

Qatar Electricity and Water Company Q.P.S.C.
Condensed Consolidated Interim Financial Information
31 March 2023

Qatar Electricity and Water Company Q.P.S.C.

**Condensed Consolidated Interim Financial Information
As at and for the three-month period ended 31 March 2023**

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Independent auditors' report on review of condensed consolidated interim financial information

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

Introduction

We have reviewed the accompanying 31 March 2023 condensed consolidated interim financial information of Qatar Electricity and Water Company Q.P.S.C. (the "Company") and its subsidiaries (together the "Group") which comprises:

- the condensed consolidated statement of financial position as at 31 March 2023;
- the condensed consolidated statement of profit or loss and other comprehensive income for the three-month period ended 31 March 2023;
- the condensed consolidated changes in equity for the three-month period ended 31 March 2023;
- the condensed consolidated statement of cash flows for the three-month period ended 31 March 2023; and
- notes to the condensed consolidated interim financial information.

The Board of Directors of the Company is responsible for the preparation and presentation of these condensed consolidated interim financial information in accordance with IAS 34, "Interim Financial Reporting". Our responsibility is to express a conclusion on these condensed consolidated interim financial information based on our review.

Scope of review

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



Independent auditors' report on review of condensed consolidated interim financial information (continued)

Qatar Electricity and Water Company Q.P.S.C.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 31 March 2023 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34 – “Interim Financial Reporting”.

16 April 2023
Doha
State of Qatar

Gopal Balasubramaniam
KPMG
Qatar Auditors' Registry Number 251
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Auditor's License No. 120153



Qatar Electricity and Water Company Q.P.S.C.

**Condensed consolidated statement of financial position
As at 31 March 2023**

In thousands of Qatari Riyals

	Notes	31 March 2023 (Reviewed)	31 December 2022 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	6	6,038,112	6,084,247
Right-of-use assets		55,798	57,710
Intangible assets and goodwill		71,112	72,605
Equity-accounted investees	7	8,185,020	8,904,680
Equity investments at fair value through other comprehensive income	8	1,977,659	2,322,763
Finance lease receivables	9	724,622	764,888
Derivative assets	14(b)	72,766	77,536
Loans receivable from a related party	22(b)	597,379	60,702
Deferred tax assets		49,122	32,124
Other assets		43,306	42,990
		<u>17,814,896</u>	<u>18,420,245</u>
Current assets			
Inventories		100,930	93,987
Trade and other receivables		856,187	778,536
Finance lease receivables	9	65,962	33,531
Derivative assets	14(b)	1,522	1,418
Cash and bank balances	10	5,853,903	8,116,971
Asset held-for-sale	24	-	236,327
Assets held-for-distribution	25	185,394	128,478
		<u>7,063,898</u>	<u>9,389,248</u>
TOTAL ASSETS		<u>24,878,794</u>	<u>27,809,493</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	11	1,100,000	1,100,000
Legal reserve		550,000	550,000
General reserve	12	3,240,188	3,244,290
Hedge reserve	14(a)	621,903	970,476
Fair value reserve		485,832	614,751
Foreign currency translation reserve		(92,846)	(89,785)
Retained earnings		8,181,540	8,734,029
Equity attributable to equity holders of the parent		<u>14,086,617</u>	<u>15,123,761</u>
Non-controlling interest		339,574	333,573
Total equity		<u>14,426,191</u>	<u>15,457,334</u>
Liabilities			
Non-current liabilities			
Loans and borrowings	13	5,545,674	6,920,761
Lease liabilities		53,089	55,225
Employees' end of service benefits		90,000	87,628
Other liabilities		67,038	62,567
		<u>5,755,801</u>	<u>7,126,181</u>

The condensed consolidated statement of financial position continues on next page.

The notes on pages 9 to 27 form an integral part of these condensed consolidated interim financial information.

Qatar Electricity and Water Company Q.P.S.C.

**Condensed consolidated statement of financial position (continued)
As at 31 March 2023**

In thousands of Qatari Riyals

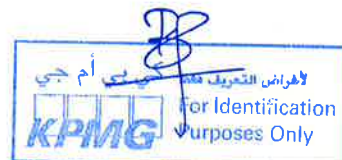
	Notes	31 March 2023 (Reviewed)	31 December 2022 (Audited)
Current liabilities			
Loans and borrowings	13	3,508,841	4,154,055
Lease liabilities		6,719	6,609
Trade and other payables		1,018,335	932,097
Liabilities held-for-distribution	25	144,491	106,594
Other liabilities		18,416	26,623
		<u>4,696,802</u>	<u>5,225,978</u>
Total liabilities		<u>10,452,603</u>	<u>12,352,159</u>
TOTAL EQUITY AND LIABILITIES		<u>24,878,794</u>	<u>27,809,493</u>

These condensed consolidated interim financial information were approved by the Board of Directors and signed on its behalf by the following on 16 April 2023.


Saad Bin Sherida Al-Kaabi
Chairman


Mohammed Nasser Al-Hajri
Managing Director and General Manager

The notes on pages 9 to 27 form an integral part of these condensed consolidated interim financial information.



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Qatar Electricity and Water Company Q.P.S.C.

**Condensed consolidated statement of profit or loss and other comprehensive income
For the three-month period ended 31 March 2023**

In thousands of Qatari Riyals

	Notes	For the three-month period ended 31 March	
		2023 (Reviewed)	2022 (Reviewed)
Revenue from water and electricity	15	638,961	545,320
Income from finance lease		19,088	19,548
		<u>658,049</u>	<u>564,868</u>
Cost of sales	16	(454,182)	(360,345)
Gross profit		<u>203,867</u>	<u>204,523</u>
General and administrative expenses		(61,477)	(40,673)
Interest income		76,338	25,168
Other income	17	120,448	143,257
Operating profit		<u>339,176</u>	<u>332,275</u>
Finance costs		(136,675)	(31,659)
Share of results of equity-accounted investees – net of tax	7	112,766	92,405
Gain on disposal of asset held-for-sale	24	77,652	-
Profit before tax from continuing operations		<u>392,919</u>	<u>393,021</u>
Less: Income tax expense		(2,385)	-
Profit after tax from continuing operations		<u>390,534</u>	<u>393,021</u>
Profit from discontinued operation, net of tax	25	19,019	-
Profit for the period		<u>409,553</u>	<u>393,021</u>
Other comprehensive income:			
<i>Items that are or may be reclassified subsequently to profit or loss:</i>			
Equity-accounted investees - share of OCI – net of related tax	14 (a)	(264,024)	839,802
Foreign operations – foreign currency translation differences		(3,061)	68,402
Cash flow hedges – effective portion of changes in fair value – net of related tax	14 (a)	(5,829)	43,919
Cash flow hedges reclassified to profit or loss on derecognition of a joint venture – net of related tax	14 (a)	(78,720)	-
		<u>(351,634)</u>	<u>952,123</u>
<i>Items that will not be reclassified to profit or loss:</i>			
Equity investments at FVOCI – net change in fair value	8	(28,402)	561,714
Other comprehensive income for the period – net of tax		<u>(380,036)</u>	<u>1,513,837</u>
Total comprehensive income for the period		<u>29,517</u>	<u>1,906,858</u>
Profit attributable to:			
Owners of the Company		400,663	388,694
Non-controlling interests		8,890	4,327
		<u>409,553</u>	<u>393,021</u>
Total comprehensive income attributable to:			
Owners of the Company		20,627	1,902,531
Non-controlling interests		8,890	4,327
		<u>29,517</u>	<u>1,906,858</u>
Earnings per share:			
Basic and diluted earnings per share (Qatari Riyals)	18	<u>0.36</u>	<u>0.35</u>

The notes on pages 9 to 27 form an integral part of these condensed consolidated interim financial information.

Qatar Electricity and Water Company Q.P.S.C.

**Condensed consolidated statement of changes in equity
For the three-month period ended 31 March 2023**

In thousands of Qatari Riyals

	Share capital	Legal reserve	General reserve	Cash flow hedge reserve	Fair value reserve	Foreign currency translation reserve	Retained earnings	Total	Non-controlling Interests	Total equity
Balance as at 1 January 2023 (Note 26)	1,100,000	550,000	3,244,290	970,476	614,751	(89,785)	8,734,029	15,123,761	333,573	15,457,334
Profit for the period	-	-	-	-	-	-	400,663	400,663	8,890	409,553
Other comprehensive income	-	-	-	(348,573)	(28,402)	(3,061)	-	(380,036)	-	(380,036)
Total comprehensive income	-	-	-	(348,573)	(28,402)	(3,061)	400,663	20,627	8,890	29,517
Transfer of gain upon disposal of equity investments at FVOCI	-	-	-	-	(100,517)	-	100,517	-	-	-
Dividends relating to year 2022 (Note 11)	-	-	-	-	-	-	(1,045,000)	(1,045,000)	-	(1,045,000)
Other adjustments										
Prior period adjustments	-	-	-	-	-	-	(8,669)	(8,669)	(2,889)	(11,558)
Other movements	-	-	(4,102)	-	-	-	-	(4,102)	-	(4,102)
Balance at 31 March 2023 (Reviewed)	1,100,000	550,000	3,240,188	621,903	485,832	(92,846)	8,181,540	14,086,617	339,574	14,426,191
Balance as at 1 January 2022	1,100,000	550,000	3,241,834	(1,778,702)	1,048,081	(34,344)	7,693,966	11,810,835	177,124	11,987,959
Profit for the period	-	-	-	-	-	-	388,694	388,694	4,327	393,021
Other comprehensive income	-	-	-	883,721	561,714	68,402	-	1,513,837	-	1,513,837
Total comprehensive income	-	-	-	883,721	561,714	68,402	388,694	1,902,531	4,327	1,906,858
Dividends relating to year 2021 (Note 11)	-	-	-	-	-	-	(880,000)	(880,000)	-	(880,000)
Balance at 31 March 2022 (Reviewed)	1,100,000	550,000	3,241,834	(894,981)	1,609,795	34,058	7,192,660	12,833,366	181,451	13,014,817

The notes on pages 9 to 27 form an integral part of these condensed consolidated interim financial information.



Qatar Electricity and Water Company Q.P.S.C.

**Condensed consolidated statement of cash flows
For the three-month period ended 31 March 2023**

In thousands of Qatari Riyals

	Notes	For the three-month period 31 March	
		2023 (Reviewed)	2022 (Reviewed)
OPERATING ACTIVITIES			
Profit for the period		409,553	393,021
<i>Adjustments for:</i>			
Depreciation of property, plant and equipment		83,393	71,157
Depreciation of right-of-use assets		2,535	1,690
Interest expense on lease liabilities		1,741	72
Share of results of equity-accounted investees – net of tax		(112,766)	(92,405)
Dividend income	17	(91,247)	(136,340)
Gain on disposal of asset held-for-sale	24	(77,652)	-
Provision for employees' end of service benefits		3,967	3,455
Amortization of intangible assets		1,493	1,493
(Reversal) / allowance for slow-moving inventories		(359)	3,119
Amortization of non-current assets		413	406
Amortization of loan arrangement fee		1,686	-
Gain on termination of lease		-	79
Profit on sale of property, plant and equipment		-	9
Interest income		(76,338)	(25,168)
Interest expense		136,675	31,498
Operating profit before working capital changes		283,094	252,086
<i>Working capital adjustments:</i>			
Inventories		(6,584)	29,081
Trade and other receivables		(110,708)	144,392
Finance lease receivables		7,835	5,797
Trade and other payables		42,946	12,567
Cash flows from operating activities		216,583	444,992
Employees' end of service benefits paid		(1,595)	(1,173)
Net cash generated from operating activities		214,988	443,819
INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		(5,261)	(32,869)
Dividends received from equity investments at FVOCI		91,247	136,340
Dividends received from equity-accounted investees		115,778	113,360
Interest received		90,073	22,482
Proceeds from disposal of asset held-for-sale		235,259	-
Proceeds from disposal of property plant and equipment		62	-
Proceeds from disposal of equity investments at FVOCI		316,702	-
Investment in equity-accounted investees		(100,445)	-
Net movement in other non-current assets		4,472	(414,052)
Net movement in term deposits with original maturity over 90 days		2,062,579	654,961
Net cash generated from investing activities		2,810,466	480,222

The interim condensed consolidated statement of cash flows continues on next page.

The notes on pages 9 to 27 form an integral part of these condensed consolidated interim financial information.



Qatar Electricity and Water Company Q.P.S.C.

**Condensed consolidated statement of cash flows
For the three-month period ended 31 March 2023**

In thousands of Qatari Riyals

	31 March 2023 (Reviewed)	31 December 2022 (Audited)
FINANCING ACTIVITIES		
Proceeds from interest-bearing loans and borrowings	31,625	1,970,789
Repayment of interest-bearing loans and borrowings	(2,051,676)	-
Net movement in loans receivable from equity-accounted investees	(54,315)	-
Dividends paid	(1,034,084)	(864,923)
Payment of lease liabilities	(2,032)	(291)
Lease interest paid	(1,741)	-
Interest on loans and borrowings paid	(113,719)	(28,638)
Net cash (used in) / generated from financing activities	<u>(3,225,942)</u>	<u>1,076,937</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS		
Cash and cash equivalents at the beginning of the period	1,482,511	2,000,977
Effects of movements in exchange rates on cash held in foreign currency	(1)	-
Cash and cash equivalents at 31 March	10 <u><u>1,282,022</u></u>	<u><u>2,630,440</u></u>

The notes on pages 9 to 27 form an integral part of these condensed consolidated interim financial information.



Qatar Electricity and Water Company Q.P.S.C.

Notes to the condensed consolidated interim financial information As at and for the three-month period ended 31 March 2023

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.

The condensed consolidated interim financial information comprise the Company and its subsidiaries (collectively referred as the "Group" and individually as the "Group entities").

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 at 31 March 2023 and the immediate reporting period are as follows:

Name of entities	Country of incorporation	Effective shareholding	
		2023	2022
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.*	Qatar	100%	-
Subsidiaries of Nebras Power Q.P.S.C			
(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%
BTU Rades	Cayman	-	100%
BTU International (Bermuda) Ltd.	Bermuda	-	100%
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%
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%
Scythia-Solar-1 LLC	Ukraine	75%	75%
Scythia-Solar-2 LLC	Ukraine	75%	75%
Terlav LLC	Ukraine	75%	75%
Sun Power Pervomaisk LLC	Ukraine	75%	75%
Free-Energy Henichesk LLC	Ukraine	75%	75%
Nebras Power Australia Pty Ltd	Australia	100%	100%

Qatar Electricity and Water Company Q.P.S.C.

Notes to the condensed consolidated interim financial information As at and for the three-month period ended 31 March 2023

1. Reporting entity (continued)

The Company has the following joint ventures and associates at 31 March 2023 and the immediate reporting period:

Name of equity-accounted investee	Country of incorporation	Classification	Effective shareholding	
			2023	2022
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%
Nebras Power Q.P.S.C.*	Qatar	Joint venture	-	60%
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.	Uzbekistan	Joint venture	33.30%	33.30%
Shams Ma'an Solar UK Ltd	United Kingdom	Joint venture	35%	35%
Nebras-IPC Power Developments Limited	England	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 Participacoes S.A.	Brazil	Joint venture	50%	50%
NEC Desenvolvimento e Projectos em Energia e Participacoes S.A.	Brazil	Joint venture	50%	50%
Diamante	Brazil	Joint venture	50%	-
Siraj Energy Q.P.S.C.**	Qatar	Associate	-	49%
Phoenix Power Company SAOG	Oman	Associate	9.84%	9.84%
Phoenix Operation and Maintenance Company L.L.C.	Oman	Associate	15%	15%
AES Oasis Ltd	Cayman Islands	Associate	38.89%	38.89%
AES Baltic Holding 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%
AES Jordan Solar B.V.	Netherlands	Associate	40%	40%
Stockyard Hill Wind Farm (Holding) Pty Ltd	Australia	Associate	49%	49%
Moorabool Wind Farm	Australia	Associate	49%	49%

(continued on next page)

Qatar Electricity and Water Company Q.P.S.C.

Notes to the condensed consolidated interim financial information As at and for the three-month period ended 31 March 2023

2. Basis of preparation

The condensed consolidated interim financial information for the three-month period ended 31 March 2023 have been prepared in accordance with International Financial Reporting Standard IAS 34 "Interim Financial Reporting" ("IAS 34").

The condensed consolidated interim financial information is 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.

Functional and presentation currency

The condensed consolidated interim financial information has been presented in Qatar Riyals ("QAR"), which is the functional currency of the Company.

Items included in the condensed consolidated interim financial information 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 following subsidiaries of the Company, which operate in foreign jurisdictions, have the following functional currencies:

Name of the indirect subsidiaries	Functional currency
Nebras Power Netherlands B.V.	USD
Nebras Power Investment Management B.V.	USD
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
BTU Rades	Euro
BTU International (Bermuda) Ltd	Euro
Carthage Power Company SARL	Euro
Nebras Netherlands Brazil Investments 1 B.V.	USD
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
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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
Scythia-Solar-1 LLC	Ukrainian Hryvnia
Scythia-Solar-2 LLC	Ukrainian Hryvnia
Terslav LLC	Ukrainian Hryvnia
Sun Power Pervomaik LLC	Ukrainian Hryvnia
Free-Energy Henichesk LLC	Ukrainian Hryvnia
Nebras Power Australia Pty Ltd	AUD

Qatar Electricity and Water Company Q.P.S.C.

Notes to the condensed consolidated interim financial information As at and for the three-month period ended 31 March 2023

2. Basis of preparation (continued)

These condensed consolidated interim financial information do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2022. In addition, the results for the three-month period ended 31 March 2023 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2023.

These condensed consolidated interim financial information was authorised for issue by the Board of Directors on 16 April 2023.

3. Significant accounting policies

The accounting policies adopted in the preparation of these condensed consolidated interim financial information is consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2022, except for the adoption of new standards and interpretations effective on or after 1 January 2023.

The following amendments to the existing standards have been applied by the Group in preparation of these condensed consolidated interim financial information. The adoption of the below amendments to existing standards did not result in changes to previously reported net profit or equity of the Group, but they may result in additional disclosures at year end.

New and amended IFRS standards and interpretations adopted by the Group

A number of new IFRS standards and amendments to IFRS Standards are effective for annual periods beginning after 1 January 2023 and earlier application is permitted. The Group has not early adopted any of the forthcoming new or amended standards in preparing these condensed consolidated interim financial information.

Description	Effective for annual periods beginning after
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	1 January 2023
- Definition of Accounting Estimates (Amendments to IAS 8)	
- IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts	
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)	

These amendments had no impact on the condensed consolidated interim financial information of the Group.

IFRS Standards issued but not yet effective

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

3. Significant accounting policies (continued)

Standards issued but not yet effective (continued)

Topics	Effective date
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1)	1 January 2024
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)	
- 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

4. Use of judgments and estimates

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

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2022.

5. Financial risk management

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements for the year ended 31 December 2022.

6. Property, plant and equipment

Acquisitions

During the three-month period ended 31 March 2023, the Group acquired property, plant and equipment with a total cost of QAR 5,261 thousand (Year ended 31 December 2022: QAR 46,299 thousand).

Disposals / write-offs

Disposals / write-offs made during the three-month period ended 31 March 2023 amounted to QAR 96 thousand (Year ended 31 December 2022: QAR 29,344 thousand).

7. Equity-accounted investees

The Group has investment in the following joint ventures:

Name of the joint venture	Country of incorporation	Group effective ownership %	31 March 2023 (Reviewed)	31 December 2022 (Audited)
Umm Al Houl Power Q.P.S.C.	Qatar	60%	2,032,107	2,159,960
Qatar Power Q.J.P.S.C. (Note i)	Qatar	55%	383,441	423,867
Ras Girtas Power Company Q.P.S.C. (Note ii)	Qatar	45%	1,604,051	1,520,669
Mesaieed Power Company Q.P.S.C.	Qatar	40%	492,947	499,644
	United Kingdom			
Shams Maan Solar UK Ltd	Kingdom	35%	43,559	43,454
Nebras IPC Power Developments Ltd	England	50%	695	711
Zonnepark Mosselbanken Tem.	Netherlands	40%	28,989	28,042
Zonnepark Duisterweg B.V.	Netherlands	40%	8,218	8,218
NEC Energia e Participacoes S.A.	Brazil	50%	132,930	123,421
NEC Desinvolvimentod e Projectos em Energia e Participacoes S.A.	Brazil	50%	28,044	25,953
Diamante (Note iii)	Brazil	50%	16,063	-

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7. Equity-accounted investees (continued)

Name of the joint venture	Country of incorporation	Group effective ownership %	31 March 2023 (Reviewed)	31 December 2022 (Audited)
Phoenix Power Company SAOG	Oman	9.84%	208,722	213,311
Phoenix Operation and Maintenance Company L.L.C.	Oman	15%	3,867	3,207
AES Oasis Ltd	Cayman Islands	38.89%	181,935	179,684
AES Baltic Holding B.V.	Netherlands	40%	254,244	249,620
PT Paiton Energy Pte Ltd	Indonesia	26%	1,476,074	1,493,224
IPM Asia Pte Ltd	Singapore	35%	90,498	94,709
Minejesa Capital B.V.	Netherlands	26%	141,755	146,719
AES Jordan Solar B.V.	Netherlands	40%	30,958	31,314
Stockyard Hill Wind Farm (Holding) Pty Ltd	Australia	49%	399,812	558,430
Unique Meghnaghat Power Limited	Bangladesh	18%	241,322	160,395
NEKS Energy B.V.	Uzbekistan	33.30%	7,073	7,073
Moorabool Wind Farm	Australia	49%	377,716	933,055
			8,185,020	8,904,680

Notes:

(i) Qatar Power Q.J.P.S.C.

During 2020, the General Tax Authority (GTA) issued an income tax assessment for the year 2016 and 2017 requiring Qatar Power Q.J.P.S.C. (Qpower) to pay additional taxes of USD 27.6 million (QAR 100.6 million). This included penalties amounting to USD 10.4 million (QAR 37.9 million). In light of the tax assessment received, a provision for tax was recognised amounting to USD 17.2 million (QAR 62.7 million).

As per the MOU (Memorandum of Understanding between Ministry of Finance, GTA, QatarEnergy and Qatar Electricity and Water Company Q.P.S.C., regarding the payment of income tax) signed on 2 February 2020, the Ministry of Finance (MoF) undertakes to settle the income tax amounts payable by Qpower for the previous years. Qpower is also entitled to claim the tax paid up to 14 June 2018 from KAHRAMAA as a pass-through item as agreed in the Power and Water Purchase Agreement. Accordingly, Qpower has recorded the same amount as income tax receivables against the tax assessments received from the GTA.

During 2022, the GTA, in its response, clarified these taxation related uncertainties in favour of Qpower. Further, the appeal court also communicated their decision with regard to the taxability of foreign shareholders' share of profits in Qpower, which was in line with the GTA response letter. However, there were certain matters which were not clarified by the appeal court, and hence, Qpower raised the matter to the primary court pleading that the tax assessments for the years 2016 and 2017 were incorrect and unjustified. A hearing was held on 15 June 2022, where the court appointed an independent expert ("expert") to calculate the foreign shareholding in QEWC and the tax liability of Qpower for the years 2016 and 2017.

On 25 October 2022, the Court issued its judgment in favour of Qpower in line with the findings of the expert report with no tax liability due on Qpower. According to the Court's judgement, it was implied that Qpower did not delay any tax payment, and the imposed differences, including tax penalties, and additional taxes, by GTA were not due. However, some discrepancies in the judgement and its finding were noted. Having consulted with the legal advisor, the management decided to appeal against the judgement before the Court of Cessation.

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7. Equity-accounted investees (continued)

(i) Qatar Power Q.J.P.S.C. (continued)

On 30 November 2022, the Court of Cessation issued the judgement agreeing with the expert's opinion with some conflicting elements. As per the judgment, penalties were waived for both the years, in favour of Qpower, however these were determined incorrectly. Further, a refund for the year 2016 was determined and also the judgment stated that there was no liability on Qpower for the years 2016 and 2017. However, the judgement was misaligned with a statement pertaining to 2017 where it was mentioned that the committee's decision was upheld as Qpower's appeal was groundless.

As advised by the legal firm appointed by Qpower, an appeal was filed in the Court of Cessation for clarity on this matter. In the hearing held on 06 March 2023, the Court of Cessation rejected the appeals filed by Qpower as well as the appeal filed by GTA. Currently management is consulting with their legal advisors for the next steps and the necessary actions to be taken to resolve this matter.

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

On 29 August 2019, the General Tax Authority (GTA) issued an income tax assessment for the years from 2010 to 2018 requiring Ras Girtas Power Company Q.P.S.C. (RGPC) to pay additional taxes of USD 85 million (QAR 310 million). This includes penalties amounting to USD 27 million (QAR 98.4 million). The Company had a tax holiday for the period between April 2011 and March 2017.

RGPC wrote a detailed response to GTA on 26 September 2019 as per the requirement of the tax law, rejecting the full amount claimed by the GTA, however RGPC was not responded in due time. RGPC then filed an appeal with the Appeal Committee under the provisions of the law which is pending for hearing. However, in light of the tax assessment received, a provision for tax has been recognised of USD 85 million (QAR 310 million).

As per the MOU signed on 2 February 2020, the MoF also undertakes to settle the income tax amounts payable by RGPC for the previous years. RGPC also has pass through arrangements for income tax as per the terms of the PWPA. Accordingly, RGPC has recorded income tax receivables of USD 85 million (QAR 310 million) against the tax assessment received for the same amount from the GTA. 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.

(iii) Diamante

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.

The movement in the Group's investment in equity-accounted investees were as follows:

	31 March 2023 (Reviewed)	31 December 2022 (Audited)
At 1 January	8,904,680	5,072,541
Acquired through business combination (Refer Note 19)	-	3,501,579
Deemed disposal of existing interest in a joint venture	-	(3,190,091)
Additional investment made during the period / year	(381,916)	906,821
Reclassification to asset held-for-sale	-	(236,327)
Share of results for the period / year	112,766	669,418
Share of other comprehensive income – cash flow hedges	(264,024)	2,564,294
Share of other comprehensive income – foreign currency translation	(70,708)	21,093
Dividends received	(115,778)	(404,648)
End of the period / year	<u>8,185,020</u>	<u>8,904,680</u>

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8. Equity investments at fair value through other comprehensive income

	31 March 2023 (Reviewed)	31 December 2022 (Audited)
At 1 January	2,322,763	3,164,944
Acquisition through business combination	-	4,172
Disposals during the period / year	(316,702)	(663,511)
Net change in fair value	(28,402)	(182,842)
End of the period / year	<u>1,977,659</u>	<u>2,322,763</u>

9. Finance lease receivables

Present value of minimum lease receivable is the gross lease receivable in the lease discounted at the interest rate implicit in the lease. The implicit interest rate is 9.32% per annum (2022: 9.32% per annum). 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.

	31 March 2023 (Reviewed)	31 December 2022 (Audited)
Gross investment in the lease	1,022,505	1,048,521
Unearned finance income	(231,921)	(250,102)
Present value of minimum lease receivable	<u>790,584</u>	<u>798,419</u>

The finance lease receivables are presented in the interim consolidated statement of financial position as follows:

	31 March 2023 (Reviewed)	31 December 2022 (Audited)
Non-current portion	724,622	764,888
Current portion	65,962	33,531
	<u>790,584</u>	<u>798,419</u>

10. Cash and cash equivalents

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

	31 March 2023 (Reviewed)	31 December 2022 (Audited)	31 March 2022 (Reviewed)
Cash at bank – call and current accounts (i)	783,003	826,729	399,471
Term deposits (ii)	5,070,825	7,290,167	4,987,630
Cash in hand	75	75	75
Cash and bank balances	<u>5,853,903</u>	<u>8,116,971</u>	<u>5,387,176</u>
Less: term deposits with original maturity of over 90 days	(4,571,881)	(6,634,460)	(2,756,736)
Cash and cash equivalents	<u>1,282,022</u>	<u>1,482,511</u>	<u>2,630,440</u>

Notes:

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

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11. Share capital

	31 March 2023 (Reviewed)	31 December 2022 (Audited)
<i>Authorized, issued and paid-up share capital</i>		
1,100,000,000 ordinary shares with nominal value of QAR 1 each	<u>1,100,000</u>	<u>1,100,000</u>

Cash dividend

During the period, the shareholders of the Company approved a cash dividend of QAR 0.95 per share totalling to QAR 1,045 million for the year 2022 (31 March 2022: QAR 0.80 per share totalling to QAR 880 million for the year 2021).

12. 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.

13. Interest bearing loans and borrowings

The movement in the Group's interest bearing loans and borrowings were as follows:

	31 March 2023 (Reviewed)	31 December 2022 (Audited)
Beginning of the period / year	11,118,807	5,727,610
Additional borrowings acquired during the period / year*	31,625	2,920,373
Acquired through business combination (Note 19)	-	2,766,858
Repayment of borrowings	(2,051,676)	(296,034)
Effect of foreign exchange	(1,935)	-
	<u>9,096,821</u>	<u>11,118,807</u>
Amortization of loan arrangement fee	(42,306)	(43,991)
End of the period / year	<u>9,054,515</u>	<u>11,074,816</u>

The Group has obtained loans for its production facilities of RAF A1, RAF A2, RAF A3 and RAF B2 which are also pledged against these production facilities.

*During the previous year, the Company entered into a bridge loan facility with Mizuho Bank, Ltd. acting as a Facility Agent, mainly to be applied towards its payment of the purchase price, fees and associated costs in respect to the acquisition of additional 40% interest in Nebras Power Q.P.S.C. The loan facility of USD 550 million (QAR 2 billion) carried an interest at the aggregate of the applicable margin of 0.285% per annum and compounded Reference Rate for that day. The loan was fully repaid during the period.

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13. Interest bearing loans and borrowings (continued)

(i) Interest bearing loans and borrowings are presented in the interim consolidated statement of financial position as follows:

	31 March 2023 (Reviewed)	31 December 2022 (Audited)
Non-current portion	5,545,674	6,920,761
Current portion	<u>3,508,841</u>	<u>4,154,055</u>
	<u>9,054,515</u>	<u>11,074,816</u>

14. 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 used for cash flow hedging.

	For the three-month period ended 31 March		31 December 2022 (Audited)
	2023 (Reviewed)	2022 (Reviewed)	
Balance at 1 January (Note 26)	970,476	(1,778,702)	(1,778,702)
Equity-accounted investees - share of OCI – net of related tax	(264,024)	839,802	2,564,294
Cash flow hedges – effective portion of changes in fair value – net of related tax	(5,829)	43,919	151,972
Cash flow hedges reclassified to profit or loss on derecognition of an associate – net of related tax	(78,720)	-	(49,368)
Balance at 31 March / 31 December	<u>621,903</u>	<u>(894,981)</u>	<u>888,196</u>

(b) Derivatives

Fair value of interest rate swaps for hedging are presented in the interim consolidated statement of financial position as follows:

	31 March 2023 (Reviewed)	31 December 2022 (Audited)
Assets		
Non-current portion	72,766	77,536
Current portion	<u>1,522</u>	<u>1,418</u>
	<u>74,288</u>	<u>78,954</u>
Liabilities		
Non-current portion	-	-
Current portion	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

Interest rate benchmark reform

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates (IBORs) with alternative nearly risk-free rates (referred to as 'IBOR reform'). The Group has exposure to IBORs on its hedging instruments that either have been or will be reformed as part of these market-wide initiatives. The Group considers that a contract is not yet transitioned to an alternative benchmark rate when interest under the contract is indexed to a benchmark rate that is still subject to IBOR reform, even if it includes a fallback clause that deals with the cessation of the existing IBOR (referred to as an 'unreformed contract').

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14. Hedge reserve (continued)

(b) Derivatives (continued)

The Group's remaining IBOR exposures at the reporting date are hedging instruments indexed to US dollar LIBOR. The alternative reference rate for US dollar LIBOR is the Secured Overnight Financing Rate (SOFR). In March 2021, the Financial Conduct Authority announced that US dollar setting (except for one-week and two-month US dollar settings) will either cease to be provided or no longer be representative after 30 June 2023.

There has been no significant change in the balance of unreformed contracts, which include those with a fallback clause that deals with the cessation of the existing IBOR since the previous annual reporting date. As at the reporting period, the Group is still in process of replacing its US dollar LIBOR interest rate derivatives used in cashflow hedging relationships with economically equivalent interest rate derivatives referencing to SOFR.

15. 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.

	For the three-month period ended 31 March	
	2023 (Reviewed)	2022 (Reviewed)
Revenue from electricity	320,992	290,733
Revenue from water	317,969	254,587
Total revenue	638,961	545,320

Operating lease revenue – capacity charges

	For the three-month period ended 31 March	
	2023 (Reviewed)	2022 (Reviewed)
Electricity	39,669	47,011
Water	160,464	148,749
	200,133	195,760

Revenue from contracts with customers

	For the three-month period ended 31 March	
	2023 (Reviewed)	2022 (Reviewed)
Sale of electricity	281,324	207,576
Sale of water	157,504	141,984
	438,828	349,560

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18. Earnings per share

The calculation of basic earnings per share ('EPS') is arrived by dividing the profit attributable to the owners of the parent Company for the period by the weighted average number of ordinary shares outstanding during the period.

	For the three-month period ended 31 March	
	2023 (Reviewed)	2022 (Reviewed)
Profit for the period attributable to owners of the parent	400,663	388,694
Weighted average number of shares outstanding during the period (number of shares in thousands)	1,100,000	1,100,000
Basic and diluted earnings per share (expressed in QAR per share)	<u>0.36</u>	<u>0.35</u>

Diluted earnings per share

As the parent has no potential dilutive shares, the diluted EPS equals to the basic EPS.

19. Acquisition of a subsidiary

In July 2022, the Group acquired additional 40% of the shares and voting interests in Nebras Power Q.P.S.C. ("Nebras"). As a result, the Group's equity interest in Nebras increased from 60% to 100%, granting it absolute control of Nebras. The Group has consolidated Nebras from 01 July 2022, which is determined to be the effective date of acquisition for consolidation.

Taking control of Nebras enables the Group to expand its renewable energy interests outside Qatar and obtain significant influence and joint control over several power production facilities across multiple geographies.

(a) Consideration transferred

The Group transferred cash consideration of US\$ 530 million (QAR 1,931 million) to acquire additional 40% shares and the voting interests in Nebras. There are no other classes of considerations agreed or to be transferred between the parties.

(b) Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired, and liabilities assumed at the date of acquisition.

	Amount (Audited)
Equity accounted investees*	3,501,579
Cash and cash equivalents	3,141,630
Loans and borrowings	(2,766,858)
Property, plant and equipment	1,655,122
Other assets**	353,629
Other liabilities**	(399,508)
Less: Non-controlling interests	(145,970)
Total net identifiable assets acquired	<u>5,339,624</u>

*This includes an intangible asset (Power Purchase Agreement) embedded in the fair value of one of the joint ventures, Unique Meghnaghat Power Limited (UMPL) amounting to QAR 71.9 million, which will be amortised over the period of the Power Purchase Agreement.

**Other assets and liabilities include right-of-use assets and lease liabilities, trade receivables and payables, derivative financials instruments, inventories, and others.

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20. 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 and Water) but they are managed separately.

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

The Group's Chief Executive Officer reviews the internal management reports of each division on a monthly basis.

B. 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.

	Operations in Qatar	Operations outside Qatar	Consolidated interim financial information
Segment revenue	646,282	33,304	679,586
Internal revenue	(21,537)	-	(21,537)
External revenue	624,745	33,304	658,049
Segment profit before tax	396,310	(3,391)	392,919
Depreciation and amortisation	(68,128)	(15,445)	(83,573)
Finance costs	(75,776)	(60,899)	(136,675)
Interest income	38,974	37,364	76,338
Share of results of equity accounted investees – net of tax	75,052	37,714	112,766
Income taxes	-	(2,385)	(2,385)
<i>Other material items of income and expense</i>			
Gain on disposal of asset held-for-sale	77,652	-	77,652
Dividend income	91,247	-	91,247
Other income	33,449	(4,248)	29,201
Segment assets			
Property plants and equipment and work in progress	4,443,964	1,594,148	6,038,112
Equity-accounted investees	4,512,546	3,672,474	8,185,020
Cash and bank balances	2,638,647	3,215,256	5,853,903
Other assets	3,769,749	1,032,010	4,801,759
	15,364,906	9,513,888	24,878,794
Segment liabilities			
Loans and borrowings	5,378,277	3,676,238	9,054,515
Other liabilities	930,850	467,238	1,398,088
	6,309,127	4,143,476	10,452,603

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20. Operating segments (continued)

C. Geographic information

The Group's operations in Qatar constitutes to 95.0% of consolidated revenue and 90.6% of the consolidated profits for the period, and 73.1% of the consolidated total assets as of the reporting period. Outside Qatar, the Group has operations through its controlled subsidiaries in Brazil, Netherlands and Ukraine, and through its associates and joint ventures in Indonesia, Jordan, 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 with the Off-takers (Kahramaa and QatarEnergy). Outside Qatar, the Group has similar agreements with the local government authorities.

21. Commitments and contingent liabilities

	31 March 2023 (Reviewed)	31 December 2022 (Audited)
(a) Contingent liabilities:		
Corporate guarantees issued on behalf of joint ventures	1,644,671	568,287
Letter of credits	91,150	91,150
	<u>1,735,821</u>	<u>659,437</u>
(b) Other commitments:		
<i>Derivative financial instruments:</i>		
Interest rate swaps (notional amount)	1,075,648	1,092,348
	<u>1,075,648</u>	<u>1,092,348</u>

22. 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.

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

	Nature of the relationship	Nature of the transactions	For the three-month period ended 31 March	
			2023 (Reviewed)	2022 (Reviewed)
KAHRAMAA	Shareholder	Sale of electricity	320,992	254,586
		Sale of water	317,968	288,848
		Lease interest	19,088	19,548
QatarEnergy	Shareholder	Sale of water	-	1,886
QatarEnergy	Shareholder	Cost of gas consumed/take or pay gas	260,991	193,090
QatarEnergy	Shareholder	Other income	14,322	-
Enersok FE LLC (Uzbekistan)	Equity-accounted investee	Interest income	714	-
Minejesa Capital B.V.	Equity-accounted investee	Fee Income	7,385	-
Shams Ma'an Power Generation	Equity-accounted investee	Fee Income	382	-

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22. Related party disclosures (continued)

b) Loans receivable from a related party

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

	31 March 2023 (Reviewed)	31 December 2022 (Audited)
Balance at 1 January	60,702	-
Acquired through business combination	-	21,926
Additional loans during the period / year	536,677	38,776
Balance at 31 March / 31 December	<u>597,379</u>	<u>60,702</u>

The loans were provided to AES Jordan Solar. The loan carries an interest at 6% per annum and matures in December 2039.

c) Receivables from related parties

	31 March 2023 (Reviewed)	31 December 2022 (Audited)
<i>Shareholder</i>		
KAHRAMAA	507,586	558,835
QatarEnergy	235,311	933
<i>Equity-accounted investees:</i>		
Siraj Energy Q.P.S.C.	-	538
Umm Al Houl Power Q.P.S.C.	3,415	4,726
Qatar Power Q.P.J.S.C.	1,310	1,818
Ras Girtas Power Company Q.P.S.C.	1,297	2,183
Mesaieed Power Company Limited Q.P.S.C.	1,277	1,082
AES Jordan Solar B.V.	5,322	28
AES Baltic Holdings B.V.	18	18
IPM Asia Pty Ltd	20	19
Nebras-IPC Power Development Ltd	61	61
Zonnepark Mosselbanken Terneuzen B.V.	-	115
Enersok FE LLC (Uzbekistan)	840	-
<i>Other related parties:</i>		
Others	-	6
	<u>756,457</u>	<u>570,362</u>

The above balances have arisen in normal course of business, and are of trading and financing nature, bear no interest or securities and are receivable on demand, hence classified as current. The above balances are included under trade and other receivables.

d) Payables to related parties

	31 March 2023 (Reviewed)	31 December 2022 (Audited)
<i>Shareholder</i>		
KAHRAMAA	374	2,179
QatarEnergy	234,323	150,575
<i>Affiliates:</i>		
Others	23,626	56
	<u>258,323</u>	<u>152,810</u>

The above balances have arisen in normal course of business, and are of trading and financing nature, bear no interest or securities and are payable on demand, hence classified as current. The above balances are included under trade and other payables.

Qatar Electricity and Water Company Q.P.S.C.

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22. Related party disclosures (continued)

e) Compensation of key management personnel

The remuneration of the Board of Directors and members of key management during the period is as follows:

	For the three-month period ended 31 March	
	2023 (Reviewed)	2022 (Reviewed)
Directors' fees – short term	5,771	2,937
Management remuneration – short term	1,067	1,067
Board Committee remuneration – short term	258	258
	7,096	4,262

23. Fair values of financial instruments

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

As at 31 March 2023, the Group held the following classes of financial instruments measured at fair value:

At 31 March 2023 (Reviewed)	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value:				
Equity investment at fair value through other comprehensive income	1,977,659	-	-	1,977,659
Assets held for sale (Note 24)	-	-	-	-
Disposal group held-for-distribution	-	-	185,394	185,394
Derivative assets	-	50,540	-	50,540
Financial liabilities measured at fair value:				
Interest bearing loans and borrowings	-	(9,054,515)	-	(9,054,515)
Liabilities held-for-distribution	-	-	(144,491)	(144,491)

As at 31 December 2022, the Group held the following classes of financial instruments measured at fair value:

At 31 December 2022 (Audited)	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value:				
Equity investment at fair value through other comprehensive income	2,322,763	-	-	2,322,763
Assets held for sale (Note 24)	-	236,327	-	236,327
Disposal group held-for-distribution	-	-	128,478	128,478
Derivative assets	-	78,954	-	78,954
Financial liabilities measured at fair value:				
Interest bearing loans and borrowings	-	(11,074,816)	-	(11,074,816)
Liabilities held-for-distribution	-	-	(106,594)	(106,594)

During the reporting period/year ended 31 March 2023 and 31 December 2022, there were no transfers between Level 1, Level 2, and Level 3 fair value measurements.

23. Fair values of financial instruments (continued)

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.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

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.

24. Assets held-for-sale

During 2022, the Group entered into share purchase agreement (SPA) with QatarEnergy, one of the related parties of the Group, to sell its 49% stake in Siraj Energy Q.P.S.C at a total consideration of US\$ 64.5 million i.e., QR 234.9 million. However, the finalization of the sale transaction was subject to the certain regulatory and approval of the shareholders of the Company, which were considered critical before the sale transaction could be completed. Hence, as at 31 December 2022, this investment was classified as asset held-for-sale in accordance with IFRS 5.

During the period, the sale transaction was approved in the annual general meeting held on 14 March 2023 and the commercial registration was updated. Hence, the asset held for sale was derecognised and a profit of QAR 77.7 million was recognised which was on account of reclassification of cash flow hedge reserve to the condensed consolidated statement of profit or loss.

25. Disposal group held-for-distribution

During 2022, when the Group acquired Nebras Power Q.P.S.C. (Note 19), the assets acquired included a subsidiary, (Carthage Power Company or CPC) which is classified as a disposal group held-for-distribution as management in the previous year, made an assessment of CPC's ability to continue as a going concern as its concession agreement was coming to an end in May 2022. Hence, in accordance with the requirements of IFRS 5 'Non-current assets held-for-sale and discontinued operations', the results, assets and liabilities of the subsidiary are presented as a disposal group 'held-for-distribution'.

The Group holds 60% shares in the said subsidiary. Information regarding the assets and liabilities of the subsidiary is presented below

Qatar Electricity and Water Company Q.P.S.C.

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25. Disposal group held-for-distribution (continued)

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

	2023 (Reviewed)	2022 (Audited)
Property, plant and equipment	(18)	14
Deferred tax assets	-	1,570
Derivative financial instruments	-	350
Inventories	-	1,335
Trade and other receivables	178,585	113,992
Cash and cash equivalents	6,827	11,217
Assets held-for-distribution	185,394	128,478
Trade and other payables	144,491	71,204
Payables to related parties	-	35,390
Liabilities held-for-distribution	144,491	106,594

ii) Cash flows from discontinued operations

	For the three-month period ended 31 March	
	2023 (Reviewed)	2022 (Reviewed)
Cash generated from operating activities	(10,144)	1,636
Cash generated from investing activities	32	-
Cash used in financing activities	-	-
Net change in cash and cash equivalents	(10,112)	1,636
Cash and cash equivalents at the beginning of the year	11,217	-
Effect of movements in exchange rates on cash held	5,722	1,636
Cash and cash equivalents at the end of the year	6,827	-

The profit from the discontinued operation amounting to QAR 19,019 thousand generated during the period is attributed to the owners of the Company and the non-controlling interests.

26. Comparative figures

The corresponding figures presented for 2022 have been reclassified where necessary to preserve consistency with the 2023 figures. However, such reclassifications did not have any effect on the comprehensive income or the total equity for the comparative period. Details of material reclassifications are as follows:

	Previously reported figures	Reclassification	Reclassified figures
At 31 December 2022			
Condensed consolidated statement of changes in equity			
General reserve	3,243,870	420	3,244,290
Cash flow hedge reserve	888,196	82,280	970,476
Foreign currency translation reserve	(1,148)	(88,637)	(89,785)
Retained earnings	8,728,092	5,937	8,734,029

27. Subsequent events

There were no material events subsequent to the reporting date, which have a bearing on the understanding of these condensed consolidated interim financial information.

Independent auditors' review report on pages 1 to 2.