Forced outage of power supply in the future years. Management reviews the estimates annually while any difference between the estimated finance lease income and actual finance lease income is charged directly to the consolidated statement of profit or loss of the respective period (also refer Note 6 (d)).

Leases - estimating the incremental borrowing rate

Whenever the Group cannot readily determine the interest rate implicit in the lease, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is make certain entity-specific estimates (such as the Group's stand-alone credit rating).

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Notes to the consolidated financial statements
As at and for the year ended 31 December 2024 In thousands of Qatari Riyals

3. Basis of preparation (continued)

Asset retirement obligation

The provision for asset retirement obligation is recognised at the present value of expected costs to settle the obligation using estimated cash flows and by creating a corresponding asset is recognised in property, plant, and equipment. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the asset retirement obligation. The unwinding of the discount is expensed as incurred and recognised as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Other provisions and liabilities

Other provisions and liabilities are recognized in the period only to the extent management considers it probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated.

e) New currently effective IFRS requirements

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2024 and earlier application is permitted. The Group has not early adopted any of the forthcoming new or amended standards in preparing these consolidated financial statements.

Description	Effective for annual periods beginning after
• Non-current Liabilities with Covenants – Amendments to IAS 1 • Classification of Liabilities as current or Non-Current-Amendments IAS 1 • Lease Liability in Sale and Leaseback – Amendments to IFRS 16 • Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7	1 January 2024

Other than the above, these amendments had no impact on the consolidated financial statements of the Group.

f) 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 consolidated financial statements is disclosed below.

Description	Effective for annual periods beginning after
• Lack of Exchangeability – Amendments to IAS 21	1 January 2025
• Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 • Annual Improvements to IFRS Accounting Standards – Volume 11	1 January 2026
• IFRS 18 presentation and Disclosure in Financial Statements • IFRS 19 Subsidiaries without Public Accountability Disclosures	1 January 2027
• Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28	Available for optional adoption/effective date deferred indefinitely

The group intends to adopt these standards, if applicable, when they become effective, however, these are not expected to have a significant impact on the Group's consolidated financial statements.

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been applied consistently to both years presented in these consolidated financial statements.

a) Basis of consolidation

Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group (See section on "Subsidiaries" below). The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises (See accounting policy "Goodwill") is tested annually for impairment (See accounting policy "Impairment"). Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities which are not measured at fair value through profit or loss.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Non-controlling interests (NCI)

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

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates and joint ventures. Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and the joint venture are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity accounted investees, until the date on which significant influence or joint control ceases.

In case the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest is reduced to nil and the recognition of further losses is discontinued except to the extent the Group has an obligation to the equity accounted investee or has made payments to third parties on behalf of the equity accounted investee.

Transactions eliminated on consolidation

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

b) Foreign currency

Foreign currency transactions and balances

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss and presented within finance costs.

However, foreign currency differences arising from the translation of the following items are recognized in OCI:

- an investment in equity securities designated as at FVOCI;
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into Qatari Riyals at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Qatari Riyals at the exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI and accumulated in the translation reserve, except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

c) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition or construction of an asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure

The cost of renovations or replacement of a component of an item of property, plant and equipment is included in the carrying amount of the asset or recognised as a separate asset, as appropriate only when it is possible that the future economic benefits associated with the asset will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated to write-off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is recognised in the consolidated statement of profit or loss.

Property, plant and equipment is stated at cost less accumulated depreciation and any impairment in value. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets or the duration of contractual agreements with off-takers.

	Useful life
Production facilities	30 years
Capital spares	30 years
Solar photovoltaic assets	15-30 years
Furniture, fixtures, and office equipment	3-7 years
Motor vehicles	4-5 years
"C" inspection costs	3-5 years

Capital work-in-progress are not depreciated. Once completed work-in-progress are re-classified to the appropriate category of property, plant and equipment and depreciated accordingly.

Capital spares are depreciated over its remaining useful life when it is being put to use.

Depreciation methods, residual values and useful lives are reviewed at each reporting date and adjusted prospectively, if appropriate.

Derecognition

An item of property, plant and equipment is derecognised upon disposal (i.e. at the date the recipient obtain control) or when no future economic benefits are expected from its use or disposal. Profits and losses on disposals of items of property, plant and equipment are determined by comparing the proceeds from their disposals with their respective carrying amounts and is included in the consolidated statement of profit or loss.

d) Right-of-use assets

Recognition and measurement

Right-of-use assets are recognized at the lease commencement date at cost, which comprises the initial amount of the lease liability (see accounting policy "Lease liabilities") adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Subsequent measurement

Items of right-of-use assets are subsequently measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write off the cost of a right-of-use asset using the straight-line method over the earlier of the lease term and its useful life. It is depreciated over its useful life, if the lease agreement either transfers ownership of the right-of-use asset to the Group by the end of the lease term or reflects that the Group will exercise a purchase option at the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment.

In addition, the carrying value of a right of use asset may be periodically adjusted for certain remeasurements of the related lease liability (see accounting policy "Lease liabilities").

Derecognition

An item of a right-of-use asset is derecognised at the earlier of end of the lease term, cancellation of lease contract or transfer of control of the underlying asset. In case control of the underlying asset passes to the Group, the carrying value of the right-of-use asset is reclassified to property and equipment.

e) Goodwill

Initial measurement

Goodwill arising on the acquisition of a business is measured as the excess of the consideration transferred over the fair value of the identifiable net assets acquired. In case the consideration transferred is less than the fair value of the net identifiable assets acquired, then the difference is recognized directly in profit or loss as a bargain purchase. Where settlement of any part of consideration transferred is deferred, the consideration to be transferred in future periods is discounted to present value as at the date of the transaction. The discount rate used is the Group's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Subsequent measurement

Goodwill is not amortised, but is tested for impairment on an annual basis or more frequently if there are events and circumstances indicating that it has been impaired (See accounting policy "Impairment").

f) Intangible assets

Recognition and measurement

Intangible assets comprise the Power and Water Purchase Agreements (PWPA) that are acquired by the Group and have finite useful lives and are measured at cost less accumulated amortization and any accumulated impairment losses, if any.

Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

Amortization

Amortization is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is recognized in the consolidated statement of profit or loss.

The estimated useful life of the contract rights over the Power and Water Purchase Agreement is 25 years.

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Derecognition

An intangible asset is derecognized upon disposal (i.e. at the date the recipient obtains control) or losses when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss.

g) Inventories

Inventories comprise spare parts, chemicals, and consumables, which are measured at the lower of cost or net realisable value. The cost of inventories is based on the weighted average method or FIFO as appropriate, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business and the estimated costs necessary to make the sale.

A provision is made for any write-down of inventories to net realisable value and such a provision is reflected as an expense in profit or loss in the period of the write-down. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised in profit or loss in the period in which the reversal occurs.

h) Leases

Leases – Group as a lessee:

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either the Group has the right to operate the asset; or the Group designed the asset in a way that predetermines how and for what purpose it will be used.

The above policy is applied to contracts effective as on or entered into after 1 January 2019.

Where it is established that the Group is a lessee, a right-of-use asset (See accounting policy "Property and equipment") and a lease liability are recognized at the lease commencement date.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

Lease liabilities are subsequently measured at amortised cost using the effective interest method.

A lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When a lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Leases – Group as a lessor

A lease is an agreement whereby the lessor conveys to the lessee, in return for a payment or series of payments, the right to use an asset for an agreed period of time.

Leases in which a significant portion of the risk and rewards of ownership are retained by the lessor are classified as operating leases. Under an operating lease, the asset is included in the statement of financial position as property and equipment. Lease income is recognized over the term of the lease on a straight-line basis. This implies the recognition of deferred income when the contractual day rates are not constant during the initial term of the lease contract.

Leases in which a significant portion of the risk and rewards of ownership are transferred to the lessee are classified as finance leases. They are initially recognised as "Finance lease receivables" on the statement of financial position at the present value of the minimum lease payments (the net investment in the lease) receivable from the lessee over the period of the lease. Over the lease term, each lease payment made by the lessee is allocated between the "Finance lease receivables" and "Finance lease income" in profit or loss so as to achieve a constant rate on the finance lease receivable balance outstanding.

i) Financial instruments

Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset, unless it is a trade receivable without a significant financing component, or a financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition. An accounts receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement of financial assets

Classification on initial recognition

On initial recognition, a financial asset is classified at:

- Amortised cost – if it meets both of the following conditions and is not designated as at FVTPL:
  - it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
  - its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
- Fair Value Through Other Comprehensive Income (FVOCI) - if it meets both of the following conditions and is not designated as at FVTPL:
  - it is held within a business model whose objective achieved by both collecting contractual cash flows and selling financial assets; and
  - its contractual terms give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.
- Fair Value Through Profit or Loss (FVTPL) – All financial assets not classified as measured at amortised cost or FVOCI as described above.

On initial recognition, the Group may irrecoverably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model. The Group has classified on initial recognition its loans receivable, its trade receivables, its receivables from related parties, its dividend receivable, its other receivables and its cash at bank at amortised cost. The Group does not hold any other financial assets.

Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual cash flows or realising cash flows through the sale of assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Assessment whether contractual cash flows are Solely Payments of Principle and Interest (SPPI)

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are SPPI, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the SPPI criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Subsequent measurement and gains and losses

- Financial assets at amortised cost - These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
- Financial assets at Fair Value Through Profit or Loss (FVTPL) -These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss. The Group does not hold such assets.
- Debt instruments at Fair Value Through Other Comprehensive Income (FVOCI) - These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss. The Group does not hold such assets.
- Equity investments at Fair Value Through Other Comprehensive Income (FVOCI) - These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never derecognised to profit or loss. The Group does not hold such assets.

Classification and subsequent measurement of financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL.

A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. The Group does not have financial liabilities at FVTPL.

Other financial liabilities (loans and borrowings, and other payables) are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

In the case the Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liabilities are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Derivative financial instruments and hedge accounting

The Group and certain equity-accounted investees of the Group hold derivative financial instruments to hedge their interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

Certain derivatives are designated as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in interest rates.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

Only the change in fair value of the spot element of forward exchange contracts is designated as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts (forward points) is separately accounted for as a cost of hedging and recognised in a cost of hedging reserve within equity.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in the hedging reserve and the cost of hedging reserve is included directly in the initial cost of the non-financial item when it is recognized.

For all other hedged forecast transactions, the amount accumulated in the hedging reserve and the cost of hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve and the cost of hedging reserve are immediately reclassified to profit or loss.

j) Impairment

Non-derivative financial assets

The Group recognises loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortised cost (loans receivable from related parties, trade and other receivables, finance lease receivables, and cash at bank). The Group does not hold debt investments and equity investments that are measured subsequently at FVTPL.

The Group measures loss allowance either at an amount equal to:

- lifetime ECLs, which are those ECLs that result from all possible default events over the expected life of a financial instruments; or
- 12-month ECLs, which includes the portion of ECLs that results from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The Group considers that it is not exposed to any credit risk with respect to its receivables from governments or their controlled entities.

For the financial assets, except for the cash at bank, the Group applied the simplified approach to measuring ECLs which recognises the lifetime ECLs of these assets that reflect an increased credit risk. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and informed credit assessment and including forward looking information.

Loss allowances on bank balances are always measured at an amount equal to 12-month ECLs. The Group considers bank balances to have a low risk level when their credit risk rating is equivalent to the globally understood definition of "investment grade".

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is "credit impaired" when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the customer;
- a breach of contract such as a default or a dispute with the customer;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise; or
- it is probable that the borrower / customer will enter into bankruptcy or other financial reorganisation.

Presentation of loss allowance on financial assets in the statement of financial position

Any loss allowance on financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Non-financial assets

At each reporting date, management reviews the carrying amounts of its non-financial assets (Property, plant and equipment, right-of-use assets, investment in equity accounted investees and goodwill, but not inventories) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units (CGUs). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or a CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the CGU.

An impairment loss is recognized if the carrying amount of an asset or a CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment is respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

k) Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash, bank balances and short-term deposits, with an original maturity of three months or less, as they are considered an integral part of the Group's cash management.

l) Assets held for sale / distribution

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale / distribution if it is highly probable that they will be recovered primarily through sale rather than through continuing use or when the entity is committed to distributing the asset or disposal group to its owners .

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial recognition of assets held-for-sale or held-for-distribution and subsequent gains and losses on remeasurement are recognised in profit or loss. Once classified as held-for-sale / distribution, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

m) Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographic area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale / distribution. When an operation is classified as a discontinued operation, the comparative statement of profit or loss and OCI is re-presented as if the operation had been discontinued from the start of the comparative year.

n) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity.

o) Foreign currency translation reserve

The translation reserve records exchange differences arising from the translation of the financial statements of foreign operations. Upon disposal of foreign operations, the related accumulated exchange differences are recycled to the profit or loss. Also, refer policy "foreign currency transactions and balances".

p) Employee benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Obligations for contributions to defined contribution plans which are provided to its employees, are expensed as the related service is provided. For Qatari nationals, the Group makes contributions to Qatar Retirement and Pension Authority as a percentage of the employees' salaries in accordance with the requirements of respective local laws pertaining to retirement and pensions. The Company's share of contributions to these schemes are charged to profit or loss to the year they relate.

Defined benefit plans

The Group provides end of service benefits to its employees in accordance with employment contracts and the Qatar Labour Law. The entitlement to these benefits is based upon the employees' final basic salary and length of service, subject to the completion of a minimum service period, and are payable to the employees on termination of their employment. The expected costs of these benefits are accrued over the period of employment.

q) Provisions

A provision is recognised when:

- the Group has a present obligation (legal or constructive) as a result of a past event;
- it is probable that the Group will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

The amount of a provision is the present value, of the best estimate, of the amount required to settle the obligation. Provisions are reviewed annually to reflect current best estimates of the expenditure required to settle the obligations.

r) Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers for sale of goods or services in the ordinary course of the Group's activities is recognized in accordance with the 5-step model in accordance with the requirements of IFRS 15.

Revenue from sale of water and electricity

Revenue from sale of water and electricity is recognised at a point in time when control of the goods and service is transferred to the customer, generally on delivery of the goods and services. The Group recognises output charges revenue based on the sent-out electricity and water on a monthly basis.

The Group sells power and water, produced in power generation and water desalination plants operating with gas, coal, wind and solar energy. Customer takes control of the power and water at the time these are dispatched from the plant. At this point, the customer has full discretion over the manner of distribution and price to sell the power and water, has the primary responsibility when on selling the power and water, and bears the risks of loss in relation of power and water in the network. Therefore, revenue is recognised when the power and water is dispatched from the Group's plants.

Revenue from available capacity relating to fixed capital recovery and fixed operations and maintenance

Revenue from available capacity relating to fixed capital recovery and fixed operations and maintenance is recognised on a systematic basis in accordance with IFRS 16 when the Group makes the capacity available to off-taker as per the terms of the Power and Water Purchase Agreement (PWPA).

Revenue from other sources

Income from finance lease

Income from finance lease in which the Group is lessor is recognised based on a pattern reflecting a constant periodic rate of return on the Group's net investment in the finance lease.

Dividend income

Dividend income from investments is recognized when the shareholder's right to receive payment has been established.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Fee income

Fee income is recognized though the period for which the services are provided. The Group generates fee income from providing technical, financial and construction management services.

s) Income tax

Income tax expense comprises current and deferred tax attributed to each of the Group entities. It is recognized in profit or loss.

Current tax

Current tax comprises the total of the expected tax payable or receivable on the taxable profit or loss for the year, adjusted for any corrections to the tax payable or receivable of previous years. It is calculated on the basis of the local and foreign tax laws enacted or substantively enacted at the reporting date.

Deferred tax

Deferred tax is recognized in respect of temporary differences arising between the carrying amounts of assets and liabilities reported in the financial statements of each Group entity and their respective amounts used for tax purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled using tax rates based on tax laws that have been enacted or substantially enacted by the reporting date.

t) Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees, if any.

u) Foreign currency transactions and balances

Transactions in foreign currencies during the year are translated into the functional currency of the Group at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the year are translated into the functional currency at the exchange rate at the reporting date. Foreign currency differences are recognized in the consolidated statement of profit or loss. On consolidation, the assets and liabilities of foreign operations are translated into QAR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

v) Dividend distribution to the Company's shareholders

Dividend distribution to the Company's shareholders is recognised as a liability in the consolidated financial statements in the year in which the dividends are approved by the Company's shareholders.

w) Government grants

A government grant in the form of a transfer of a non-monetary asset, such as land or other resources, which is intended for use by the entity are recognized, at a nominal amount.

x) Fair values

The Group measures financial instruments such as derivatives, and non-financial assets such as investment securities, at fair value at each reporting date.

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

y) Pass-through items

All pass-through items defined under the provision of PWPA shall be reimbursed by the off takers in accordance with the relevant clauses of PWPA. All pass-through items are recorded as receivable from the off takers and payable to respective third party.

z) Current versus non-current classification

The Group presents assets and liabilities based on current/non-current classification. An asset is current when it is:

- Expected to be recognise or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be recognise within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

In thousands of Qatari Riyals

5. PROPERTY, PLANT AND EQUIPMENT

	Land	Production facilities (A)	Solar photovoltaic assets	*"C" inspection costs (B)*	*Capital spares*	Furniture, fixtures and office equipment	Motor vehicles	Capital work in progress*	Total
Cost:									
At 1 January 2024	401	10,693,029	1,595,756	224,212	157,189	20,501	4,784	66,412	12,762,284
Additions	–	5,574	1,306	27,967	–	4,631	97	168,432	208,007
Disposals / transfers	–	–	(82)	(35,249)	(12,414)	–	(87)	(34,241)	(82,073)
Effect of movements in exchange rates	(39)	–	(315,564)	–	–	(326)	–	(13,102)	(329,031)
At 31 December 2024	**362**	**10,698,603**	**1,281,416**	**216,930**	**144,775**	**24,806**	**4,794**	**187,501**	**12,559,187**
Accumulated depreciation and impairment:									
At 1 January 2024	–	6,548,933	56,284	150,771	130,742	13,393	4,364	–	6,904,487
Depreciation (C)	–	234,240	61,018	34,072	2,840	3,110	205	–	335,485
Depreciation on disposals	–	–	(5)	(35,249)	–	–	(87)	–	(35,341)
Effect of movements in exchange rates	–	–	(34,153)	–	–	(95)	–	–	(34,248)
At 31 December 2024	**–**	**6,783,173**	**83,144**	**149,594**	**133,582**	**16,408**	**4,482**	**–**	**7,170,383**
Carrying amounts									
At 31 December 2024	**362**	**3,915,430**	**1,198,272**	**67,336**	**11,193**	**8,398**	**312**	**187,501**	**5,388,804**

*Additions to capital work-in-progress majorly consists of costs incurred for the new power plant, a 500 MW simple-cycle power generation plant in Ras Abu Fontas, Qatar.

	Land	Production facilities (A)	Solar photovoltaic assets	*"C" inspection costs (B)*	*Capital spares*	Furniture, fixtures and office equipment	Motor vehicles	Capital work in progress	Total
Cost:									
At 1 January 2023	401	10,693,029	1,556,852	230,677	172,348	15,295	7,033	46,560	12,722,195
Additions	–	–	1,082	–	–	5,292	–	44,577	50,951
Disposals / transfers	–	–	(3,940)	(6,465)	(15,159)	(176)	(2,249)	(28,765)	(56,754)
Derecognition on deconsolidation of subsidiaries	–	–	(76,403)	–	–	–	–	–	(76,403)
Effect of movements in exchange rates	–	–	118,165	–	–	90	–	4,040	122,295
At 31 December 2023	401	10,693,029	1,595,756	224,212	157,189	20,501	4,784	66,412	12,762,284
Accumulated depreciation and impairment:									
At 1 January 2023	–	6,320,145	30,663	141,683	127,714	11,706	6,037	–	6,637,948
Depreciation (C)	–	228,788	61,652	41,630	3,028	1,840	342	–	337,280
Depreciation on disposals	–	–	(247)	(32,542)	–	(176)	(2,015)	–	(34,980)
Derecognition on deconsolidation of subsidiaries	–	–	(38,835)	–	–	–	–	–	(38,835)
Other movements	–	–	10,330	–	–	–	–	–	10,330
Effect of movements in exchange rates	–	–	(7,279)	–	–	23	–	–	(7,256)
At 31 December 2023	–	6,548,933	56,284	150,771	130,742	13,393	4,364	–	6,904,487
Carrying amounts									
At 31 December 2023	401	4,144,096	1,539,472	73,441	26,447	7,108	420	66,412	5,857,797

As at and for the year ended 31 December 2024 In thousands of Qatari Riyals

5. Property, plant and equipment (continued)

(A) Production facilities

The land on which the RAF A1, RAF A2, RAF A3, RAF B, RAF B1 and RAF B2 plants were constructed has been leased to the Company by the State of Qatar free of rent for a period of 50 years commencing from 5 July 1990 under the Emiri Decree No. 24 of 2001.

(B) "C" Inspection costs

Costs incurred for the production facilities under an inspection and maintenance program have been capitalized under "C" inspection costs. These costs are accounted for as separate assets as they have an estimated useful life of 3-5 years. Costs incurred on "C" inspections in progress are included under capital work in progress. On completion of these inspections, their cost will be capitalized under the "C" inspection costs category.

(C) Depreciation

The annual depreciation charge has been allocated to profit or loss as follows:

	2024	2023
Cost of sales (Note 25)	332,280	335,205
General and administrative expenses (Note 26)	3,205	2,075
	335,485	337,280

6. LEASES

The Group has leased the office premises for a period of 36 to 60 months, with an option to renew the lease after that date by mutual agreement. Management has not considered any extension option for any of its leases. The Group is restricted from entering into any further sub-lease arrangements without the written consent of the lessor.

The Group also leases properties for staff accommodation. Majority of these leases are short-term and/or leases of low-value items. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases. Further, the Group leases vehicles and equipment on short-term basis where it does not recognise right of use assets and lease liabilities.

(a) Right-of-use assets

	2024	2023
Cost:		
At the beginning of the year	73,927	72,030
Additions	1,134	1,322
Effect of movements in exchange rates	(3,652)	1,439
Termination of lease	(1,375)	(864)
At the end of the year	**70,034**	73,927
Accumulated depreciation:		
At the beginning of the year	24,798	14,320
Depreciation (Note 26)	10,778	10,376
Effect of movements in exchange rates	(746)	191
Termination of lease	(1,375)	(89)
At the end of the year	**33,455**	24,798
Carrying amounts		
At the end of the year	**36,579**	49,129

6. Leases (continued)

(b) Lease liabilities

	2024	2023
At the beginning of the year	55,817	61,834
Additions	1,134	1,322
Interest expense (Note 29)	1,947	13,709
Payments	(11,866)	(20,363)
Termination of lease	-	(775)
Effect of movements in exchange rates	(3,486)	90
At the end of the year	**43,546**	55,817

The lease liabilities are presented in the consolidated statement of financial position as at 31 December as follows:

	2024	2023
Non-current	32,688	45,055
Current	10,858	10,762
At the end of the year	**43,546**	55,817

The following are the amounts recognised in the statement of profit or loss:

	2024	2023
Depreciation of right-of-use assets (Note 26)	**10,778**	10,376
Interest on lease liabilities (Note 29)	**1,947**	13,709

(c) Extension options

The sub-lease arrangements contain extension option exercisable by the Group and to be agreed by mutual consent. The extension options held are exercisable only by the Group and not by the lessor. The Group assesses at the lease commencement date whether it is reasonably certain to exercise the extension option.

(d) Finance lease receivables

The Group has determined that one of the subsidiaries' (Ras Laffan Power Company Limited Q.P.S.C.) Power and Water Purchase Agreement (PWPA) with KAHRAMAA contained a lease in accordance with IFRIC 4, which was grandfathered, when the group transitioned to IFRS 16 and, accordingly, the Group has accounted for the cost of the plant as a finance lease receivable.

Present value of minimum lease receivable is the gross lease receivable in the lease discounted at the interest rate implicit in the lease. The interest rate of 9.32% per annum (2023: 9.32% per annum) is estimated by the management as the interest rate implicit in the lease. Income from finance leases is recognised based on a pattern reflecting a constant periodic rate of return on the Group's net investment in the finance lease. The finance lease receivables at the end of the reporting period were neither past due nor impaired.

As at and for the year ended 31 December 2024 In thousands of Qatari Riyals

6. Leases (continued)

	2024	2023
Gross lease receivable	706,894	942,979
Unearned finance income	(112,089)	(178,091)
Present value of minimum lease receivable	**594,805**	764,888

The finance lease receivable is presented in the consolidated statement of financial position as follows:

	2024	2023
Non-current portion	410,898	594,806
Current portion	183,907	170,082
	594,805	764,888

The non-current portion is further analyzed as follows:

	2024	2023
Later than one year and not later than five years	410,898	558,674
Later than five years	-	36,132
	410,898	594,806

	2024	2023
At the beginning of the year	764,888	798,419
Lease interest recognized during the year	80,597	74,954
Capital and lease interest recovered during the year	(250,680)	(108,485)
At the end of the year	**594,805**	764,888

7. INTANGIBLE ASSETS AND GOODWILL

During the previous years, the Group has identified and recorded the following intangible assets with definite useful lives and goodwill.

	2024	2023
Intangible assets (i)	29,852	35,822
Goodwill (ii)	30,813	30,813
	60,665	66,635

7. Intangible assets and goodwill (continued)

(i) Intangible assets

	2024	2023
Cost:		
At the beginning of the year	113,430	113,430
At the end of the year	**113,430**	113,430
Amortisation:		
At the beginning of the year	77,608	71,638
Amortisation (Note 26)	5,970	5,970
At the end of the year	**83,578**	77,608
Net carrying amount:		
At the end of the year	**29,852**	35,822

This represents the contract rights from the Power and Water Purchase Agreement entered into between Ras Laffan Power Company Q.P.S.C., a subsidiary of the Company, and KAHRAMAA for the supply of electricity and desalinated water to KAHRAMAA for a period of 19 years from the date of step-up acquisition on 20 October 2010.

(ii) Goodwill

Acquisition of subsidiaries

Goodwill is the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets and liabilities on the date of acquisition. Goodwill has been allocated to the cash-generating unit that benefits from the business combination as follows.

Cash generating unit	**2024**	2023
Ras Laffan Power Company Limited Q.P.S.C.	**30,813**	30,813

Impairment testing of goodwill

Key assumptions used in value in use calculations

The recoverable amount of cash generating unit has been determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management covering remaining power and water purchase agreement period.

The principal assumptions used in the projections relate to Weighted Average Cost of Capital (WACC). The assumptions are constructed based upon historic experience and management's best estimate of future trends and performance and take into account anticipated efficiency improvements over the forecasted period.

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7. Intangible assets and goodwill (continued)

Discount rates

Discount rates reflect management's estimate of the risks specific to each unit. Discount rates are based on a weighted average cost of capital for the cash generating unit (CGU).

Cash generating units	Discount rates used in 2024	Discount rates used in 2023
Ras Laffan Power Company Limited Q.P.S.C.	**5.28%**	5.12%

Growth rate estimates

Future expected cash flows used in the calculation of the value in use were mainly derived from the existing power and water purchase agreements. These include fixed and variable capacity charges, specific yields, peak % and the proposed tariffs, which are all governed by the respective power and water purchase agreements.

Management has performed impairment testing exercise for the cash generating unit and determined the recoverable value to be higher than the carrying value. Therefore, no impairment was required to be recorded as at 31 December 2024 (2023: nil).

Sensitivity testing

At 31 December 2024, the results of the sensitivity tests show that no reasonably possible change in key assumptions brought the recoverable value of these CGUs below their net carrying amounts.

8. EQUITY-ACCOUNTED INVESTEES

The movements in the Group's investments in the equity-accounted investees were as follows:

	2024	2023
At the beginning of the year	8,304,635	8,904,680
Additional investment made during the year	373,639	463,627
Reclassifications made during the year	–	(506,174)
Share of results for the year	680,162	672,284
Share of other comprehensive income – cash flow hedges	439,547	(598,647)
Share of other comprehensive income – foreign currency translation	(133,144)	(20,242)
Dividends received	(763,876)	(610,893)
At the end of the year	**8,900,963**	8,304,635

The summarized financial information of the Group's equity-accounted investees as included in their own financial statements and reconciles the summarised information to the carrying amount of the Group's interest in the equity-accounted investees are shown below:

(the note continues on next page)

8. Equity-accounted investees(continued)

	At 1 January 2024	Additions	Share of results	Share of other comprehensive income – cash flow hedges	Share of other comprehensive income – foreign currency translation	Dividends received	At 31 December 2024
Joint ventures:							
Umm Al Houl Power Q.P.S.C.	2,122,070	–	105,010	133,367	–	(52,488)	2,307,959
Qatar Power Q.J.P.S.C. (i)	429,687	–	102,848	(544)	–	(111,041)	420,950
Ras Girtas Power Company Q.P.S.C. (ii)	918,377	–	125,710	123,974	–	(155,824)	1,012,237
Mesaieed Power Company Q.P.S.C.	544,627	–	42,716	49,493	–	(7,290)	629,546
Shams Maan Solar UK Ltd.	44,043	–	7,721	(2,005)	–	(3,760)	45,999
Nebras IPC Power Developments Ltd.	647	–	–	–	–	–	647
Zonnepark Mosselbanken Tem	29,617	644	(320)	–	–	–	29,941
Zonnepark Duisterweg B.V.	9,452	67	(570)	–	–	–	8,949
NEC Energia e Participações S.A.	143,519	503	2,382	(40)	(34,869)	(1,013)	110,482
NEC Desinvolvimentod e Projectos em Energia e Participações S.A.	28,902	20,486	4,067	–	(7,380)	(1,766)	44,309
Unique Meghnaghat Power Limited	281,617	17,549	45,589	(24,123)	–	–	320,632
NEKS Energy B.V.	12,038	327	36,001	–	–	–	48,366
Diamante Geração De Energia	21,506	6,787	(647)	–	(4,550)	–	23,096
Associates:							
Phoenix Power Company SAOG	226,359	–	21,428	–	–	(7,155)	240,632
Phoenix Operation and Maintenance Company L.L.C.	2,812	–	3,246	3,715	–	(2,939)	6,834
Nebras Power IPP1/Jordan PSC (Oasis)	193,729	75,501	26,835	(11)	–	–	296,054
Nebras Power IPP4/Jordan PSC (Baltic)	266,375	92,041	25,984	–	–	(119,156)	265,244
PT Paiton Energy Pte Ltd.	1,501,861	–	152,480	(229)	–	(180,848)	1,473,264
IPM Asia Pte Ltd.	89,126	–	532	14	–	(3,569)	86,103
Minejesa Capital B.V.	145,395	–	15,634	–	–	(13,255)	147,774
AES Jordan Solar B.V.	32,230	–	2,418	4	–	–	34,652
Stockyard Hill Wind Farm (Holding) Pty ltd.	502,229	64,092	(43,594)	155,932	(44,472)	–	634,187
Moorabool North Wind Farm Pty Ltd	217,500	–	10,193	–	(20,521)	–	207,172
Moorabool South Wind Farm Pty Ltd	229,296	–	6,607	–	(21,352)	–	214,551
Equitix Aragorn Holdco Ltd.	311,621	2,117	(2,154)	–	–	(103,772)	207,812
SCE-QUVVAT L.L.C. (Surkhandarya)	–	93,525	(9,954)	–	–	–	83,571
	8,304,635	**373,639**	**680,162**	**439,547**	**(133,144)**	**(763,876)**	**8,900,963**

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8. Equity-accounted investees(continued)

	At 1 January 2023	Additions / (capital reduction)	Share of results	Share of other comprehensive income - cash flow hedges	Share of other comprehensive income - foreign currency translation	Dividends received	De-recognition / re-classification	At 31 December 2023
Joint ventures:								
Umm Al Houl Power Q.P.S.C.	2,159,960	–	116,613	(62,649)	–	(91,854)	–	2,122,070
Qatar Power Q.J.P.S.C. (i)	423,867	–	105,535	799	–	(100,514)	–	429,687
Ras Girtas Power Company Q.P.S.C. (ii)	1,520,669	–	128,003	(541,666)	–	(188,629)	–	918,377
Mesaieed Power Company Q.P.S.C.	499,644	–	49,015	10,548	–	(14,580)	–	544,627
Shams Maan Solar UK Ltd.	43,454	–	3,026	2,151	–	(4,588)	–	44,043
Nebras IPC Power Developments Ltd.	711	–	(64)	–	–	–	–	647
Zonnepark Mosselbanken Tem	28,042	–	1,575	–	–	–	–	29,617
Zonnepark Duisterweg B.V.	8,218	1,342	(108)	–	–	–	–	9,452
NEC Energia e Participações S.A.	123,421	4,176	8,767	141	12,483	(5,469)	–	143,519
NEC Desinvolvimentod e Projectos em Energia e Participações S.A.	25,953	–	1,248	(19)	2,814	(1,094)	–	28,902
Unique Meghnaghat Power Limited	160,395	122,046	(824)	–	–	–	–	281,617
Diamante Geração De Energia	–	21,882	(229)	–	(147)	–	–	21,506
Associates:								
Phoenix Power Company SAOG	213,311	–	20,203	–	–	(7,155)	–	226,359
Phoenix Operation and Maintenance Company L.L.C.	3,207	–	2,755	–	–	(3,150)	–	2,812
Nebras Power IPP1/Jordan PSC (Oasis)	179,684	–	14,899	21	–	(875)	–	193,729
Nebras Power IPP4/Jordan PSC (Baltic)	249,620	–	16,755	–	–	–	–	266,375
PT Paiton Energy Pte Ltd.	1,493,224	–	174,319	17	–	(165,699)	–	1,501,861
IPM Asia Pte Ltd.	94,709	–	9,641	(57)	–	(15,167)	–	89,126
Minejesa Capital B.V.	146,719	–	11,549	(754)	–	(12,119)	–	145,395
AES Jordan Solar B.V.	31,314	–	800	116	–	–	–	32,230
Stockyard Hill Wind Farm (Holding) Pty ltd.	558,430	5,473	(18,196)	(7,295)	817	–	(37,000)	502,229
NEKS Energy B.V.	7,073	(2,039)	7,004	–	–	–	–	12,038
Moorabool North Wind Farm Pty Ltd	447,847	1,229	7,164	–	(17,380)	–	(221,360)	217,500
Moorabool South Wind Farm Pty Ltd	485,208	1,032	9,699		(18,829)		(247,814)	229,296
Equitix Aragorn Holdco Ltd.	–	308,486	3,135	–	–	–	–	311,621
	8,904,680	463,627	672,284	(598,647)	(20,242)	(610,893)	(506,174)	8,304,635

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8. Equity-accounted investees(continued)

(i) Qatar Power Q.J.P.S.C. (the "Company")

During 2020, the General Tax Authority (GTA) had issued an income tax assessment for the years 2016 and 2017 related to taxability of foreign shareholders' share of profits, requiring the Company to pay additional taxes of USD 17.2 million (QAR 62.7 million). Basis the assessment, the Company had created a provision for the additional taxes and also recognized receivables for the same amount as the Company is entitled to be compensated for the tax expenses either by KAHRAMAA as per the PWPA (pass through arrangement) or by the Ministry of Finance (MoF) as per the Memorandum of Understanding ("MoU") signed on 2 February 2020.

During the previous year, the Court of Cessation rejected the subsequent appeal filed by the Company as well as the appeal filed by GTA although the Court earlier had ruled in favour of the Company agreeing with the independent expert's opinion but with some conflicting elements pertaining to the year 2017. Management is consulting with their legal advisors for the next steps and the necessary actions to be taken to resolve this matter.

During the year, GTA issued an additional income tax assessment for the year 2018 requiring the Company to pay additional taxes of USD 17.8 million (QAR 64.9 million) related to the taxability of foreign shareholders' share of profits. Similar to the above assessments, considering that the taxability of foreign shareholders were not applicable in the erstwhile tax law, the Company has appealed to the Appeal Committee and the hearing is yet to be scheduled. Due to the uncertainties of the outcome, the Company has recorded additional liability amounting to USD 8.9 million (excluding penalties). However, the Company has no tax exposure as any additional taxes to be borne by the Company will be compensated by KAHRAMAA as per the PWPA (pass through arrangement) or by the Ministry of Finance (MoF) as per the Memorandum of Understanding ("MoU") signed on 2 February 2020. Therefore, the Company has also recognized a corresponding receivable for the additional liability of USD 8.9 million.

(ii) Ras Girtas Power Company Q.P.S.C. (the "Company")

During 2019, the General Tax Authority (GTA) issued an income tax assessment for the years 2010 to 2018 requiring the Company to pay additional taxes of USD 85 million (QAR 310 million) including penalties amounting to USD 27 million (QAR 98.4 million) although the Company had a tax holiday for the period from April 2011 to March 2017. The Appeals Committee provided their judgement in favour of the Company, however due to lack of clarity on application of the decision and in the absence of any instructions to GTA to act on the judegement, the Company has sought clarity from the Appeals Committee which is currently pending.

As of the reporting date, the Company has recognised provision for the additional taxes of USD 85 million and also recorded receivables for the same amount as the Company is entitled to be compensated for the tax expenses either by KAHRAMAA as per the PWPA (pass through arrangement) or by the Ministry of Finance (MoF) as per the Memorandum of Understanding ("MoU") signed on 2 February 2020. Management has applied its judgment in determining that the above arrangements will also cover any tax penalties to be paid, if any, for the prior years.

During 2023, KAHRAMAA has disputed certain receivables pertaining to the year 2019 to 2023 amounting to USD 31.8 million (QAR 115.9 million) citing the provisions of the tax law. Management believes that the same is recoverable from KAHRAMAA as per the provisions of the PWPA and accordingly, the Company has not created any provisions in this regard. Currently, the Company is in the process of formulating the appropriate strategy to respond to KAHRAMAA and obtaining consultations from GTA, wherever necessary.

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8. Equity-accounted investees(continued)

At 31 December 2024	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Equity	Group's interest	Revenue/ other income	Profit/ (loss) for the year	OCI for the year	TCI	Group's share of results	Group's share of OCI
Joint ventures:												
Umm Al Houl Power Q.P.S.C.	11,563,525	1,164,068	(8,318,334)	(562,662)	3,846,597	60%	2,274,561	175,017	222,278	397,295	105,010	133,367
Qatar Power Q.J.P.S.C.	419,235	609,544	(54,609)	(246,033)	728,137	55%	359,409	186,996	(989)	186,007	102,848	(544)
Ras Girtas Power Company Q.P.S.C.	9,196,075	1,841,868	(7,345,923)	(1,441,329)	2,250,691	45%	2,782,951	279,356	275,498	554,854	125,710	123,974
Mesaieed Power Company Q.P.S.C.	5,207,097	953,005	(3,930,502)	(655,742)	1,573,858	40%	1,072,327	106,790	123,733	230,523	42,716	49,493
Shams Maan Solar UK Ltd	350,744	50,080	(249,868)	(43,267)	107,689	35%	87,920	22,060	(5,729)	16,331	7,721	(2,005)
Nebras IPC Power Developments Ltd	3,642	1	(1,826)	(502)	1,315	50%		–	–	–	–	–
Zonnepark Mosselbanken Tem.	121,938	5,823	(117,831)	(2,232)	7,698	40%	14,958	(800)	–	(800)	(320)	–
Zonnepark Duisterweg B.V.	33,501	2,928	(31,280)	(1,522)	3,627	40%	(3,509)	(1,425)	–	(1,425)	(570)	–
NEC Energia e Participações S.A.	179,435	35,063	(20,309)	(14,205)	179,984	50%	(58,246)	4,764	(80)	4,684	2,382	(40)
NEC Desinvolvimentod e Projectos em Energia e Participações S.A.	70,978	38,794	(1,813)	(27,894)	80,065	50%	(12,892)	8,136	–	8,136	4,068	–
Unique Meghnaghat Power Limited	1,790,537	602,698	(1,742,038)	(112,493)	538,704	24%	463,283	189,954	(100,513)	89,441	45,589	(24,123)
NEKS Energy B.V.	68,706	38,065	(1,608)	(14,424)	90,739	33.33%	(4,998)	108,010	–	108,010	36,000	–
Diamante Geração De Energia	8,425	700	–	(553)	8,572	50%	–	(1,294)	–	(1,294)	(647)	–
Associates:												
Phoenix Power Company SAOG	4,451,421	646,581	(1,848,364)	(673,153)	2,576,485	9.84%	1,589,052	217,764	–	217,764	21,428	–
Phoenix Operation and Maintenance Company L.L.C.	–	34,561	(1,449)	(13,168)	19,944	15%	60,700	21,640	24,767	46,407	3,246	3,715
Nebras Power IPP1 PSC (Oasis)	519,465	329,528	(233,602)	(74,222)	541,169	83.33%	68,872	32,203	(13)	32,190	26,835	(11)
Nebras Power IPP4 PSC (Baltic)	698,957	203,088	(399,646)	(52,474)	449,925	83.33%	51,913	31,182	–	31,182	25,984	–
PT Paiton Energy Pte Ltd	11,758,009	2,488,332	(7,869,126)	(1,334,558)	5,042,657	26%	3,197,275	586,460	(881)	585,579	152,480	(229)
IPM Asia Pte Ltd.	4,643	659	–	(109)	5,193	35%	(10,196)	1,520	40	1,560	532	14
Minejesa Capital B.V.	6,392,653	896,271	(6,399,830)	(760,527)	128,567	26%	371	60,130	–	60,130	15,634	–
AES Jordan Solar B.V.	163,218	77,385	(99,508)	(86,156)	54,939	40%	20,315	6,045	10	6,055	2,418	4
Stockyard Hill Wind Farm (Holding) Pty ltd	2,598,434	72,644	(1,636,819)	(136,715)	897,544	49%	196,224	(87,363)	312,489	225,126	(43,594)	155,932
Moorabool North Wind Farm Pty Ltd	799,774	39,801	(472,108)	(35,122)	332,345	49%	69,591	20,802	–	20,802	10,193	–
Moorabool South Wind Farm Pty Ltd	853,448	43,059	(519,498)	(37,297)	339,712	49%	74,598	13,484	–	13,484	6,607	
Equitix Aragorn Holdco Ltd.	418,703	–	(5,782)	(12)	412,909	49.9%	–	(4,317)	–	(4,317)	(2,154)	–
SCE-QUVVAT LLC (Surkhandarya)	135,583	141,414	(203,765)	(7,539)	65,693	46.67%	–	(21,328)	–	(21,328)	(9,954)	–
											680,162	**439,547**

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8. Equity-accounted investees(continued)

At 31 December 2023	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Equity	Group's interest	Revenue/ other income	Profit/ (loss) for the year	OCI for the year	TCI	Group's share of results	Group's share of OCI
Joint ventures:												
Umm Al Houl Power Q.P.S.C.	11,450,964	1,284,338	(8,464,279)	(734,712)	3,536,311	60%	2,152,789	194,355	(104,415)	89,940	116,613	(62,649)
Qatar Power Q.J.P.S.C.	431,809	838,011	(57,595)	(460,148)	752,077	55%	772,722	191,882	1,453	193,335	105,535	799
Ras Girtas Power Company Q.P.S.C.	9,771,004	2,214,153	(8,391,542)	(1,535,110)	2,058,505	45%	2,590,112	284,451	(1,203,702)	(919,251)	128,003	(541,666)
Mesaieed Power Company Q.P.S.C.	5,435,055	944,489	(4,308,614)	(709,368)	1,361,562	40%	1,087,040	122,538	26,370	148,908	49,015	10,548
Shams Maan Solar UK Ltd	268,755	32,026	(197,834)	(32,523)	70,424	35%	59,687	8,646	6,146	14,792	3,026	2,151
Nebras IPC Power Developments Ltd	3,642	1	(1,826)	(502)	1,315	50%		(128)	–	(128)	(64)	–
Zonnepark Mosselbanken Tem.	–	178	–	(4,115)	(3,937)	40%		3,938	–	3,938	1,575	–
Zonnepark Duisterweg B.V.	35,152	5,782	(30,479)	(7,178)	3,277	40%	143,118	(270)	–	(270)	(108)	–
NEC Energia e Participações S.A.	226,480	41,513	(27,500)	(17,184)	223,309	50%	109,598	17,534	282	17,816	8,767	141
NEC Desinvolvimentod e Projectos em Energia e Participações S.A.	24,010	24,214	(1,191)	(3,826)	43,207	50%	–	2,496	(38)	2,458	1,248	(19)
Associates:												
Phoenix Power Company SAOG	4,570,861	388,567	(2,008,713)	(570,055)	2,380,660	9.84%	1,501,023	205,315	–	205,315	20,203	–
Phoenix Operation and Maintenance Company L.L.C.	–	–	–	–	–	15%		18,367	–	18,367	2,755	–
Nebras Power IPP1 PSC (Oasis)	559,081	287,800	(289,905)	(75,528)	481,448	38.89%	67,764	38,311	54	38,365	14,899	21
Nebras Power IPP4 PSC (Baltic)	733,068	395,669	(440,102)	(62,499)	626,136	40%	48,130	41,888	–	41,888	16,755	–
PT Paiton Energy Pte Ltd	12,344,418	2,190,110	(8,312,769)	(1,019,122)	5,202,637	26%	3,095,767	670,458	65	670,523	174,319	17
IPM Asia Pte Ltd	4,643	925	–	(157)	5,411	35%	–	27,546	(163)	27,383	9,641	(57)
Minejesa Capital B.V.	7,006,559	900,649	(7,008,329)	(772,355)	126,524	26%	473	44,418	(2,900)	41,518	11,549	(754)
AES Jordan Solar B.V.	126,507	855	(17,291)	(3,383)	106,688	40%	–	2,000	290	2,290	800	116
Stockyard Hill Wind Farm (Holding) Pty ltd	2,660,312	85,404	(2,212,875)	(60,741)	472,100	49%	201,262	(37,134)	(14,888)	(52,022)	(18,196)	(7,295)
Unique Meghnaghat Power Limited	1,588,706	142,885	(1,291,071)	(45,827)	394,693	18%	–	(4,580)	–	(4,580)	(824)	–
NEKS Energy B.V.	939,940	38,159	(957,912)	(3,206)	16,981	33.33%	59,839	21,014	–	21,014	7,004	–
Moorabool North Wind Farm Pty Ltd	15,493	905,931	–	(603,490)	317,934	49%	78,100	14,620	–	14,620	7,164	–
Moorabool South Wind Farm Pty Ltd	25,771	958,664	–	(649,695)	334,740	49%	82,529	19,794	–	19,794	9,699	–
Diamante Geração De Energia	10,613	464	–	(201)	10,876	50%	–	(458)	–	(458)	(229)	–
Equitix Aragorn Holdco Ltd.	2,541,745	154,170	(1,437,165)	(377,652)	881,098	49.9%	69,793	6,283	–	6,283	3,135	–
											672,284	(598,647)

QATAR ELECTRICITY & WATER COMPANY Q.P.S.C.
ANNUAL REPORT 2024

As at and for the year ended 31 December 2024 In thousands of Qatari Riyals

9. EQUITY INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2024	2023
At the beginning of the year	2,017,318	2,322,763
Disposals	–	(316,732)
Net change in fair value (1)	121,421	11,287
At the end of the year	**2,138,739**	2,017,318

During the year, dividend income of QAR 127.3 million (2023: QAR 113.9 million) was earned on equity investments at fair value through other comprehensive income, which is included under "other income" in the consolidated statement of profit or loss (Note 28).

All equity investments at fair value through other comprehensive income are equity securities listed on the Qatar Exchange. The fair value of the quoted equity shares is determined by reference to the published market price.

(1) The fair value reserve comprises the cumulative net change in the fair value of equity investments at fair value through other comprehensive income.

	2024	2023
At the beginning of the year	525,521	614,751
Transfer directly to retained earnings upon disposal of equity securities	–	(100,517)
Net unrealised gain recognised during the year	121,421	11,287
At the end of the year	**646,942**	525,521

10. OTHER NON-CURRENT ASSETS

	2024	2023
Debt service reserve (1)	29,002	27,314
Project development costs (2)	7,811	4,440
Contributions to Facility E IWPP project (3)	35,457	–
Prepaid expenses	5,042	6,847
Others	1,404	33,923
	78,716	72,524

(1) This represents the balance the Group must hold on the reserve bank accounts, as a requirement from the lenders.

(2) This consists of incidental costs incurred for potential future acquisition of interests in equity-accounted investees and includes financial and technical due diligences, feasibility and market studies and financial and legal advisory expenses.

(3) A new IWPP (independent water and power plant) project is being established to construct a natural gas-fired plant with capacity of 100 MIGD of desalination water and 2300 MW of power under the 'BOOT' model (Build, Own, Operate and Transfer). The Group has committed to own 55% interests in the project and has entered into an Early Stage Cooperation Agreement ("ESCA") with the other partners (Sumitomo Corporation and QatarEnergy). Pursuant to the arrangement, the Group has committed to contribute USD 239.9 million (through cash calls) towards the project development budget and as of the reporting date, the Group has already funded to the extent of USD 9.7 million equivalent to QAR 35,457 thousand.

11. TAXATION

The components of income tax are as follows:

	2024	2023
Current tax (i)	(11,312)	(13,676)
Deferred tax (ii)	7,435	19,713
	(3,877)	6,037

(i) Current tax

The current tax comprises of the tax expenses incurred by the subsidiaries of the Group including the foreign subsidiaries held through Nebras Power Q.P.S.C.

Further, on 17 January 2019, Qatar published the Income Tax Law No. 24 of 2018 (the "New Tax Law") in the official Gazette. The New Tax Law is effective for financial years starting on or after 13 December 2018. The Executive Regulations to the New Tax Law were issued in December 2019. Article 2(12) of the Executive Regulations states that for the purposes of Article 4(13) of the Law, the exemption referred to in respect of the share of a non-Qatari investor shall not apply to his shares in the profits of a company owned by a listed company (i.e., whose shares are traded on the stock exchange in the State). This means that effective non-Qatari ownership of Qatar Electricity and Water Company Q.P.S.C. (QEWC) in the subsidiaries, joint ventures and associates is taxable.

On 2 February 2020, QEWC, QatarEnergy ("QE"), Ministry of Finance (MoF) and the General Tax Authority (GTA) reached an agreement through a Memorandum of Understanding ("hereby referred to as the MOU") which states that the income tax liability pertaining to certain listed companies' (including QEWC) share in their subsidiaries, joint ventures and associates would be borne by the MoF. Accordingly, application of the new Income Tax Law requirements stated above did not have any material impact on Group's consolidated financial statements for the years ended 31 December 2024 and 2023.

(ii) Deferred taxes

	Balance as of 1 January 2024	Recognised in profit or loss	Cumulative translation adjustment Impact	Deferred tax asset released	Transfer to an associate	Deferred tax assets / (liabilities) as at 31 December 2024
Temporary differences	48,819	13,846	(3,669)	(2,032)	–	56,964
Deductible differences	–	(6,411)	–	–	–	(6,411)

	Balance as of 1 January 2023	Recognised in profit or loss	Cumulative translation adjustment Impact	Deferred tax asset released	Transfer to an associate	Deferred tax assets as at 31 December 2023
Temporary differences	32,124	19,713	408	(3,135)	(291)	48,819
Deductible differences	–	–	–	–	–	–

(iii) Qatar, the jurisdiction of the Group, is committed to adopt and implement the Base Erosion and Profit Shifting (BEPS) Pillar Two Anti-Global Base Erosion ("GloBE") Rules. These rules incorporate multiple mechanisms designed to ensure that large multinational enterprises (MNEs) maintain a minimum effective tax rate of 15% (Global Minimum Tax - GMT), calculated based on net profits in each jurisdiction where an entity operates. The legislation for the implementation of this GMT is currently under approval process and expected to be effective from financial year 2025. The Group has conducted an impact assessment and concluded that there is no impact on the consolidated financial statements as of the reporting date.

In thousands of Qatari Riyals

12. INVENTORIES

	2024	2023
Spare parts	128,231	132,135
Provision for slow-moving inventories	(35,276)	(36,755)
	92,955	95,380
Others	1,364	1,533
	94,319	96,913

The movements in the provision for slow-moving inventories were as follows:

	2024	2023
At the beginning of the year	36,755	36,938
(Reversal of) / provision made during the year (Note 26)	(889)	477
Write-off during the year	(590)	(660)
At the end of the year	**35,276**	36,755

13. TRADE AND OTHER RECEIVABLES

	2024	2023
Trade receivables*	973,106	692,163
Accrued interest receivables	24,676	43,641
Receivables from related parties (34(c))	83,647	41,450
Prepayments and other receivables	73,551	82,768
	1,154,980	860,022
Less: Allowance for impairment of trade receivables	(9,944)	(3,765)
	1,145,036	856,257

* This includes amount due from one of related parties, KAHRAMAA as disclosed in Note 34(c).

The movement of allowance for impairment losses are as follows:

	2024	2023
At the beginning of the year	3,765	–
Provision during the year	6,179	3,765
At the end of the year	**9,944**	3,765

14. CASH AND BANK BALANCES

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	2024	2023
Cash at bank – call and current accounts (1)	770,465	1,026,403
Term deposits (2)	2,073,872	2,755,630
Cash in hand	86	5,278
Cash and bank balances	**2,844,423**	3,787,311
Less: Term deposits with original maturity over 90 days	(1,557,755)	(1,633,298)
Cash and cash equivalents for the purpose of the consolidated statement of cash flows	**1,286,668**	2,154,013

Notes:

1. Cash held in bank current accounts earns no interest.
2. Term deposits are made for varying terms depending on the immediate cash requirements of the Group and earn interest at market rates.

Cash and cash equivalents are denominated in the following currencies:

	2024	2023
Qatari Riyals	1,951,671	3,052,093
Euro	6,579	28,254
Brazilian Real	56,883	53,582
US Dollars	795,933	603,955
Ukrainian Hryvnia	7,231	4,520
Australian Dollars	26,126	44,907
	2,844,423	3,787,311

15. SHARE CAPITAL

	2024	2023
Authorized, issued and paid-up share capital		
1,100,000,000 ordinary shares with nominal value of QAR 1 each (All shares bear equal rights)	**1,100,000**	1,100,000

16. LEGAL RESERVE

In accordance with the provisions of the Qatar Commercial Companies' Law No. 11 of 2015 (as amended by Law No. 8 of 2021), a minimum amount of 10% of the profit in each year is required to be transferred to a legal reserve until the legal reserve becomes equal to 50% of the Company's paid-up share capital. This reserve is not available for distribution, except in circumstances specified in the above-mentioned Law. The Company made no transfers to its legal reserve in the current year and the comparative year as its legal reserve already reached 50% of its paid-up share capital.

As at and for the year ended 31 December 2024 In thousands of Qatari Riyals

17. GENERAL RESERVE

In accordance with the Company's Articles of Association, the General Assembly may allocate a portion of the profit to a general reserve. There is no restriction on the distribution of this reserve and the funds in the reserve are available for future development of the Company as decided by the General Assembly.

18. HEDGE RESERVE

(a) Hedging reserves

The hedge reserve comprises the Group's share of the effective portion of the cumulative net change in the fair value of interest rate swaps and forward contracts used for cash flow hedging.

	2024	2023
At the beginning of the year	176,478	888,196
Equity-accounted investees - share of OCI – net of related tax (1)	439,547	(598,647)
Cash flow hedges – effective portion of changes in fair value – net of related tax	(14,898)	(42,159)
Cash flow hedges reclassified to profit or loss on derecognition of an associate – net of related tax	–	(78,720)
Other movements	–	7,808
At the end of the year	**601,127**	176,478

(1) The share of other comprehensive income from equity-accounted investees were as follows:

	2024	2023
Stockyard Hill Wind Farm (Holding) Pty Ltd.	155,932	(7,295)
Umm Al Houl Power Q.P.S.C.	133,367	(62,649)
Ras Girtas Power Company Q.P.S.C.	123,974	(541,666)
Mesaieed Power Company Q.P.S.C.	49,493	10,548
Phoenix Operation and Maintenance Company L.L.C.	3,715	–
IPM Asia Pte Ltd.	14	(57)
AES Jordan Solar B.V.	4	116
Unique Meghnaghat Power Limited	(24,123)	–
Shams Maan Solar UK Limited	(2,005)	2,151
Qatar Power Q.J.P.S.C.	(544)	799
PT Paiton Energy Pte Ltd.	(229)	17
NEC Energia e Participações S.A.	(40)	141
Nebras Power IPP1/Jordan PSC (Oasis)	(11)	21
Minejesa Capital B.V.	–	(754)
NEC Desinvolvimentod e Projectos em Energia e Participações S.A.	–	(19)
	439,547	(598,647)

18. Hedge reserve (continued)

(b) Derivatives

	2024	2023
Assets		
Interest rate swaps used for hedging	**24,959**	36,795

The derivative assets are classified in the consolidated statement of financial position as follows:

	2024	2023
Non-current portion	10,697	24,530
Current portion	14,262	12,265
	24,959	36,795

	2024	2023
Liabilities		
Interest rate swaps used for hedging	**3,063**	–

The derivative liabilities are classified as non-current in the consolidated statement of financial position.

19. FOREIGN CURRENCY TRANSLATION RESERVE

The foreign currency translation reserve comprises the exchange differences on translation of foreign operations.

	2024	2023
At the beginning of the year	36,306	(1,148)
Exchange differences during the year	(209,742)	28,371
Reclassified to statement of profit or loss on derecognition of a subsidiary	–	9,083
At the end of the year	**(173,436)**	36,306

20. NON-CONTROLLING INTERESTS

Proportion of equity interest held by non-controlling interests are as follows:

	2024	2023
At the beginning of the year	322,293	333,573
Profit for the year	20,449	8,916
Dividends declared during the year	(57,227)	(25,880)
Deconsolidation of subsidiaries	–	139
Effect of movements in exchange rates	(35,618)	–
Other movement	(342)	5,545
At the end of the year	**249,555**	322,293

As at and for the year ended 31 December 2024 In thousands of Qatari Riyals

20. Non-controlling interests (continued)

The financial information of Group's subsidiaries that have material non-controlling interests are provided below.

At 31 December 2024:	Ras Laffan Power Company Q.P.S.C.	Nebras Brazil
NCI percentage	**20%**	**20%**
Non-current assets	421,456	1,078,089
Current assets	550,600	86,921
Non-current liabilities	(11,997)	(659,871)
Current liabilities	(300,028)	(60,247)
Net assets	**660,031**	**444,892**
Net assets attributable to NCI	**132,006**	**88,978**
Revenue	531,516	109,062
Total comprehensive income	131,047	(32,890)
Total comprehensive income allocated to NCI	**26,209**	**(6,578)**
Cash flows from / (used in) operating activities	261,826	(4,642)
Cash flows from investing activities	-	20,646
Cash used in financing activities	(108,411)	(8,839)
Net increase in cash and cash equivalents	**153,415**	**7,165**

At 31 December 2023:	Ras Laffan Power Company Q.P.S.C.	Nebras Brazil
NCI percentage	20%	20%
Non-current assets	607,502	1,412,707
Current assets	311,826	94,461
Non-current liabilities	(14,023)	(851,868)
Current liabilities	(90,187)	(59,073)
Net assets	815,118	596,227
Net assets attributable to NCI	163,024	119,245
Revenue	489,723	113,386
Total comprehensive income	105,958	33,747
Total comprehensive income allocated to NCI	21,192	6,749
Cash flows from operating activities	123,414	14,701
Cash used in investing activities	-	(33,491)
Cash used in financing activities	(132,103)	(21,936)
Net decrease in cash and cash equivalents	(8,689)	(40,726)

21. LOANS AND BORROWINGS

The movements in loans and borrowings were as follows:

	2024	2023
At the beginning of the year	6,818,292	11,074,816
Additions during the year	297,059	124,666
Repayments made during the year	(897,490)	(4,399,450)
Derecognition on deconsolidation of subsidiaries	–	(79,571)
Amortization of arrangement fee	11,460	771
Effect of movements in exchange rates	(263,136)	97,060
At the end of the year	**5,966,185**	6,818,292

Terms and repayment schedule:

				2024	
As at 31 December 2024	Currency	Nominal interest rate	Year of maturity	Face value**	Carrying amount
RAFB2 Project loan - MUFG facility agent*	USD	SOFR+1.15%	2031	448,000	702,050
RAFA1 Project loan -Conventional- MUFG facility agent*	USD	SOFR+0.85%	2027	253,500	177,854
RAF A1 Project loan-Islamic - QIB facility agency*	USD	Term SOFR+0.85%	2027	126,475	88,735
RAF A2 Project Loan-Conventional -QNB Facility agent*	USD	SOFR+1.75%	2036	153,707	376,558
RAF A2 Project Loan- Islamic- QIB facility agency*	USD	Term SOFR+1.75%	2036	255,819	626,717
RAF A3 Project Loan-Conventional -QNB Facility agent*	USD	SOFR+1.75%	2040	284,587	777,064
RAF A3 Project Loan-Islamic- Masraf Alrayan facility agency*	USD	Term SOFR+1.75%	2040	94,862	257,373
Banco do Nordeste do Brasil	BRL	IPCA+2.18%	2039	294,996	163,400
Banco do Nordeste do Brasil	BRL	IPCA+1.55%	2042	244,707	175,603
Banco do Nordeste do Brasil	BRL	IPCA+1.96%	2042	242,293	166,846
Banco do Nordeste do Brasil	BRL	IPCA+1.41%	2042	225,208	142,516
Triodos Fixed Loan Facility A - 2015 TGF 017671	EUR	2.08%	2026	772	1,209
Triodos Fixed Loan Facility B - 2015 TGF 017698	EUR	2.08%	2031	13,904	18,982
Triodos Fixed Loan Facility A - 2016 TGF 018996	EUR	1.50%	2032	7,518	16,143
Triodos Fixed Loan Facility B - 2016 TBNL 2205373226	EUR	1.50%	2032	7,518	16,143
Triodos Fixed Loan Facility Brabant Zon - 2015 TGF 020028	EUR	2.08%	2031	3,498	6,720
Triodos Fixed Loan Facility A- 2023 TGF 7829	EUR	4.87%	2038	2,700	9,621
Triodos Fixed Loan Facility B- 2023 TGF 7837	EUR	4.88%	2038	1,000	3,487
Triodos Fixed Loan Facility C- 2023 TGF 7845	EUR	4.60%	2033	500	560
Terslav	EUR	8.00%	2025	7,467	20,477
Sun Power Pervomaisk	EUR	6.54%	2025	1,782	3,025
Nebras Qatar - Syndicated facility	USD	3m SOFR + 1.05%	2026	300,000	1,088,214
Nebras Power Australia Pty. Ltd. (DBS Bank Ltd)	AUD	3mBBSY Bid+1%	2026	375,000	843,607
Nebras Power Investment Management B.V. (Syndicated facility)	EURO	EURIBOR 6m + 1,15%	2026	68,587	244,900
RLPC Working capital facility	USD	5.90%	2025	2,700	38,381
					5,966,185

21. Loans and borrowings (continued)

As at 31 December 2023:	Currency	Nominal interest rate	Year of maturity	2023 Face value**	2023 Carrying amount
RAFB2 Project loan - MUFG facility agent*	USD	SOFR+1.15%	2031	448,000	785,874
RAF A1 Project loan -Conventional- MUFG facility agent*	USD	SOFR+0.85%	2027	253,500	243,119
RAF A1 Project loan-Islamic - QIB facility agency*	USD	Term SOFR+0.85%	2027	126,475	121,296
RAF A2 Project Loan-Conventional -QNB Facility agent*	USD	SOFR+1.75%	2036	153,707	399,854
RAF A2 Project Loan- Islamic- QIB facility agency*	USD	Term SOFR+1.75%	2036	255,819	665,490
RAF A3 Project Loan-Conventional -QNB Facility agent*	USD	SOFR+1.75%	2040	284,587	814,774
RAF A3 Project Loan-Islamic- Masraf Alrayan facility agency*	USD	Term SOFR+1.75%	2040	94,862	269,943
HSBC STL	USD	Term SOFR+0.45%	2023	125,600	–
DBFS BANK STL	USD	Term SOFR+0.80%	2023	100,000	–
Bank of China STL	USD	Term SOFR+0.45%	2023	125,600	–
Mizuho STL	USD	SOFR+0.4%	2023	550,000	–
Mizuho STL	USD	Term SOFR+0.45%	2023	150,000	–
Banco do Nordeste do Brasil	BRL	IPCA+2.18%	2039	294,996	216,468
Banco do Nordeste do Brasil	BRL	IPCA+1.55%	2042	244,707	217,177
Banco do Nordeste do Brasil	BRL	IPCA+1.96%	2042	242,293	214,110
Banco do Nordeste do Brasil	BRL	IPCA+1.41%	2042	225,208	186,867
Triodos Fixed Loan Facility A - 2015 TGF 017671	EUR	2.08%	2026	772	1,433
Triodos Fixed Loan Facility B - 2015 TGF 017698	EUR	2.08%	2031	13,904	22,488
Triodos Fixed Loan Facility A - 2016 TGF 018996	EUR	1.50%	2032	7,518	19,699
Triodos Fixed Loan Facility B - 2016 TBNL 2205373226	EUR	1.50%	2032	7,518	19,189
Triodos Fixed Loan Facility Brabant Zon - 2015 TGF	EUR	2.08%	2031	3,498	8,173
Triodos Fixed Loan Facility A- 2023 TGF 7829	EUR	4.87%	2038	2,700	10,735
Triodos Fixed Loan Facility B- 2023 TGF 7837	EUR	4.88%	2038	1,000	3,976
Triodos Fixed Loan Facility C- 2023 TGF 7845	EUR	4.60%	2033	500	1,988
Terslav	EUR	8.00%	2025	7,467	26,736
Sun Power Pervomaisk	EUR	6.54%	2024	1,782	5,342
Nebras Qatar (Syndicated facility)	USD	3m SOFR + 1.10%	2026	300,000	1,087,339
Nebras Qatar (Bank of China STL)	USD	3M Term SOFR + 0.75%	2024	150,000	545,337
Nebras Power Australia Pty. Ltd. (DBS Bank Ltd)	AUD	1.00%	2024	375,000	921,044
RLPC Working capital facility	USD	5.90%	2025	2,700	9,841
					6,818,292

* Production facilities for RAF A1, RAF A2, RAF A3 and RAF B2 are pledged to the lenders to obtain the project finance loans.

** In thousands of foreign currency

21. Loans and borrowings (continued)

The loans and borrowings are classified in the consolidated statement of financial position as follows:

	2024	2023
Non-current portion	4,742,548	5,000,645
Current portion	1,223,637	1,817,647
	5,966,185	6,818,292

22. EMPLOYEES' END OF SERVICE BENEFITS

	2024	2023
At the beginning of the year	92,266	87,628
Provision made during the year*	13,685	13,293
Payments made during the year	(12,424)	(8,655)
At the end of the year	**93,527**	92,266

* The provision made for the year is included within staff costs in profit or loss (Note 26).

Management has classified the obligation within non-current liabilities in the consolidated statement of financial position as it does not expect that there will be significant payments towards its employees' end of service benefits obligation within 12 months from the reporting date. The provision is not discounted to present value as the effect of the time value of money is not expected to be significant.

23. TRADE AND OTHER PAYABLES

	2024	2023
Trade payables	178,532	137,318
Accrued expenses	318,490	305,179
Provision for claim received from KAHRAMAA*	307,010	307,010
Dividend payable to shareholders	48,829	53,388
Social and sports support fund payable	47,203	60,922
Other payables	47,734	52,424
Provision for staff costs	39	151
	947,837	916,392

* On 7 December 2020, the Company received a claim from KAHRAMAA for the reference non-escalable capacity price for RAF B1 for the period from August 2002 until October 2020, amounting to QAR 160.5 million. On 15 December 2020, the Company received an additional claim for the capacity charge paid in excess of technical limits up to December 2014 for the same plant, amounting to QAR 139.5 million. Accordingly, the Group has provided a provision for both claims. The parties are currently under discussion to resolve the matter as per the dispute resolution mechanism outlined in the PWPA.

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24. REVENUE

(a) Revenue streams

The Group generates revenue primarily from the production and sale of water and electricity as per the power and water purchase agreements with the off takers in and outside the State of Qatar.

	2024	2023
Revenue from electricity	1,572,321	1,495,093
Revenue from water	1,345,583	1,341,173
Total revenue	**2,917,904**	2,836,266

Operating lease revenue – capacity charges (IFRS 16)

	2024	2023
Electricity	659,541	651,144
Water	1,109,192	1,108,247
	1,768,733	1,759,391

Revenue from contracts with customers (IFRS 15)

	2024	2023
Sale of electricity	912,780	843,949
Sale of water	236,391	232,926
	1,149,171	1,076,875

(b) Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geographical market and timing of revenue recognition.

	2024	2023
Primary geographical markets		
Qatar	1,018,900	929,690
Outside Qatar	130,271	147,185
	1,149,171	1,076,875

	2024	2023
Timing of revenue recognition		
Point in time (i)	936,111	890,752
Over time (ii)	213,060	186,123
	1,149,171	1,076,875

(i) Revenue from sale of electricity and water are recognised at point in time.

(ii) Revenue recognized over the period includes revenue from operations and maintenance which is recognised over the period of time upon satisfaction of the services to the customer using an output method. The Group applied the practical expedient which allows the Group to recognise the revenue in the amount to which the entity has a right to invoice as this corresponds directly with the value to the customer of the entity's performance completed to date.

25. COST OF SALES

	2024	2023
Cost of gas consumed	1,205,068	1,120,578
Depreciation on property, plant and equipment (Note 5 (c))	332,280	335,205
Staff costs	178,325	167,921
Spare parts, chemicals and consumables	86,298	70,171
Others	202,433	208,417
	2,004,404	1,902,292

26. GENERAL AND ADMINISTRATIVE EXPENSES

	2024	2023
Staff costs (1)	139,943	138,738
Insurance	11,443	10,287
Board of Directors' remuneration	11,750	17,875
Depreciation of property, plant and equipment (Note 5 (C))	3,205	2,075
Depreciation of right-of-use assets (Note 6(a))	10,778	10,376
Amortization of intangible assets (Note 7)	5,970	5,970
Amortization of other assets	1,805	1,861
(Reversal) / provision for slow moving inventories (Note 12)	(889)	477
Impairment loss on financial assets	6,179	26,872
Telephone postage and couriers	1,865	1,448
Consultancy and professional fees	26,372	31,845
Repairs and maintenance	3,491	2,647
Office expenses	5,211	9,697
Recruitment and training expenses	4,009	2,858
Subscription and licenses	3,512	814
Board committee remuneration	1,030	1,030
Donations	1,000	1,000
Advertisement and public relation expenses	80	661
Miscellaneous expenses	21,050	18,669
	257,804	285,200

(1) Staff costs include a provision of QAR 13.7 million (2023: QAR 13.3 million) in respect of employees' end of service benefits (Note 22).

27. INTEREST INCOME

	2024	2023
Interest earned on term and other call deposits	174,713	262,630
Interest income from related parties and others	61,988	49,276
	236,701	311,906

28. OTHER INCOME

	2024	2023
Dividend income from equity investments at FVOCI (Note 9)	127,343	113,948
Secondment income	26,694	22,227
Miscellaneous income	77,977	147,028
	232,014	283,203

29. FINANCE COSTS

	2024	2023
Interest on bank loans	414,437	486,759
Interest – others	20,959	-
Interest on lease liabilities (Note 6(b))	1,947	13,709
Bank charges	6,826	6,834
	444,169	507,302

30. EARNINGS PER SHARE

Basic earnings per share

The calculation of basic earnings per share is arrived by dividing the profit attributable to the equity & ordinary shareholders of the Company for the year by the weighted average number of ordinary shares & outstanding during the year.

	2024	2023
Profit for the year attributable to owners of the Company	**1,416,044**	1,551,436
Weighted average number of ordinary and outstanding shares during the year (number of shares in thousands)	**1,100,000**	1,100,000
Basic and diluted earnings per share (expressed in QAR per share)	**1.29**	1.41

Diluted earnings per share

For the parent Company, it has no potential dilutive shares, the diluted EPS equals to the basic EPS. The diluted earnings per share (hereafter “EPS”) is calculated by dividing the profit for the year attributable to the ordinary shareholders of the Company by the weighted-average number of shares outstanding during the year after adjustment for the effects of all / any dilutive potential ordinary shares. As the Company had no dilutive potential ordinary shares during the current year and the comparative year, the Diluted EPS is the same as the Basic EPS for both these years.

31. DIVIDENDS

The Board of Directors has proposed final cash dividend of QAR 583 million (QAR 0.53 per share), bringing the total dividend for the year ended 31 December 2024 to QAR 858 million (QAR 0.78 per share). The proposed final and interim dividend will be submitted for formal approval at the next Annual General Meeting of the Company. Therefore, the final cash dividend is not recognised as a liability as of 31 December 2024.

During the current and the previous year, the shareholders of the Company approved, and the Company paid cash dividend as follows:

(i) Final dividend of QAR 0.86 per share totalling to QAR 946 million for the year 2023 (31 December 2023: final dividend of QAR 0.95 per share totalling to QAR 1,045 million for the year 2022).

(ii) Interim dividend of QAR 0.25 per share totalling to QAR 275 million for the half-year ended 30 June 2024 (30 June 2023: Nil).

32. CONTRIBUTIONS TO SOCIAL AND SPORTS SUPPORT FUND

In accordance with the provisions of the Qatar Commercial Companies’ Law No. 13 of 2008, the Group contributed to the social and sports support fund QAR 32.2 million for the year ended 31 December 2024 (2023: QAR 35.9 million).

33. COMMITMENTS AND CONTINGENT LIABILITIES

	2024	2023
(a) Contingent liabilities:		
Corporate guarantees issued on behalf of equity-accounted investees	1,501,510	951,207
Letter of credits	184,447	331,089
	1,685,957	1,282,296

Other contingencies:

Salgueiro Solar Holding S.A. (Brazil)

During 2022, the EPC contractor of the Salgueiro plants (“SNEF Brasil”) had filed for an arbitration against the company claiming extra costs on account of force majeure, additional works and owner caused delays (QAR 35.3 million). Subsequently, the Group had filed their rejections along with a counterclaim of QAR 14.7 million with the Arbitral Tribunal on the grounds of breach of contract and indemnification for the losses incurred from SNEF Brasil’s failure to properly execute and complete the work as per the agreed terms.

During the year, the Arbitral Tribunal rendered a partial award, and the Group is required to settle QAR 0.5 million to the EPC contractor (after setting off the counterclaims partially ruled in favour of the Company), for which the Group has recognized the provision as of the reporting date. The remaining claims and counterclaims have been deferred to the second stage of the proceedings and is yet to be scheduled.

	2024	2023
(b) Commitments:		
Facility E IWPP Project*	839,079	-
Derivative financial instruments:		
Interest rate swaps (notional amount)	1,058,321	537,787
	1,897,400	537,787

* A new IWPP (independent water and power plant) project is being established to construct a natural gas-fired plant with capacity of 100 MIGD of desalination water and 2300 MW of power under the ‘BOOT’ model (Build, Own, Operate and Transfer). The Group has committed to own 55% interest in the project and has entered into an Early Stage Cooperation Agreement (“ESCA”) with the other partners (Sumitomo Corporation and QatarEnergy). Pursuant to the arrangement, the Group has committed to contribute USD 239.9 million (through cash calls) towards the project development budget and as of the reporting date, the Group has already funded to the extent of USD 9.7 million equivalent to QAR 35.5 million and the remaining commitment exposure is USD 230.2 million equivalent to QAR 839.1 million.

34. RELATED PARTY DISCLOSURES

Related parties represent associated companies, major shareholders, directors and key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management.

Transactions with related parties included in the condensed consolidated statement of profit or loss and comprehensive income are as follows:

a) Transactions with related parties included in the statement of profit and loss are as follows:

	Nature of the transactions	2024	2023
Shareholder:			
KAHRAMAA	Sale of electricity	1,442,050	1,354,303
	Sale of water	1,345,584	1,341,173
	Lease income	80,597	74,954
QatarEnergy	Cost of gas consumed	1,205,068	1,120,578
Equity-accounted investees:			
Equitix Aragorn Holdco Ltd.	Interest income	43,463	2,127
Ras Girtas Power Company Q.P.S.C.	Secondment income	7,659	7,638
Umm Al Houl Power Q.P.S.C.	Secondment income	7,551	6,925
Qatar Power Q.J.P.S.C.	Secondment income	5,253	5,253
SCE-QUVVAT LLC	Interest income	16,180	–
SCE-QUVVAT LLC	Fee income	7,304	–
AES Jordan Solar BV	Interest income	6,747	–
Nebras Power IPP1 PSC (Oasis)	Fee income	5,299	–
Nebras Power IPP4 PSC (Baltic)	Fee income	3,595	26
Unique Meghnaghat Power Limited	Interest income	501	–
Nebras-IPC Power Developments Ltd.	Fee income	321	241
Minejesa Capital B.V.	Fee income	195	182
Minejesa Capital B.V.	Expenses	–	94
Zonnerpark Mosselbank Terneuzen	Fee income	95	122
Zonnepark Duistereweg B.V.	Fee income	29	–
Enersok FE LLC (Uzbekistan)	Fee income	–	35,747
NEC Energia	Interest income	–	7,953
AM Solar B.V. /Jordan PSC	Interest income	–	1,207
IPM O&M Services Pte Ltd.	Fee income	–	764
Shams Ma'an Power Generation PSC	Fee income	–	382
Siraj Energy Q.P.S.C.	Secondment income	–	224
NEKS Energy B.V.	Fee income	–	142

b) Loans receivable from related parties

The movements of loans receivable from related parties were as follows:

	2024	2023
At the beginning of the year	1,144,340	60,702
Additional loans granted during the year	348,498	589,603
Repayments made during the year	(61,090)	–
Reclassifications made during the year	(23,609)	494,035
Effect of movements in exchange rates	(94,981)	–
At the end of the year	**1,313,158**	1,144,340

Following are the loans provided to the related parties in accordance with the following conditions:

As at 31 December 2024	Currency	Rate of interest p.a.	Face value*	Carrying amount
Loans granted to:				
Equitix Aragorn (United Kingdom)	GBP	7%	131,282	592,537
Moorabool Wind Farms North and South (Australia)	AUD	Bank Bill Swap Rate	203,946	383,202
SCE-QUVVAT L.L.C. (Surkhandarya)	EUR	8.63%	65,714	298,201
AM Solar B.V. (Jordan PSC)	USD	6%	6,021	21,926
Unique Meghnaghat Power Limited (Bangladesh)	USD	SOFR+2%	2,646	9,635
NEC Energia e Participações S.A. (Brazil)	BRL	8.75%	10,908	6,420
Others				1,237
				1,313,158

As at 31 December 2023	Currency	Rate of interest p.a.	Face value*	Carrying amount
Loans granted to:				
Equitix Aragorn (United Kingdom)	GBP	7%	131,282	600,121
Moorabool Wind Farms North and South (Australia)	AUD	Bank Bill Swap Rate	203,946	481,851
AM Solar B.V. (Jordan PSC)	USD	6%	6,021	21,926
NEC Energia e Participações S.A. (Brazil)	BRL	8.75%	10,908	8,185
Others				32,257
				1,144,340

** In thousands of foreign currency*

As at and for the year ended 31 December 2024 In thousands of Qatari Riyals

c. Receivables from related parties

	2024	2023
Trade receivables:		
Shareholders:		
KAHRAMAA	**938,792**	658,254
	938,792	658,254
Other receivables:		
Shareholders:		
QatarEnergy	14,373	14,373
Equity-accounted investees:		
SCE-QUVVAT L.L.C. (Surkhandarya)	15,574	–
Nebras Power Oasis Ltd	15,383	18
Enersok FE LLC (Uzbekistan)	12,138	12,138
Equitix Aragorn Holdco Ltd.	10,553	2,128
AM Solar B.V./Jordan PSC	6,687	–
Umm Al Houl Power Q.P.S.C.	2,435	1,921
Ras Girtas Power Company Q.P.S.C.	1,451	1,489
Qatar Power Q.P.J.S.C.	1,365	1,488
Scythia Solar 1 LLC	1,278	–
AES Jordan PSC	923	6,414
Mesaieed Power Company Limited Q.P.S.C.	650	1,015
Unique Meghnaghat Power Limited	502	–
Nebras-IPC Power Development Ltd	307	303
Others	28	163
	83,647	41,450
	1,022,439	699,704

The above balances are in normal course of business, of trading and financing nature, and are receivable on demand, hence classified as current. The above balances are included under trade and other receivables (Note 13).

d) Payables to related parties

	2024	2023
Shareholders:		
KAHRAMAA	141,652	142,586
QatarEnergy	242,698	156,077
Others	141	9,463
	384,491	308,126

The above balances are in normal course of business, and are of trading nature, bear no interest or securities and are receivable / payable on demand, hence classified as current and are included in trade and other receivables, and trade and other payables respectively in the consolidated statement of financial position (Note 23).

e. Compensation of key management personnel

The remuneration of key management personnel were as follows:

	2024	2023
Short term employee benefits	21,024	35,596
Long term employee benefits	–	–
	21,024	35,596

35. FINANCIAL RISK AND CAPITAL MANAGEMENT

a) Financial risk management

The Group's principal financial liabilities, other than derivatives, comprise interest bearing loans and borrowings, lease liability, trade payables, accrued expenses and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets are bank balances and cash, finance lease receivable, loans receivable from related parties, trade receivables, accrued interest receivable and other receivables that derive directly from its operations. The Group also holds equity investments at fair value through other comprehensive income and enters into derivative transactions for hedging purposes. The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Group Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Group is exposed to market risk, credit risk and liquidity risk and policies for managing each of these risks are summarized below.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity price risk will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group is exposed to currency risk to the extent that there is mismatch between the currencies in which revenue, related costs and borrowings are denominated and the respective functional currencies of the Group entities. The functional currencies of the Group entities are primarily those that are mentioned in Note 3(c). The Group does not use forward exchange contracts to hedge its currency risk. Generally, borrowings are denominated in currencies that match the cash flows generated by the underlying operations of the Group – primarily the USD. This provides an economic hedge without derivatives being entered into and therefore hedge accounting is not applied.

As at and for the year ended 31 December 2024 In thousands of Qatari Riyals

The Group uses derivatives to hedge its interest rate risk. All such transactions are carried out within the guidelines set by the Risk Management Committee. Generally, the Group seeks to apply hedge accounting to manage volatility in profit or loss.

Interest rate risk

Interest rate risk arises when the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises mainly from interest bearing bank loans and borrowings issued at variable rates, which expose it cash flow interest rate risk.

The Group has entered into a floating to fixed interest rate swap ("IRS") for the 50% of the notional amount of its syndicated long-term revolving credit facility ("RCF") to mitigate its exposure to interest rate risk. Under the IRS terms, the Group pays fixed rate to the hedge counterparties and receive floating rate ("SOFR") from hedge counterparties for settlement of its floating rate interest liability under the RCF. IRS has been executed with highly rated financial institutions as hedge counterparties in order to segregate the counterparty risk. The Group's approach is to opportunistically hedge its interest rate risks to (i) manage the impact of these risks on the cash flows and profit and loss of the Company and (ii) ensure compliance with the Company's financial covenants whilst optimizing finance costs.

Sensitivity

The following table shows the sensitivity of the consolidated income statement to possible changes in interest rate by 25 basis points, with all other variables held constant. The sensitivity of the consolidated income statement is the effect of the assumed changes in interest rates for one year, on the floating rate borrowing held at 31 December.

Floating interest rate instruments (Interest bearing loans and borrowings)	Change in basis points	Effect on profit / total comprehensive income 2024	2023
USD denominated loans	+/-25 bps	**+/- 10,332**	+/- 12,357
AUD denominated loans	+/-25 bps	**+/- 2,109**	+/- 2,303
BRL denominated loans	+/-25 bps	**+/- 1,621**	+/- 2,087
EUR denominated loans	+/-25 bps	**+/- 853**	+/- 299

Equity price risk

All the Group's equity investments are listed on the Qatar Stock Exchange.

The following table demonstrates the sensitivity of the cumulative changes in fair value to reasonably possible changes in equity prices, with all other variables held constant. The effect of decreases in equity prices is expected to be equal and opposite to the effect of the increases shown.

	Change in equity price	Effect on equity 2024	Effect on equity 2023
Quoted shares	+/- 100 bps	**+/- 213,874**	+/- 201,732

Currency risk

The Group is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which sales, purchases, receivables, payables and borrowings are denominated and the respective functional currencies of Group companies. The functional currencies of Group companies are disclosed in Note 3(c). The currencies in which these transactions are primarily denominated are Euro, USD and Brazilian Real.

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group are as follows:

	Foreign currency	Functional currency	2024	2023
Bank balances	EUR	USD	8,151	11,251
Bank balances	GBP	USD	83,621	2,938
Loans receivable from related parties	GBP	USD	592,537	607,859
Loans and borrowings	EUR	Hryvnia	(23,502)	(32,079)
Statement of financial position exposure- net			**660,807**	589,969

The following significant exchange rates have been applied during the current and the comparative year:

	Average rate		Year-end spot rate	
	2024	2023	**2024**	2023
EUR – USD	**1.08**	1.08	**1.04**	1.10
EUR – Hryvnia	**42.57**	39.89	**40.75**	40.79
GBP – USD	**1.28**	1.24	**1.25**	1.27

Sensitivity analysis

A reasonably possibly strengthening (weakening) of the currencies against the others at the year-end would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profits or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	2024		2023	
	Strengthening	**Weakening**	Strengthening	Weakening
EUR - USD (+/- 100 bps)	**815**	**(815)**	1,125	(1,125)
EUR – Hryvnia (+/- 100 bps)	**(2,350)**	**2,350**	(3,208)	3,208
GBP - USD (+/- 100 bps)	**67,616**	**(67,616)**	61,080	(61,080)
	66,081	**(66,081)**	58,997	(58,997)

The Group did not have significant exposure to currency risk during the previous year, as its majority of receivables and payables balances were held in QAR and USD.

As at and for the year ended 31 December 2024 In thousands of Qatari Riyals

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from its customers. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each counterparty. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate. The Group's maximum exposure to credit risk as at the reporting date is the carrying amount of its financial assets, which are as follows

	2024	2023
Trade receivables	963,162	688,398
Bank balances	2,844,337	3,782,033
Finance lease receivables	594,805	764,888
Loans receivable from related parties	1,313,158	1,144,340
Accrued interest receivable	24,676	43,641
Receivables from related parties	83,647	41,450
Derivative assets	24,959	36,795
	5,848,744	6,501,545

Trade receivables

The Group has Power and Water Purchase Agreements (PWPA) with government companies, and non-government companies (private corporate customers) to whom the electricity is sold in the open market.

At 31 December 2024, the exposure to credit risk for trade receivables by type of counterparty was as follows:

	2024		2023	
	Not credit-impaired	**Credit impaired**	Not credit-impaired	Credit impaired
Government companies (1)	960,478	–	675,701	–
Non-government companies (2)	12,628	–	16,462	–
Gross carrying amount	**973,106**	–	692,163	–
Less: loss allowance	(9,944)	–	(3,765)	–
Net carrying amount	**963,162**	–	688,398	–

At 31 December 2024, the carrying amount of the trade receivables from the Group's most significant customer (KAHRAMAA, a Qatar based government authority) amounted to QAR 938.8 million (2023: QAR 658.5 million).

(1) Expected credit loss assessment for government companies

The Group performs expected credit loss assessment at each reporting date using an allowance matrix to measure its expected credit losses. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions, and forecasts of future economic conditions. The Group's trade receivables from government companies arise mainly from KAHRAMAA (see note above) and, consequently, the Group has credit concentration risk. Management believes that the credit concentration is not of significant concern, because KAHRAMAA is a government-controlled entity with high financial credibility and has never defaulted in the past. Furthermore, the credit risk of KAHRAMAA is negligible as it is backed by unconditional guarantee from the State of Qatar. As a result, the expected credit loss is determined to be insignificant from KAHRAMAA.

On the remaining trade receivable balances from other government companies outside Qatar, the Group has determined that these customers have been transacting with the Group for over three years, and none of these government customers' balances have been written off or are credit-impaired at the reporting date, hence, the expected credit loss on these receivables is insignificant as of the reporting date.

(2) Expected credit loss assessment for non-government companies

The Group uses an allowance matrix to measure the expected credit losses from its non-government companies, which comprise of private corporate companies operating in a regulated market. Loss rates are based on actual credit loss experience over the past two to three years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables. The Group has determined that since these private corporate companies operate in a regulated market, there has been no history of default in the past. Further, the Group has determined that none of its non-government customers' balances have been written off or are credit impaired as at the reporting date. Therefore, the expected credit loss on these receivables from non-government companies is considered to be insignificant.

The Group doesn't require collateral in respect of its trade receivables from government and non-government companies.

At 31 December 2024, the exposure to credit risk for trade receivables by geographic region was as follows:

	2024	2023
Qatar	938,792	658,513
Brazil	11,557	16,359
Netherlands	1,070	1,718
Ukraine	11,743	11,808
	963,162	688,398

As at and for the year ended 31 December 2024 In thousands of Qatari Riyals

Set out below is the information about the credit risk exposure on the Group's trade receivables using an allowance matrix:

31 December 2024	Weighted average loss rate	Gross carrying amount	Loss allowance	Credit-impaired
Current (not past due)	0.00%	469,174	–	–
1-30 days past due	0.00%	207,819	–	–
31-60 days past due	0.00%	180,310	–	–
61-90 days past due	0.00%	69,908	–	–
More than 90 days past due	21.67%	45,895	(9,944)	–
		973,106	**(9,944)**	–

31 December 2023	Weighted average loss rate	Gross carrying amount	Loss allowance	Credit-impaired
Current (not past due)	0.0%	420,414	–	–
1-30 days past due	0.0%	164,449	–	–
31-60 days past due	0.0%	42,858	–	–
61-90 days past due	0.0%	44,717	–	–
More than 90 days past due	19.09%	19,725	(3,765)	–
		692,163	(3,765)	–

Cash at bank and term deposits

The Group held bank balances of QAR 2,844,337 thousand at 31 December 2024 (2023: QAR 3,782,033 thousand). Management considers that its cash at bank and term deposits have low credit risk based on external credit ratings of the counterparties, which are rated AA- to AA+, based on moody's ratings. Impairment on cash at bank and term deposits have been measured on a 12-month expected loss basis and reflects the short-term maturities of the exposures.

As at the reporting date, none of the bank balances were credit impaired. On the non-credit impaired balance, based on the expected credit loss (ECL) exercise performed by the management, the ECL was determined to be immaterial, therefore, no ECL on the cash and cash equivalents was recognised in these consolidated financial statements.

Loans receivable from related parties, finance lease receivable and other receivables from related parties.

Management has performed detailed analysis on receivables from related parties, including loans receivable, finance lease receivable and other receivables and has determined the ECL to be insignificant, hence, no ECL is recognized on these balances as of the reporting date.

Derivatives

The derivates are entered into with bank and financial institution counterparties, which are rated AA- to AA+, based on moody's ratings.

Guarantees

The Group's policy is to provide financial guarantees only for its affiliates' liabilities. At 31 December 2024 and 2023, the Company and one of its subsidiaries, Nebras Power Q.P.S.C. have issued guarantees to certain financial institutions in respect of credit facilities granted to their underlying affiliate companies. Please also refer note 33.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The table below summarizes the contractual discounted maturities of the Group's financial liabilities at the reporting date.

31 December 2024	Carrying amounts	Less than 1 year	1 – 5 years	More than 5 years
Trade payables	178,532	178,532	-	-
Accrued expenses	318,490	318,490	-	-
Lease liabilities	43,546	10,859	23,426	9,261
Loans and borrowings*	5,966,185	1,223,637	2,613,358	2,129,190
Derivative liabilities	3,063	-	3,063	-
Other liabilities (excluding provisions)	450,776	450,776	-	-
	6,960,592	**2,182,294**	**2,639,847**	**2,138,451**

31 December 2023	Carrying amounts	Less than 1 year	1 – 5 years	More than 5 years
Trade payables	137,318	137,318	–	–
Accrued expenses	305,179	305,179	–	–
Lease liabilities	55,817	10,762	30,162	14,893
Loans and borrowings*	6,818,292	1,817,647	2,407,300	2,593,345
Other liabilities (excluding provisions)	473,744	473,744	–	–
	7,790,350	2,744,650	2,437,462	2,608,238

*The Group has secured project finance loans that contain covenants. A future breach of covenants may require the Group to repay the loan earlier than indicated in the above table. The Group has developed a strong debt compliance framework to actively control and manage this risk.

In thousands of Qatari Riyals

b) Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong capital base and healthy capital ratios in order to support its business and to sustain future development of the business. The Group manages its capital structure and makes adjustments to it, in light of economic conditions. The Board of Directors monitors the return on capital. No changes were made in the objectives, policies or processes during the year ended 31 December 2024.

The Group monitors capital using a gearing ratio, which is calculated as net debt divided by total equity and net debt. The debt is calculated as total borrowings (including current and non-current loans as shown on the consolidated statement of financial position) less cash and cash equivalents.

Total equity is the equity attributable to owners of the Company.

	2024	2023
Loans and borrowings	5,966,185	6,861,512
Cash and bank balances	(2,844,423)	(3,787,311)
Net debt	**3,121,762**	3,074,201
Equity attributable to owners of the Company	15,359,814	14,886,333
Total equity and net debt	**18,481,576**	17,960,534
Gearing ratio	**16.9%**	17.1%

36. FAIR VALUES OF ASSETS AND LIABILITIES

Financial instruments represent any contractual agreement that creates a financial asset, financial liability or an equity instrument. The Group's principal financial liabilities comprise interest bearing loans and borrowings, bank overdrafts, accounts payable, amounts due to related parties and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's financial assets comprise bank balances and cash, trade receivable, investments through OCI, amounts due from related parties and certain other receivables that arise directly from its operation.

Fair value measurements

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined.

When measuring the fair value of an asset or liability, the Group uses market observable 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 market price (unadjusted) in active markets for an identical assets or liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs)

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement

As at 31 December 2024, the Group held the following classes of financial instruments measured at fair value:

		As at 31 December 2024		
Derivative and non-derivative financial assets / (financial liabilities)	**Classification**	**Carrying value**	**Fair value**	**Fair value Hierarchy**
Cash and bank balances*	Amortised cost	**2,844,423**	**–**	–
Trade and other receivables*	Amortised cost	**1,145,036**	**–**	–
Financial assets at fair value through OCI	FVOCI	**2,138,739**	**2,138,739**	Level 1
Loans receivable from a related parties	Amortised cost	**1,313,158**	**–**	–
Derivative assets	FVOCI	**24,959**	**24,959**	Level 2
Disposal group held-for-distribution	Fair value less costs to sell	**65,861**	**65,861**	Level 3
Liabilities held-for-distribution	Other financial liabilities	**(58,332)**	**(58,332)**	Level 3
Loans and borrowings	Other financial liabilities	**(5,966,185)**	**(5,966,185)**	Level 2
Derivative liabilities	Other financial liabilities	**(3,063)**	**(3,063)**	Level 2
Lease liabilities*	Other financial liabilities	**(43,546)**	**–**	–
Accounts payable and accruals* (excluding derivative financial liabilities)	Other financial liabilities	**(947,837)**	**–**	–

		As at 31 December 2023		
Derivative and non-derivative financial assets / (financial liabilities)	**Classification**	**Carrying value**	**Fair value**	**Fair value Hierarchy**
Cash and bank balances*	Amortised cost	3,787,311	–	–
Trade and other receivables*	Amortised cost	856,257	–	–
Financial assets at fair value through OCI	FVOCI	2,017,318	2,017,318	Level 1
Loans receivable from related parties	Amortised cost	1,144,340	–	–
Derivative assets	FVOCI	36,795	36,795	Level 2
Disposal group held-for-distribution	Fair value less costs to sell	186,385	186,385	Level 3
Liabilities held-for-distribution	Other financial liabilities	(168,650)	(168,650)	Level 3
Loans and borrowings	Other financial liabilities	(6,818,292)	(6,818,292)	Level 2
Lease liabilities*	Other financial liabilities	(55,817)	–	–
Accounts payable and accruals* (excluding derivative financial liabilities)	Other financial liabilities	(916,392)	–	–

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* These financial assets and financial liabilities are carried at amortised cost. The fair values of these financial assets and financial liabilities are not materially different from their carrying values in the consolidated statement of financial position, as these assets and liabilities are either of short-term maturities or are re-priced frequently based on market movement in interest rates.

There is no in or out movement from Level 3 fair value measurements. The assets and liabilities classified under Level 3 category have been fair-valued based on the available information.

Valuation techniques

Fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. The fair value of derivative instruments is calculated as the present value of the estimated future cash flows. Estimates of future floating-rate cash flows are based on quoted swap rates, futures prices and interbank borrowing rates. 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 credit default swap or bond prices.

Fair value sensitivity analysis

The following table shows the sensitivity of fair values to 10% increase / decrease as at 31 December:

	2024	2023
Basis points	+/- 1,000	+/- 1,000
Effect on profit or loss (QAR '000)	**+/- 6,586**	+/- 18,639

Offsetting financial assets and liabilities

The Group does not have any financial assets or financial liabilities that are subject to offsetting, enforceable master netting arrangements or any similar agreements.

37. DISPOSAL GROUP HELD-FOR-DISTRIBUTION

Carthage Power Company ("CPC"), one of the subsidiaries of the Group is classified as Disposal group held-for-distribution in accordance with the requirements of IFRS 5 - 'Non-current assets held-for-sale and discontinued operations' as it cessed its ability to continue as a going concern when the concession agreement came to an end in May 2022. Accordingly, the assets and liabilities of the subsidiary are presented as a disposal group held-for-distribution and the results of the subsidiary are shown as discontinued operations in the condensed consolidated statement of profit or loss and other comprehensive income. The Group holds 60% interests in the said subsidiary.

Information regarding the assets, liabilities and results of the subsidiary are presented below;

i) Assets and liabilities of disposal group held-for-distribution

	2024	2023
Trade and other receivables	60,501	177,107
Cash and bank balances	5,190	9,272
Others	170	6
Assets held-for-distribution	**65,861**	186,385
Trade and other payables	58,226	168,650
Others	106	–
Liabilities held-for-distribution	**58,332**	168,650

ii) Cash flows from discontinued operations

	2024	2023
Cash used in operating activities	(2,988)	(873)
Net change in cash and cash equivalents	(2,988)	(873)
Cash and cash equivalents at the beginning of the year	9,272	11,217
Effect of movements in exchange rates on cash held	(1,094)	(1,072)
Cash and cash equivalents at the end of the year	**5,190**	9,272

The loss from the discontinued operations generated during the year amounted to QAR 631 thousand (31 December 2023: QAR 7,156 thousand), out of which QAR 379 thousand is attributed to the owners of the Company (31 December 2023: QAR 4,294 thousand) and QAR 252 thousand is attributed to the non-controlling interests (31 December 2023: QAR 2,862 thousand).

38. OPERATING SEGMENTS

a) Basis for segmentation

Operating Segments align with internal management reporting to the Group's chief operating decision makers. The Group manages its operations in two segments, Operations in Qatar and Operations outside Qatar. These segments offer the same products (Power) but they are managed separately.

Operations in Qatar	Stable business environment and caters to the needs of the off-taker in the State.
Operations outside Qatar	Focus on the expansion of the Group's presence in the global energy markets.

The Group's Managing director reviews the internal management reports of each division on a monthly basis.

Information about reportable segments

Information related to each reportable segment is set out below. Segment profit / (loss) for the period is used to measure performance because management believed that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same business.

Notes to the consolidated financial statements
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38. Operating segments (continued)

Information related to each reportable segment as of the reporting date is set out below:

	Operations in Qatar	Operations outside Qatar	Consolidated financial statements
For the year ended 31 December 2024			
External revenue	2,868,230	130,271	2,998,501
Inter-segment revenue	119,335	-	119,335
Segment revenue	**2,987,565**	**130,271**	**3,117,836**
Segment profit before tax	**1,208,721**	**232,280**	**1,441,001**
Depreciation and amortisation	(289,917)	(62,316)	(352,233)
Finance costs	(319,256)	(124,913)	(444,169)
Interest income	158,138	78,563	236,701
Share of results from equity-accounted investees	376,283	303,879	680,162
Income taxes	(1,607)	(2,270)	(3,877)
Other material items of income and expense			
Dividend income	127,343	–	127,343
Other income	57,759	46,912	104,671
As at 31 December 2024			
Segment assets			
Property, plant and equipment	4,125,458	1,263,346	5,388,804
Equity-accounted investees	4,370,688	4,530,275	8,900,963
Cash and bank balances	2,500,023	344,400	2,844,423
Other assets	4,030,474	1,579,327	5,609,801
	15,026,643	**7,717,348**	**22,743,991**
Segment liabilities			
Loans and borrowings	4,132,946	1,833,239	5,966,185
Other liabilities	1,093,452	74,985	1,168,437
	5,226,398	**1,908,224**	**7,134,622**

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38. Operating segments (continued)

	Operations in Qatar	Operations outside Qatar	Consolidated financial statements
For the year ended 31 December 2023			
External revenue	2,764,035	147,185	2,911,220
Inter-segment revenue	99,741	–	99,741
Segment revenue	2,863,776	147,185	3,010,961
Segment profit before tax	1,298,664	262,807	1,561,471
Depreciation and amortisation	(286,859)	(66,767)	(353,626)
Finance costs	(289,823)	(217,479)	(507,302)
Interest income	129,664	182,242	311,906
Share of results from equity-accounted investees	399,166	273,118	672,284
Income taxes	(1,174)	7,211	6,037
Other material items of income and expense			
Gain on disposal of asset held for sale	77,652	–	77,652
Dividend income	113,948	–	113,948
As at 31 December 2023			
Segment assets			
Property, plant and equipment	4,251,067	1,606,730	5,857,797
Equity-accounted investees	4,014,759	4,289,876	8,304,635
Cash and bank balances	1,618,518	2,168,793	3,787,311
Other assets	3,725,852	1,614,151	5,340,003
	13,610,196	9,679,550	23,289,746
Segment liabilities			
Loans and borrowings	3,310,190	3,508,102	6,818,292
Other liabilities	899,903	362,925	1,262,828
	4,210,093	3,871,027	8,081,120

c) Geographic information

The Group's operations in Qatar constitutes to 96% (2023: 95%) of consolidated revenue and 84% (2023: 85%) of the consolidated profits for the period, and 66% (2023: 58%) of the consolidated total assets as of the reporting period. Outside Qatar, the Group has operations through its controlled subsidiaries in Brazil, Netherlands, Australia and Ukraine, United Kingdom, Bangladesh and through its associates and joint ventures in Indonesia, Australia, Oman and other geographies.

d) Major customers

In the state of Qatar, the Group produces power and water as per the Power and Water Purchase Agreement (PWPA) with the Off taker (KAHRAMAA). Outside Qatar, the Group has similar agreements with the local government authorities, and also sale electricity in the open market to private corporate customers.

39. COMPARATIVE INFORMATION

The comparative figures have been reclassified, where necessary, in order to conform to the current year's presentation. Such reclassifications did not affect the previously reported net profit, net assets or net equity of the Group.

40. SUBSEQUENT EVENTS

There were no material subsequent events after the reporting date, which have bearing on the understanding of these consolidated financial statements.