

**Qatar Electricity and Water Company Q.P.S.C.**  
**Condensed Consolidated Interim Financial Information**  
**30 June 2023**

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

**Condensed Consolidated Interim Financial Information  
As at and for the six-month period ended 30 June 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 30 June 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 30 June 2023;
- the condensed consolidated statement of profit or loss and other comprehensive income for the three-month and six-month period ended 30 June 2023;
- the condensed consolidated statement of changes in equity for the six-month period ended 30 June 2023;
- the condensed consolidated statement of cash flows for the six-month period ended 30 June 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 this condensed consolidated interim financial information in accordance with IAS 34, *'Interim Financial Reporting'*. Our responsibility is to express a conclusion on this 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 30 June 2023 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting".

07 August 2023  
Doha  
State of Qatar

  
Yacoub Hobeika  
KPMG  
Qatar Auditors' Registry Number 289

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

**Condensed consolidated statement of financial position (continued)  
As at 30 June 2023**

In thousands of Qatari Riyals

	Notes	30 June 2023 (Reviewed)	31 December 2022 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	6,067,848	6,084,247
Right-of-use assets		54,436	57,710
Intangible assets and goodwill		69,619	72,605
Equity-accounted investees	7	8,478,544	8,904,680
Equity investments at fair value through other comprehensive income	8	1,926,689	2,322,763
Finance lease receivables	9	684,356	764,888
Derivative assets	14(b)	52,166	77,536
Loans receivable from a related party	22(b)	536,219	60,702
Deferred tax assets		49,965	32,124
Other assets		77,180	42,990
		<u>17,997,022</u>	<u>18,420,245</u>
<b>Current assets</b>			
Inventories		99,758	93,987
Trade and other receivables		819,366	778,536
Finance lease receivables	9	98,394	33,531
Derivative assets	14(b)	1,515	1,418
Cash and bank balances	10	6,282,264	8,116,971
Asset held-for-sale	24	-	236,327
Assets held-for-distribution	25	201,343	128,478
		<u>7,502,640</u>	<u>9,389,248</u>
<b>TOTAL ASSETS</b>		<u><b>25,499,662</b></u>	<u><b>27,809,493</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	11	1,100,000	1,100,000
Legal reserve		550,000	550,000
General reserve	12	3,244,290	3,244,290
Hedge reserve	14(a)	822,889	970,476
Fair value reserve		434,862	614,751
Foreign currency translation reserve		(20,092)	(89,785)
Retained earnings		8,512,318	8,734,029
<b>Equity attributable to equity holders of the parent</b>		<u>14,644,267</u>	<u>15,123,761</u>
Non-controlling interests		331,894	333,573
<b>Total equity</b>		<u>14,976,161</u>	<u>15,457,334</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Loans and borrowings	13	5,489,124	6,920,761
Lease liabilities		51,825	55,225
Employees' end of service benefits		89,936	87,628
Other liabilities		71,311	62,567
		<u>5,702,196</u>	<u>7,126,181</u>



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

The notes on pages 8 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 30 June 2023**

In thousands of Qatari Riyals

	Notes	30 June 2023 (Reviewed)	31 December 2022 (Audited)
<b>Current liabilities</b>			
Loans and borrowings	13	3,507,983	4,154,055
Lease liabilities		7,086	6,609
Trade and other payables		1,124,905	932,097
Liabilities held-for-distribution	25	163,193	106,594
Other liabilities		18,138	26,623
		<u>4,821,305</u>	<u>5,225,978</u>
<b>Total liabilities</b>		<u>10,523,501</u>	<u>12,352,159</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>25,499,662</b></u>	<u><b>27,809,493</b></u>

This condensed consolidated interim financial information were approved by the Board of Directors and signed on its behalf by the following on 07 August 2023.



**Abdulla Khalifa Al-Rabban**  
Board Member



**Mohammed Nasser Al-Hajri**  
Managing Director and General Manager




The notes on pages 8 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 profit or loss and other comprehensive income**

**For the three-month and six-month period ended 30 June 2023**

In thousands of Qatari Riyals

	Notes	For the three-month period ended 30 June		For the six-month period ended 30 June	
		2023 (Reviewed)	2022 (Reviewed)	2023 (Reviewed)	2022 (Reviewed)
Revenue from water and electricity	15	701,965	617,873	1,340,926	1,163,193
Income from finance lease		19,634	17,560	38,722	37,108
		<u>721,599</u>	<u>635,433</u>	<u>1,379,648</u>	<u>1,200,301</u>
Cost of sales	16	(492,240)	(376,879)	(946,422)	(737,224)
<b>Gross profit</b>		<u><b>229,359</b></u>	<u><b>258,554</b></u>	<u><b>433,226</b></u>	<u><b>463,077</b></u>
General and administrative expenses		(54,760)	(32,767)	(116,237)	(73,431)
Interest income		73,960	24,420	150,298	49,589
Other income	17	54,716	103,934	175,164	247,181
<b>Operating profit</b>		<u><b>303,275</b></u>	<u><b>354,141</b></u>	<u><b>642,451</b></u>	<u><b>686,416</b></u>
Finance costs		(126,803)	(39,877)	(263,478)	(71,535)
Share of results of equity-accounted investees – net of tax	7	205,424	73,050	318,190	165,455
(Loss) / gain on sale of assets held-for-sale	24	-	(86,084)	77,652	(86,084)
<b>Profit before tax from continuing operations</b>		<u><b>381,896</b></u>	<u><b>301,230</b></u>	<u><b>774,815</b></u>	<u><b>694,252</b></u>
Less: Income tax expense		(2,020)	-	(4,405)	-
<b>Profit after tax from continuing operations</b>		<u><b>379,876</b></u>	<u><b>301,230</b></u>	<u><b>770,410</b></u>	<u><b>694,252</b></u>
(Loss) / profit from discontinued operations, net of tax		(6,517)	-	12,502	-
<b>Profit for the period</b>		<u><b>373,359</b></u>	<u><b>301,230</b></u>	<u><b>782,912</b></u>	<u><b>694,252</b></u>
<b>Other comprehensive income:</b>					
<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)	205,284	671,862	(58,740)	1,511,664
Foreign operations – foreign currency translation differences		72,754	(46,161)	69,693	22,241
Cash flow hedges – effective portion of changes in fair value – net of related tax	14(a)	(4,298)	21,900	(10,127)	65,819
Cash flow hedges reclassified to profit or loss on derecognition of an associate – net of related tax	14(a)	-	-	(78,720)	-
		<u><b>273,740</b></u>	<u><b>647,601</b></u>	<u><b>(77,894)</b></u>	<u><b>1,599,724</b></u>
<i>Items that will not be reclassified to profit or loss:</i>					
Equity investments at FVOCI – net change in fair value	8	(50,970)	(437,652)	(79,372)	124,062
<b>Other comprehensive income for the period</b>		<u><b>222,770</b></u>	<u><b>209,949</b></u>	<u><b>(157,266)</b></u>	<u><b>1,723,786</b></u>
<b>Total comprehensive income for the period</b>		<u><b>596,129</b></u>	<u><b>511,179</b></u>	<u><b>625,646</b></u>	<u><b>2,418,038</b></u>
<b>Profit attributable to:</b>					
Owners of the Company		367,917	295,881	768,580	684,575
Non-controlling interests		5,442	5,349	14,332	9,677
		<u><b>373,359</b></u>	<u><b>301,230</b></u>	<u><b>782,912</b></u>	<u><b>694,252</b></u>
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		590,687	505,830	611,314	2,408,361
Non-controlling interests		5,442	5,349	14,332	9,677
		<u><b>596,129</b></u>	<u><b>511,179</b></u>	<u><b>625,646</b></u>	<u><b>2,418,038</b></u>
<b>Earnings per share:</b>					
Basic and diluted earnings per share (Qatari Riyals)	18	<u><b>0.33</b></u>	<u><b>0.27</b></u>	<u><b>0.70</b></u>	<u><b>0.62</b></u>

The notes on pages 8 to 27 form an integral part of these condensed consolidated interim financial information

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

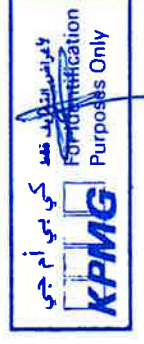
**Condensed consolidated statement of changes in equity  
For the six-month period ended 30 June 2023**

In thousands of Qatari Riyals

	Attributable to owners of the Company							Non-controlling interest	Total equity
	Share capital	Legal reserve	General reserve	Cash flow hedge reserve	Fair value reserve	Foreign currency translation reserve	Retained earnings		
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	333,573	15,457,334
Profit for the period	-	-	-	-	-	-	768,580	14,332	782,912
Other comprehensive income	-	-	-	(147,587)	(79,372)	69,693	-	-	(157,266)
Total comprehensive income	-	-	-	(147,587)	(79,372)	69,693	768,580	14,332	625,646
Transfer of gain upon disposal of equity investments at FVOCI	-	-	-	-	(100,517)	-	100,517	-	-
Dividends relating to year 2022 (Note 11)	-	-	-	-	-	-	(1,045,000)	(13,122)	(1,058,122)
<b>Prior period adjustments</b>									
Contribution to social and sports support fund*	-	-	-	-	-	-	(36,325)	-	(36,325)
Other movements	-	-	-	-	-	-	(9,483)	(2,889)	(12,372)
<b>Balance at 30 June 2023 (Reviewed)</b>	<b>1,100,000</b>	<b>550,000</b>	<b>3,244,290</b>	<b>822,889</b>	<b>434,862</b>	<b>(20,092)</b>	<b>8,512,318</b>	<b>331,894</b>	<b>14,976,161</b>
Balance as at 1 January 2022	1,100,000	550,000	3,241,834	(1,778,702)	1,048,081	(34,344)	7,683,966	177,124	11,987,959
Profit for the period	-	-	-	-	-	-	684,575	9,677	694,252
Other comprehensive income	-	-	-	1,577,483	124,062	22,241	-	-	1,723,786
Total comprehensive income	-	-	-	1,577,483	124,062	22,241	684,575	9,677	2,418,038
Transfer of gain upon disposal of equity investments at FVOCI	-	-	-	-	(27,301)	-	27,301	-	-
Dividends relating to year 2021 (Note 11)	-	-	-	-	-	-	(880,000)	(17,496)	(897,496)
Contribution to social and sports support fund	-	-	-	-	-	-	(139)	-	(139)
<b>Balance at 30 June 2022 (Reviewed)</b>	<b>1,100,000</b>	<b>550,000</b>	<b>3,241,834</b>	<b>(201,219)</b>	<b>1,144,842</b>	<b>(12,103)</b>	<b>7,515,703</b>	<b>169,305</b>	<b>13,508,362</b>

\* This pertains to the additional contribution claimed by the Social and Sports Contribution Fund related to the prior years.

The notes on pages 8 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 six-month period ended 30 June 2023**

In thousands of Qatari Riyals

	Notes	For the six-month period 30 June	
		2023 (Reviewed)	2022 (Reviewed)
<b>OPERATING ACTIVITIES</b>			
Profit for the period		782,912	694,252
<i>Adjustments for:</i>			
Depreciation of property, plant and equipment		185,810	102,726
Depreciation of right-of-use assets		5,082	3,351
Interest expense on lease liabilities		6,185	1,175
Provision for employees' end of service benefits		6,355	5,645
Amortization expenses		7,231	3,910
Share of results of equity-accounted investees	7	(318,190)	(165,455)
Dividend income from equity investments at FVOCI	17	(113,948)	(160,909)
Interest income		(150,298)	(49,589)
Provision / (reversal of provision) of slow-moving and obsolete inventories	17	1,477	(62,434)
(Gain) / loss on sale of assets held-for-sale	24	(77,652)	86,084
Interest expense		263,478	70,233
Operating profit before working capital changes		598,442	528,989
<i>Working capital adjustments:</i>			
Inventories		(29,474)	27,245
Trade and other receivables		(33,977)	95,068
Finance lease receivables		15,670	11,598
Trade and other payables		105,372	(60,352)
Cash flows from operating activities		656,033	602,548
Employees' end of service benefits paid		(1,047)	(2,081)
<b>Net cash generated from operating activities</b>		<b>654,986</b>	<b>600,467</b>
<b>INVESTING ACTIVITIES</b>			
Acquisition of property, plant and equipment	6	(11,821)	(39,850)
Proceeds from sale of asset held-for-sale – net of expenses		235,259	169,460
Dividends received from equity-accounted investees	7	275,145	191,364
Proceeds from sale of equity investments at FVOCI	8	316,702	63,139
Dividends received from equity investments at FVOCI		113,948	160,909
Interest received		143,445	57,951
Proceeds from sale of property plant and equipment		3,034	-
Investment in equity-accounted investees		(108,552)	-
Net movement in term deposits with original maturity over 90 days		2,953,996	868,314
Net movement in other non-current assets / liabilities		(35,063)	-
<b>Net cash from investing activities</b>		<b>3,886,093</b>	<b>1,471,287</b>
<b>FINANCING ACTIVITIES</b>			
Proceeds from interest-bearing loans and borrowings		72,191	2,004,750
Repayment of interest-bearing loans and borrowings		(2,153,272)	(1,058,622)
Interest on loans and borrowings paid		(242,968)	(66,568)
Net movement in loans receivable from equity-accounted investees		(21,737)	-
Dividends paid to owners of the Company		(1,039,427)	(873,335)
Dividends paid to non-controlling interest		(13,122)	(17,496)
Payment of lease liabilities		(3,199)	(3,956)
Lease interest paid		(6,185)	(1,175)
<b>Net cash used in financing activities</b>		<b>(3,407,719)</b>	<b>(16,402)</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>			
		1,133,360	2,055,352
Cash and cash equivalents at the beginning of the period		1,482,511	629,468
Effects of movements in exchange rates on cash held in foreign currency		(14,071)	-
<b>Cash and cash equivalents at 30 June</b>	10	<b>2,601,800</b>	<b>2,684,820</b>

The notes on pages 8 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 six-month period ended 30 June 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 Exchange since 3 May 1998.

The condensed consolidated interim financial information comprises 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 30 June 2023 and the immediate reporting period are as follows:

Name of entities	Country of incorporation	Effective shareholding	
		2023	2022
<b>Direct subsidiaries</b>			
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. (Note 19)	Qatar	100%	-
<b>Subsidiaries of Nebras Power Q.P.S.C (Indirect subsidiaries)</b>			
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%
Terstav 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 six-month period ended 30 June 2023**

**1. Reporting entity (continued)**

The Company has the following equity-accounted investees at 30 June 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	<b>55%</b>	55%
Mesaieed Power Company Q.P.S.C.	Qatar	Joint venture	<b>40%</b>	40%
Ras Girtas Power Company Q.P.S.C.	Qatar	Joint venture	<b>45%</b>	45%
Umm Al Houl Power Q.P.S.C.	Qatar	Joint venture	<b>60%</b>	60%
Nebras Power Q.P.S.C. (Note 19)	Qatar	Joint venture	-	60%
<b>Equity- accounted investees via Nebras</b>				
Unique Meghnaghat Power Limited	Bangladesh	Joint venture	<b>18%</b>	18%
NEKS Energy B.V.	Uzbekistan	Joint venture	<b>33.30%</b>	33.30%
Shams Ma'an Solar UK Ltd	United Kingdom	Joint venture	<b>35%</b>	35%
Nebras-IPC Power Developments Limited	England	Joint venture	<b>50%</b>	50%
Zonnepark Masselbanken Terneuzen B.V.	Netherlands	Joint venture	<b>40%</b>	40%
Zonnepark Duisterweg B.V.	Netherlands	Joint venture	<b>40%</b>	40%
NEC Energia e Participacoes S.A.	Brazil	Joint venture	<b>50%</b>	50%
NEC Desinvestimentos e Projectos em Energia e Participacoes S.A.	Brazil	Joint venture	<b>50%</b>	50%
Diamante	Brazil	Joint venture	<b>50%</b>	-
Siraj Energy Q.P.S.C. (Note 24)	Qatar	Associate	-	49%
Phoenix Power Company SAOG	Oman	Associate	<b>9.84%</b>	9.84%
Phoenix Operation and Maintenance Company L.L.C.	Oman	Associate	<b>15%</b>	15%
AES Oasis Ltd	Cayman Islands	Associate	<b>38.89%</b>	38.89%
AES Baltic Holding B.V.	Netherlands	Associate	<b>40%</b>	40%
PT Paiton Energy Pte Ltd.	Indonesia	Associate	<b>26%</b>	26%
IPM Asia Pte Ltd	Singapore	Associate	<b>35%</b>	35%
Minejesa Capital B.V.	Netherlands	Associate	<b>26%</b>	26%
AES Jordan Solar B.V.	Netherlands	Associate	<b>40%</b>	40%
Stockyard Hill Wind Farm (Holding) Pty Ltd	Australia	Associate	<b>49%</b>	49%
Moorabool Wind Farm	Australia	Associate	<b>49%</b>	49%

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

### Notes to the condensed consolidated interim financial information As at and for the six-month period ended 30 June 2023

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#### 2. Basis of preparation

The condensed consolidated interim financial information for the six-month period ended 30 June 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
Salgueiro III Energias Renováveis S.A.	Brazilian Real
Jaíba 3 Energias Renováveis S.A.	Brazilian Real
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
Scythia-Solar-1 LLC	Ukrainian Hryvnia
Scythia-Solar-2 LLC	Ukrainian Hryvnia
Terslav LLC	Ukrainian Hryvnia
Sun Power Pervomaisk LLC	Ukrainian Hryvnia
Free-Energy Henichesk LLC	Ukrainian Hryvnia
Nebras Power Australia Pty Ltd	AUD

**2. Basis of preparation (continued)**

This 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 six-month period ended 30 June 2023 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2023.

This condensed consolidated interim financial information was authorised for issue by the Board of Directors on 07 August 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 this 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)	23 May 2023
- International Tax Reform – Pillar Two Model Rules (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.

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**

**Additions**

During the six-month period ended 30 June 2023, the Group acquired property, plant and equipment with a total cost of QAR 11,821 thousand (Year ended 31 December 2022: QAR 46,299 thousand).

**Disposals / write-offs**

Disposals / write-offs made during the six-month period ended 30 June 2023 amounted to QAR 2,967 thousand (Year ended 31 December 2022: QAR 29,344 thousand).

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

**Notes to the condensed consolidated interim financial information  
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**7. Equity-accounted investees**

<b>Name of the investee</b>	<b>Country of incorporation</b>	<b>Group effective ownership %</b>	<b>30 June 2023 (Reviewed)</b>	<b>31 December 2022 (Audited)</b>
Umm Al Houl Power Q.P.S.C.	Qatar	60%	2,193,304	2,159,960
Qatar Power Q.J.P.S.C. (Note i)	Qatar	55%	415,613	423,867
Ras Girtas Power Company Q.P.S.C. (Note ii)	Qatar	45%	1,432,169	1,520,669
Mesaieed Power Company Q.P.S.C.	Qatar	40%	549,547	499,644
	United Kingdom			
Shams Maan Solar UK Ltd	Kingdom	35%	45,455	43,454
Nebras IPC Power Developments Ltd	England	50%	679	711
Zonnepark Mosselbanken Tem.	Netherlands	40%	29,618	28,042
Zonnepark Duisterweg B.V.	Netherlands	40%	8,924	8,218
NEC Energia e Participacoes S.A.	Brazil	50%	149,187	123,421
NEC Desenvolvimento e Projectos em Energia e Participacoes S.A.	Brazil	50%	29,695	25,953
Diamante (Note iii)	Brazil	50%	22,042	-
Phoenix Power Company SAOG	Oman	9.84%	219,230	213,311
Phoenix Operation and Maintenance Company L.L.C.	Oman	15%	1,287	3,207
	Cayman Islands			
AES Oasis Ltd	Islands	38.89%	186,785	179,684
AES Baltic Holding B.V.	Netherlands	40%	258,549	249,620
PT Paiton Energy Pte Ltd	Indonesia	26%	1,504,146	1,493,224
IPM Asia Pte Ltd	Singapore	35%	86,202	94,709
Minejesa Capital B.V.	Netherlands	26%	143,714	146,719
AES Jordan Solar B.V.	Netherlands	40%	31,379	31,314
Stockyard Hill Wind Farm (Holding) Pty Ltd	Australia	49%	521,168	558,430
Unique Meghnaghat Power Limited	Bangladesh	18%	240,288	160,395
NEKS Energy B.V.	Uzbekistan	33.30%	5,034	7,073
Moorabool Wind Farm (North and South)	Australia	49%	404,529	933,055
			<b>8,478,544</b>	<b>8,904,680</b>

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

During 2020, the General Tax Authority (GTA) issued an income tax assessment for the years 2016 and 2017 related to taxability of foreign shareholders' share of profits, requiring Qatar Power Q.J.P.S.C. (Qpower) to pay additional taxes of USD 17.2 million (QAR 62.7 million) and penalties amounting to USD 10.4 million (QAR 37.9 million). Basis the assessment, Qpower created a provision for the additional taxes claimed and also recognized the same amount as a receivable as per the MOU signed on 2 February 2020.

During 2022, although the appeal court and then the primary court (in line with the findings of the independent expert appointed) ruled in favour of Qpower with no tax liability due, Qpower appealed against the judgement before the Court of Cassation citing some discrepancies in the judgement. Court of Cassation also ruled in favour of Qpower agreeing with the expert's opinion but with some conflicting elements pertaining to the year 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 Cassation for clarity on this matter. In the hearing held on 06 March 2023, the Court of Cassation 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.

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

### Notes to the condensed consolidated interim financial information As at and for the six-month period ended 30 June 2023

In thousands of Qatari Riyals

#### 7. Equity-accounted investees (continued)

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

During 2019, the General Tax Authority (GTA) issued an income tax assessment for the years 2010 to 2018 requiring Ras Girtas Power Company Q.P.S.C. (RGPC) to pay additional taxes of USD 85 million (QAR 310 million) including penalties amounting to USD 27 million (QAR 98.4 million). As the Company had a tax holiday for the period between April 2011 and March 2017, RGPC responded to GTA rejecting the full claim but did not receive a response. RGPC then filed an appeal with the Appeal Committee which is pending for hearing. However, in light of the tax assessment received, RGPC has recognised provision of USD 85 million (QAR 310 million).

Additionally, as per the MOU signed on 2 February 2020, the Ministry of Finance (MoF) also undertakes to settle the income tax amounts payable by RGPC for the previous years and RGPC also has pass through arrangements for income taxes as per the terms of the PWPA. Accordingly, RGPC has recorded a receivable 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:

	<b>30 June 2023 (Reviewed)</b>	31 December 2022 (Audited)
At 1 January	8,904,680	5,072,541
Acquired through business combination (Note 19)	-	3,501,579
Deemed disposal of existing interest in a joint venture	-	(3,190,091)
Additional investment made during the period / year	108,552	906,821
Reclassification to related party loan /asset held-for-sale	(453,780)	(236,327)
Share of results for the period / year	318,190	669,418
Share of other comprehensive income – cash flow hedges	(58,740)	2,564,294
Share of other comprehensive income – foreign currency translation	(65,213)	21,093
Dividends received	(275,145)	(404,648)
End of the period / year	<u><b>8,478,544</b></u>	<u><b>8,904,680</b></u>

#### 8. Equity investments at fair value through other comprehensive income

	<b>30 June 2023 (Reviewed)</b>	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	(79,372)	(182,842)
End of the period / year	<u><b>1,926,689</b></u>	<u><b>2,322,763</b></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.

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In thousands of Qatari Riyals

**9. Finance lease receivables (continued)**

	<b>30 June 2023 (Reviewed)</b>	31 December 2022 (Audited)
Gross investment in the lease	996,490	1,048,521
Unearned finance income	<u>(213,740)</u>	<u>(250,102)</u>
Present value of minimum lease receivable	<u><b>782,750</b></u>	<u><b>798,419</b></u>

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

	<b>30 June 2023 (Reviewed)</b>	31 December 2022 (Audited)
Non-current portion	684,356	764,888
Current portion	<u>98,394</u>	<u>33,531</u>
	<u><b>782,750</b></u>	<u><b>798,419</b></u>

**10. Cash and cash equivalents**

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

	<b>30 June 2023 (Reviewed)</b>	31 December 2022 (Audited)	30 June 2022 (Reviewed)
Cash at bank – call and current accounts (i)	1,023,916	826,729	325,541
Term deposits (ii)	5,258,267	7,290,167	4,488,536
Cash in hand	<u>81</u>	<u>75</u>	<u>75</u>
<b>Cash and bank balances</b>	6,282,264	8,116,971	4,814,152
Less: term deposits with original maturity of over 90 days	<u>(3,680,464)</u>	<u>(6,634,460)</u>	<u>(2,129,332)</u>
<b>Cash and cash equivalents</b>	<u><b>2,601,800</b></u>	<u><b>1,482,511</b></u>	<u><b>2,684,820</b></u>

*Note:*

- (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.

**11. Share capital**

	<b>30 June 2023 (Reviewed)</b>	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><b>1,100,000</b></u>	<u><b>1,100,000</b></u>

**Cash dividend**

During the period, the shareholders of the Company approved a cash dividend of QAR 0.95 per share totalling to QAR 1,045,000 thousand for the year 2022 (30 June 2022: QAR 0.80 per share totalling to QAR 880,000 thousand for the year 2021).

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

**Notes to the condensed consolidated interim financial information  
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**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**

	<b>30 June 2023 (Reviewed)</b>	31 December 2022 (Audited)
Beginning of the period / year	11,118,807	5,727,610
Additional borrowings during the period / year*	72,191	2,920,373
Acquired through business combination (Note 19)	-	2,766,858
Repayment of borrowings*	<u>(2,153,271)</u>	<u>(296,034)</u>
	<b>9,037,727</b>	11,118,807
Amortization of loan arrangement fee	<u>(40,620)</u>	<u>(43,991)</u>
<b>End of the period / year</b>	<b><u>8,997,107</u></b>	<b><u>11,074,816</u></b>

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.

Interest bearing loans and borrowings are presented in the condensed consolidated statement of financial position as follows:

	<b>30 June 2023 (Reviewed)</b>	31 December 2022 (Audited)
Non-current portion	5,489,124	6,920,761
Current portion	<u>3,507,983</u>	<u>4,154,055</u>
	<b><u>8,997,107</u></b>	<b><u>11,074,816</u></b>

**14. Hedge reserve**

**(a) Hedging reserves**

	<b>For the three-month period ended 30 June</b>		<b>For the six-month period ended 30 June</b>		31 December 2022 (Audited)
	<b>2023 (Reviewed)</b>	2022 (Reviewed)	<b>2023 (Reviewed)</b>	2022 (Reviewed)	
Balance at 1 April / 1 January (Note 26)	621,903	(894,981)	970,476	(1,778,702)	(1,778,702)
Equity-accounted investees - share of OCI – net of related tax	205,284	671,862	(58,740)	1,511,664	2,564,294
Cash flow hedges – effective portion of changes in fair value – net of related tax	(4,298)	21,900	(10,127)	65,819	151,972
Cash flow hedges reclassified to profit or loss on derecognition of equity-accounted investees – net of related tax	-	-	(78,720)	-	(49,368)
<b>Balance at 30 June / 31 December</b>	<b><u>822,889</u></b>	<b><u>(201,219)</u></b>	<b><u>822,889</u></b>	<b><u>(201,219)</u></b>	<b><u>888,196</u></b>

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

**Notes to the condensed consolidated interim financial information  
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**14. Hedge reserve (continued)**

**(b) Derivatives**

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

	<b>30 June 2023 (Reviewed)</b>	31 December 2022 (Audited)
<b>Assets</b>		
Non-current portion	52,166	77,536
Current portion	1,515	1,418
	<u><b>53,681</b></u>	<u><b>78,954</b></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 had exposure to US dollar LIBORs on its hedging instruments that now have been reformed as part of these market-wide initiatives. As of the reporting date, all the existing hedging instruments are either indexed to the US dollar synthetic LIBOR (fallback rate) or Secured Overnight Financing Rate (SOFR). Additionally, management is in the process of transitioning all the hedge instruments indexed to the fallback rate 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.

	<b>For the three-month period ended 30 June</b>		<b>For the six-month period ended 30 June</b>	
	<b>2023 (Reviewed)</b>	2022 (Reviewed)	<b>2023 (Reviewed)</b>	2022 (Reviewed)
Revenue from electricity	370,384	308,745	691,376	563,331
Revenue from water	331,581	309,128	649,550	599,862
<b>Total revenue</b>	<u><b>701,965</b></u>	<u>617,873</u>	<u><b>1,340,926</b></u>	<u>1,163,193</u>
<b>Operating lease revenue – capacity charges</b>				
Water	161,729	150,330	322,193	299,079
Electricity	47,330	54,785	86,999	101,796
	<u><b>209,059</b></u>	<u>205,115</u>	<u><b>409,192</b></u>	<u>400,875</u>
<b>Revenue from contract with customers:</b>				
Sale of water	169,853	158,799	327,357	300,783
Sale of electricity	323,053	253,959	604,377	461,535
	<u><b>492,906</b></u>	<u>412,758</u>	<u><b>931,734</b></u>	<u>762,318</u>

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

**Notes to the condensed consolidated interim financial information  
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**15. Revenue (continued)**

**(b) Disaggregation of revenue from contracts with customers**

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

	For the three-month period ended 30 June		For the six-month period ended 30 June	
	2023 (Reviewed)	2022 (Reviewed)	2023 (Reviewed)	2022 (Reviewed)
<b>Primary geographical markets</b>				
Qatar	455,505	412,758	861,029	762,318
Latin America	23,289	-	47,647	-
Europe	14,112	-	23,058	-
	<u>492,906</u>	<u>412,758</u>	<u>931,734</u>	<u>762,318</u>
	For the three-month period ended 30 June		For the six-month period ended 30 June	
	2023 (Reviewed)	2022 (Reviewed)	2023 (Reviewed)	2022 (Reviewed)
<b>Timing of revenue recognition</b>				
Point in time (i)	381,345	282,217	713,921	507,460
Over time (ii)	111,561	130,541	217,813	254,858
	<u>492,906</u>	<u>412,758</u>	<u>931,734</u>	<u>762,318</u>

- (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.

**16. Cost of sales**

	For the three-month period ended 30 June		For the six-month period ended 30 June	
	2023 (Reviewed)	2022 (Reviewed)	2023 (Reviewed)	2022 (Reviewed)
Cost of gas consumed	306,705	249,372	567,696	442,462
Depreciation of property, plant and equipment	83,539	31,213	164,992	102,045
Staff costs	40,823	41,758	86,297	87,299
Spare parts, chemicals and consumables	9,586	8,395	30,570	20,046
Others	51,587	46,141	96,867	85,372
	<u>492,240</u>	<u>376,879</u>	<u>946,422</u>	<u>737,224</u>

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

**Notes to the condensed consolidated interim financial information  
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**17. Other income**

	For the three-month period ended 30 June		For the six-month period ended 30 June	
	2023 (Reviewed)	2022 (Reviewed)	2023 (Reviewed)	2022 (Reviewed)
Dividend income from equity investments at FVOCI	22,701	24,569	113,948	160,909
(Provision) / reversal of provision on slow-moving and obsolete inventories (1)	-	62,434	-	62,434
Miscellaneous income	32,015	16,931	61,216	23,838
	<b>54,716</b>	<b>103,934</b>	<b>175,164</b>	<b>247,181</b>

- (1) During the previous period, management performed a re-evaluation of the provision on slow-moving and obsolete inventories based on the usability and remaining shelf life of its inventories which resulted in a reversal of QAR 62.4 million.

**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 30 June		For the six-month period ended 30 June	
	2023 (Reviewed)	2022 (Reviewed)	2023 (Reviewed)	2022 (Reviewed)
Profit for the period attributable to equity holder of the parent	367,917	295,881	768,580	684,575
Weighted average number of shares outstanding during the period (number of shares in thousands)	1,100,000	1,100,000	1,100,000	1,100,000
Basic and diluted earnings per share (expressed in QAR per share)	<b>0.33</b>	<b>0.27</b>	<b>0.70</b>	<b>0.62</b>

**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.

	<b>Amount (Audited)</b>
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)
<b>Total net identifiable assets acquired</b>	<b><u>5,339,624</u></b>

\*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.

**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.

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In thousands of Qatari Riyals

**20. Operating segments (continued)**

**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	1,353,988	70,705	1,424,693
Internal revenue	(45,045)	-	(45,045)
<b>External revenue</b>	<u>1,308,943</u>	<u>70,705</u>	<u>1,379,648</u>
<b>Segment profit before tax</b>	688,879	85,936	774,815
Depreciation and amortisation	(140,923)	(27,875)	(168,798)
Finance costs	(155,108)	(108,370)	(263,478)
Interest income	74,407	75,891	150,298
Share of results of equity accounted investees – net of tax	197,867	120,323	318,190
Income taxes	-	(4,405)	(4,405)
<i>Other material items of income and expense</i>			
Gain on disposal of asset held-for-sale	77,652	-	77,652
Dividend income	113,948	-	113,948
Other income	40,947	20,269	61,216
<b>Segment assets</b>			
Property plants and equipment and work in progress	4,385,913	1,681,935	6,067,848
Equity-accounted investees	4,590,633	3,887,911	8,478,544
Cash and bank balances	2,995,313	3,286,951	6,282,264
Other assets	3,593,120	1,077,893	4,671,006
	<u>15,564,979</u>	<u>9,934,690</u>	<u>25,499,662</u>
<b>Segment liabilities</b>			
Loans and borrowings	5,265,056	3,732,051	8,997,107
Other liabilities	978,952	547,449	1,526,394
	<u>6,244,008</u>	<u>4,279,500</u>	<u>10,523,501</u>

**C. Geographic information**

The Group's operations in Qatar constitutes to 94.9% of consolidated revenue and 87.7% of the consolidated profits for the period, and 76.3% 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.

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**21. Commitments and contingent liabilities**

	<b>30 June 2023 (Reviewed)</b>	31 December 2022 (Audited)
<b>(a) Contingent liabilities:</b>		
Corporate guarantees issued on behalf of equity-accounted investees	1,121,101	568,287
Letter of credits	124,836	91,150
	<u><b>1,245,937</b></u>	<u><b>659,437</b></u>
<b>(bs) Other commitments:</b>		
<i>Derivative financial instruments:</i>		
Interest rate swaps (notional amount)	<u><b>1,067,118</b></u>	<u><b>1,092,348</b></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.

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 relationship	Nature of the transactions	For the three-month period ended 30 June		For the six-month period ended 30 June	
			2023	2022	2023	2022
			(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
KAHRAMAA	Shareholder	Sale of electricity	370,384	308,745	691,376	563,331
		Sale of water	331,581	306,837	649,549	595,685
		Lease interest	19,634	17,560	38,722	37,108
QatarEnergy	Shareholder	Sale of water	-	2,291	-	4,177
		Cost of gas consumed	306,705	249,372	567,696	442,462
NEC Energia Generation	Equity-accounted investee	Fee Income	8,241	-	8,623	-
Zonnerpark Mosselbank Terneuzen	Equity-accounted investee	Fee Income	-	-	7,385	-
Enersok FE LLC	Equity-accounted investee	Interest income	-	-	714	-
Nebras IPC Power Ltd	Equity-accounted investee	Fee Income	177	-	177	-

**b) Loans receivable from a related party**

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

	<b>30 June 2023 (Reviewed)</b>	31 December 2022 (Audited)
Balance at 1 January	60,702	-
Acquired through business combination	-	21,926
Reclassification / additional loans during the period / year	475,517	38,776
Balance at 30 June / 31 December	<u><b>536,219</b></u>	<u><b>60,702</b></u>

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**22. Related party disclosures (continued)**

**b) Loans receivable from a related party (continued)**

The loans were provided to the following related parties and in accordance with the following conditions:

- QR 22,837 thousand pertains to the loan granted to AES Jordan Solar. The loan carries an interest at 6% per annum and matures in December 2039.
- QR 8,616 thousand pertains to loan granted to NEC Energia through Nebras Power Investment Management B.V. The loan carries an interest of 8.75% per annum and matures in September 2049.
- QR 504,766 thousand pertains to the loan granted to Moorabool Wind Farm (North and South) through Nebras Power Australia Pty. Ltd. The interest on loan is indexed to the Bank Bill Swap Rate (BBSW) and carries an average interest of 4.5% to 5.5% per annum and matures on 20 December 2024.

**c) Receivables from related parties**

	<b>30 June 2023 (Reviewed)</b>	31 December 2022 (Audited)
<i>Shareholder</i>		
KAHRAMAA	549,141	558,835
QatarEnergy	51	933
<i>Equity-accounted investees:</i>		
Umm Al Houl Power Q.P.S.C.	3,862	4,726
Ras Girtas Power Company Q.P.S.C.	3,419	2,183
Qatar Power Q.P.J.S.C.	2,658	1,818
Mesaieed Power Company Limited Q.P.S.C.	650	1,082
AES Jordan Solar B.V.	95	28
IPM Asia Pty Ltd	75	19
Enersok FE LLC	40	6
AES Baltic Holdings B.V.	20	18
Nebras-IPC Power Development Ltd	7	61
Siraj Energy Q.P.S.C.	-	538
Zonnepark Mosselbanken Terneuzen B.V.	-	115
	<b><u>560,018</u></b>	<b><u>570,362</u></b>

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**

	<b>30 June 2023 (Reviewed)</b>	31 December 2022 (Audited)
<i>Shareholder</i>		
KAHRAMAA	-	2,179
QatarEnergy	287,807	150,575
<i>Affiliates:</i>		
Others	23,626	56
	<b><u>311,433</u></b>	<b><u>152,810</u></b>

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.

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 30 June		For the six-month period ended 30 June	
	2023 (Reviewed)	2022 (Reviewed)	2023 (Reviewed)	2022 (Reviewed)
Directors' fees – short term	4,522	2,938	10,293	5,875
Management remuneration – short term	1,400	1,779	2,467	2,846
Board Committee remuneration – short term	257	257	515	515
	<b>6,179</b>	<b>4,974</b>	<b>13,275</b>	<b>9,236</b>

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 30 June 2023, the Group held the following classes of financial instruments measured at fair value:

At 30 June 2023 (Reviewed)	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value:</b>				
<i>Derivative instruments:</i>				
Equity investment at fair value through other comprehensive income	<u>1,926,689</u>	-	-	<u>1,926,689</u>
Disposal group held-for-distribution	-	-	<u>201,343</u>	<u>201,343</u>
Positive fair value of interest rate swaps	-	<u>53,681</u>	-	<u>53,681</u>
<b>Financial liabilities measured at fair value:</b>				
<i>Derivative instruments:</i>				
Interest bearing loans and borrowings	-	<u>(8,997,107)</u>	-	<u>(8,997,107)</u>
Liabilities held-for-distribution	-	-	<u>(163,193)</u>	<u>(163,193)</u>

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
<b>Financial assets measured at fair value:</b>				
<i>Derivative instruments:</i>				
Equity investment at fair value through other comprehensive income	<u>2,322,763</u>	-	-	<u>2,322,763</u>
Assets held for sale (Note 24)	-	<u>236,327</u>	-	<u>236,327</u>
Disposal group held-for-distribution	-	-	<u>128,478</u>	<u>128,478</u>
Derivative assets	-	<u>78,954</u>	-	<u>78,954</u>
<b>Financial liabilities measured at fair value:</b>				
<i>Derivative instruments:</i>				
Interest bearing loans and borrowings	-	<u>(11,074,816)</u>	-	<u>(11,074,816)</u>
Liabilities held-for-distribution	-	-	<u>(106,594)</u>	<u>(106,594)</u>

During the reporting period/year ended 30 June 2022 and 31 December 2021, 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. Asset held-for-sale**

#### *Disposal of an associate (Siraj Energy Q.P.S.C.)*

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 77.652 million was recognised which was mainly on account of reclassification of cash flow hedge reserve to the condensed consolidated statement of profit or loss.

#### *Disposal of property, plant and equipment (Lusail land)*

During 2020, the Board of Directors of the Group approved the sale of the land including related improvements and instructed management to execute this sale within one year. Accordingly, the land including related improvements, were classified as assets held-for-sale. During the previous period, the asset was sold at a loss of QAR 86.084 million, which has been recognised in the statement of profit or loss and other comprehensive income.

### **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:

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

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

	30 June 2023 (Reviewed)	31 December 2022 (Audited)
Trade and other receivables	190,220	113,992
Cash and cash equivalents	11,238	11,217
Property, plant and equipment	(115)	14
Other assets	-	3,255
<b>Assets held-for-distribution</b>	<b>201,343</b>	<b>128,478</b>
Trade and other payables	163,193	71,204
Payables to related parties	-	35,390
<b>Liabilities held-for-distribution</b>	<b>163,193</b>	<b>106,594</b>

## ii) Cash flows from discontinued operations

	For the three-month period ended 30 June		For the six-month period ended 30 June	
	2023 (Reviewed)	2022 (Reviewed)	2023 (Reviewed)	2022 (Reviewed)
Cash used in operating activities	(7,828)	(36,613)	(17,972)	(34,977)
Cash generated from investing activities	97	-	129	-
Cash generated from financing activities	-	5,223	-	5,223
Net change in cash and cash equivalents	(7,731)	(31,390)	(17,843)	(29,754)
Cash and cash equivalents at the beginning of the year / period	6,827	46,107	11,217	46,107
Effect of movements in exchange rates on cash held	12,142	(6,772)	17,864	(5,136)
Cash and cash equivalents at the end of the year / period	<b>11,238</b>	<b>7,945</b>	<b>11,238</b>	<b>11,217</b>

The profit from the discontinued operation amounting to QAR 12,502 thousand generated during the period is attributed to the owners of the Company and the non-controlling interests in their respective shareholdings.

## 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
<b>At 31 December 2022</b>			
<b>Condensed consolidated statement of changes in equity</b>			
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

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**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.