

Qatar Electricity and Water Company Q.P.S.C.
Condensed Consolidated Interim Financial Information
30 September 2024

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

**Condensed Consolidated Interim Financial Information
As at and for the nine-month period ended 30 September 2024**

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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 September 2024 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 September 2024;
- the condensed consolidated statement of profit or loss and other comprehensive income for the three-month and nine-month period ended 30 September 2024;
- the condensed consolidated statement of changes in equity for the nine-month period ended 30 September 2024;
- the condensed consolidated statement of cash flows for the nine-month period ended 30 September 2024; 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)

To the Shareholders of 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 September 2024 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.



27 October 2024
Doha
State of Qatar

Gopal Balasubramaniam
KPMG
Qatar Auditors' Registry Number: 251

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

**Condensed consolidated statement of financial position
As at 30 September 2024**

In thousands of Qatari Riyals

	Notes	30 September 2024 (Reviewed)	31 December 2023 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	6	5,493,608	5,857,797
Right-of-use assets		40,677	49,129
Intangible assets and goodwill		62,156	66,635
Equity-accounted investees	7	8,685,723	8,304,635
Equity investments at fair value through other comprehensive income	8	2,149,906	2,017,318
Finance lease receivables	9	459,330	594,806
Derivative assets	14(b)	19,687	24,530
Loans receivable from related parties	21(b)	1,449,410	1,144,340
Deferred tax assets		39,184	48,819
Other non-current assets		58,408	72,524
		<u>18,458,089</u>	<u>18,180,533</u>
Current assets			
Inventories		97,909	96,913
Trade and other receivables		1,073,289	856,257
Finance lease receivables	9	180,250	170,082
Derivative assets	14(b)	2,916	12,265
Cash and bank balances	10	3,137,335	3,787,311
Assets held-for-distribution	23	80,309	186,385
		<u>4,572,008</u>	<u>5,109,213</u>
TOTAL ASSETS		<u>23,030,097</u>	<u>23,289,746</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	11	1,100,000	1,100,000
Legal reserve		550,000	550,000
General reserve	12	3,243,870	3,243,870
Hedge reserve	14(a)	41,126	176,478
Fair value reserve		658,109	525,521
Foreign currency translation reserve		(63,191)	36,306
Retained earnings		<u>9,196,407</u>	<u>9,254,158</u>
Equity attributable to owners of the Company		<u>14,726,321</u>	<u>14,886,333</u>
Non-controlling interests		<u>339,062</u>	<u>322,293</u>
Total equity		<u>15,065,383</u>	<u>15,208,626</u>
Non-current liabilities			
Loans and borrowings	13	4,978,844	5,000,645
Lease liabilities		37,507	45,055
Derivative liabilities	14(b)	9,799	-
Deferred tax liabilities		9,061	-
Employees' end of service benefits		92,100	92,266
Other non-current liabilities		17,533	18,683
		<u>5,144,844</u>	<u>5,156,649</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 30 September 2024**

In thousands of Qatari Riyals

		30 September 2024	31 December 2023
	Notes	(Reviewed)	(Audited)
Current liabilities			
Loans and borrowings	13	1,832,671	1,817,647
Lease liabilities		9,343	10,762
Trade and other payables		905,164	916,392
Liabilities held-for-distribution	23	72,692	168,650
Other current liabilities		-	11,020
		<u>2,819,870</u>	<u>2,924,471</u>
Total liabilities		<u>7,964,714</u>	<u>8,081,120</u>
TOTAL EQUITY AND LIABILITIES		<u>23,030,097</u>	<u>23,289,746</u>

This condensed consolidated interim financial information was approved by the Board of Directors and signed on its behalf by the following on 27 October 2024.



Saad Bin Sherida Al-Kaabi
Chairman



Mohammed Nasser Al-Hajri
Managing Director and Chief Executive Officer



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 profit or loss and other comprehensive income
For the three-month and nine-month period ended 30 September 2024 In thousands of Qatari Riyals

	Notes	For the three-month period ended 30 September		For the nine-month period ended 30 September	
		2024	2023	2024	2023
		(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
Revenue from sale of water and electricity	15	815,582	779,397	2,200,948	2,120,323
Income from finance lease		18,800	18,726	64,410	57,448
		<u>834,382</u>	<u>798,123</u>	<u>2,265,358</u>	<u>2,177,771</u>
Cost of sales	16	(577,910)	(568,525)	(1,549,745)	(1,514,947)
Gross profit		256,472	229,598	715,613	662,824
General and administrative expenses		(51,777)	(85,401)	(174,539)	(201,638)
Interest income		60,959	82,345	175,898	232,643
Other income	17	48,958	30,881	213,466	206,045
Operating profit		314,612	257,423	930,438	899,874
Finance costs		(63,574)	(133,777)	(299,882)	(397,255)
Share of results of equity-accounted investees – net of tax		291,946	209,213	604,807	527,403
Gain on disposal of assets held-for-sale		-	-	-	77,652
Profit before tax from continuing operations		542,984	332,859	1,235,363	1,107,674
Income tax (expense) / credit		(25,089)	7,989	(29,316)	3,584
Profit after tax from continuing operations		517,895	340,848	1,206,047	1,111,258
(Loss) / profit from discontinued operations, net of tax	23	(780)	(660)	(667)	11,842
Profit for the period		517,115	340,188	1,205,380	1,123,100



The condensed consolidated statement of profit or loss and other comprehensive income continues on next page.

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

Condensed consolidated statement of profit or loss and other comprehensive income (continued)
For the three-month and nine-month period ended 30 September 2024 In thousands of Qatari Riyals

	Notes	For the three-month period ended 30 September		For the nine-month period ended 30 September	
		2024 (Reviewed)	2023 (Reviewed)	2024 (Reviewed)	2023 (Reviewed)
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)	(422,849)	226,769	(111,330)	168,029
Cash flow hedges – effective portion of changes in fair value – net of related tax	14(a)	(23,742)	(9,501)	(24,022)	(19,628)
Cash flow hedges reclassified to statement of profit or loss on derecognition of an associate – net of related tax	14(a)	-	-	-	(78,720)
Foreign operations – foreign currency translation differences		39,216	(87,673)	(77,702)	(17,980)
		<u>(407,375)</u>	<u>129,595</u>	<u>(213,054)</u>	<u>51,701</u>
<i>Items that will not be reclassified to profit or loss:</i>					
Equity investments at FVOCI – net change in fair value	8	51,636	(59,122)	132,588	(138,494)
Other comprehensive income for the period		(355,739)	70,473	(80,466)	(86,793)
Total comprehensive income for the period		161,376	410,661	1,124,914	1,036,307
Profit attributable to:					
Owners of the Company		509,268	340,431	1,188,922	1,109,011
Non-controlling interests		7,847	(243)	16,458	14,089
		<u>517,115</u>	<u>340,188</u>	<u>1,205,380</u>	<u>1,123,100</u>
Total comprehensive income attributable to:					
Owners of the Company		130,176	410,904	1,086,661	1,022,218
Non-controlling interests		31,200	(243)	38,253	14,089
		<u>161,376</u>	<u>410,661</u>	<u>1,124,914</u>	<u>1,036,307</u>
Earnings per share:					
Basic and diluted earnings per share (Qatari Riyals)	18	<u>0.46</u>	<u>0.31</u>	<u>1.08</u>	<u>1.01</u>



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

**Condensed consolidated statement of changes in equity
For the nine-month period ended 30 September 2024**

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 interest	Total equity
Balance as at 1 January 2024	1,100,000	550,000	3,243,870	176,478	525,521	36,306	9,254,158	14,886,333	322,293	15,208,626
Profit for the period	-	-	-	-	-	-	1,188,922	1,188,922	16,458	1,205,380
Other comprehensive income	-	-	-	(135,352)	132,588	(99,497)	-	(102,261)	21,795	(80,466)
Total comprehensive income	-	-	-	(135,352)	132,588	(99,497)	1,188,922	1,086,661	38,253	1,124,914
Dividends relating to year 2023 (Note 11)	-	-	-	-	-	-	(946,000)	(946,000)	(21,141)	(967,141)
Dividends relating to year 2024 (Interim) (Note 11)	-	-	-	-	-	-	(275,000)	(275,000)	-	(275,000)
Other movements	-	-	-	-	-	-	(25,673)	(25,673)	(343)	(26,016)
Balance at 30 September 2024 (Reviewed)	1,100,000	550,000	3,243,870	41,126	658,109	(63,191)	9,196,407	14,726,321	339,062	15,065,383
Balance as at 1 January 2023	1,100,000	550,000	3,243,870	888,196	614,751	(1,148)	8,728,092	15,123,761	333,573	15,457,334
Profit for the period	-	-	-	-	-	-	1,109,011	1,109,011	14,089	1,123,100
Other comprehensive income	-	-	-	69,681	(138,494)	(17,980)	-	(86,793)	-	(86,793)
Total comprehensive income	-	-	-	69,681	(138,494)	(17,980)	1,109,011	1,022,218	14,089	1,036,307
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)	(13,122)	(1,058,122)
<i>Prior period adjustments</i>										
Contribution to social and sports support fund*	-	-	-	-	-	-	(36,325)	(36,325)	-	(36,325)
Other movements	-	-	-	-	-	-	(8,622)	(8,622)	(1,149)	(9,771)
Balance as at 30 September 2023 (Reviewed)	1,100,000	550,000	3,243,870	957,877	375,740	(19,128)	8,847,673	15,056,032	333,391	15,389,423

*This pertains to the additional contribution claimed by the Social and Sports Contribution Fund (the "Daam Fund") related to the prior years.



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 nine-month period ended 30 September 2024**

In thousands of Qatari Riyals

		For the nine-month period ended 30 September	
	Notes	2024 (Reviewed)	2023 (Reviewed)
OPERATING ACTIVITIES			
Profit for the period		1,205,380	1,123,100
<i>Adjustments for:</i>			
Depreciation of property, plant and equipment	6	249,352	272,993
Depreciation of right-of-use assets		8,235	7,631
Interest expense on lease liabilities		9,957	29,140
Provision for employees' end of service benefits		9,198	9,255
Impairment and amortization expenses		21,160	30,200
Share of results of equity-accounted investees	7	(604,807)	(527,403)
Dividend income from equity investments at FVOCI	17	(127,704)	(113,948)
Interest income		(175,898)	(232,643)
(Reversal of) / provision of slow-moving inventories		(423)	262
Gain on disposal of assets held-for-sale		-	(77,652)
Finance costs		299,882	397,255
Operating profit before working capital changes		<u>894,332</u>	<u>918,190</u>
<i>Working capital adjustments:</i>			
Inventories		(573)	(4,242)
Trade and other receivables		(210,678)	(58,392)
Finance lease receivables		125,308	24,600
Deferred tax assets / liabilities		18,696	-
Trade and other payables		(21,189)	237,474
Cash flows from operating activities		<u>805,896</u>	<u>1,117,630</u>
Employees' end of service benefits paid		(9,364)	(6,703)
Net cash generated from operating activities		<u>796,532</u>	<u>1,110,927</u>
INVESTING ACTIVITIES			
Acquisition of property, plant and equipment – net of adjustments	6	(36,745)	(22,429)
Proceeds from sale of property plant and equipment	6	88	4,584
Investment in equity-accounted investees	7	(382,190)	(107,249)
Dividends received from equity-accounted investees	7	483,969	485,049
Proceeds from sale of asset held-for-sale – net of expenses		-	235,259
Proceeds from sale of equity investments at FVOCI	8	-	316,702
Dividends received from equity investments at FVOCI	17	127,704	113,948
Net movement in loan receivable from equity-accounted investees		(351,724)	50,436
Interest received		169,544	255,611
Net movement in term deposits with original maturity over 90 days		(210,978)	3,145,967
Net movement in other non-current assets / liabilities		69,156	(46,820)
Net cash (used in) / from investing activities		<u>(131,176)</u>	<u>4,431,058</u>
FINANCING ACTIVITIES			
Proceeds from interest-bearing loans and borrowings		258,678	-
Repayment of interest-bearing loans and borrowings		(224,090)	(3,385,110)
Interest on loans and borrowings paid		(300,942)	(395,670)
Dividends paid to owners of the Company		(1,221,000)	(1,040,557)
Dividends paid to non-controlling interest		(21,141)	(13,122)
Repayment of lease liabilities (including interest)		(20,221)	(35,606)
Net cash used in financing activities		<u>(1,528,716)</u>	<u>(4,870,065)</u>
Net change in cash and cash equivalents		(863,360)	671,920
Cash and cash equivalents at the beginning of the period		2,154,013	1,482,511
Effects of movements in exchange rates on cash held in foreign currency		2,405	(14,553)
Cash and cash equivalents at 30 September	10	<u>1,293,058</u>	<u>2,139,878</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 nine-month period ended 30 September 2024

1. Reporting entity

Qatar Electricity and Water Company Q.P.S.C. (“the Company”) 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 comprises the Company and its subsidiaries (collectively referred as the “Group” and individually as the “Group entities”) and the Group’s interests in equity-accounted investees.

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

Details of the Company’s subsidiaries at 30 September and the immediate reporting period are as follows:

Name of subsidiaries	Country of incorporation	Effective shareholding	
		2024	2023
Direct subsidiaries			
Ras Laffan Operating Company W.L.L.	Qatar	100%	100%
Ras Laffan Power Company Q.P.S.C.	Qatar	80%	80%
Nebras Power Q.P.S.C.	Qatar	100%	100%
Indirect subsidiaries (held through Nebras)			
Nebras Power Netherlands B.V.	Netherlands	100%	100%
Nebras Power Investment Management B.V.	Netherlands	100%	100%
Zon Exploitatie Nederland Holding B.V.	Netherlands	75%	75%
Zon Exploitatie Nederland B.V.	Netherlands	75%	75%
Zon Exploitatie Nederland 2 B.V.	Netherlands	75%	75%
Zonhandel B.V.	Netherlands	75%	75%
Zon Brabant B.V.	Netherlands	37.5%	37.5%
Carthage Power Company SARL	Tunisia	60%	60%
Nebras Netherlands Brazil Investments 1 B.V.	Netherlands	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%
Terslav LLC	Ukraine	75%	75%
Sun Power Pervomaik 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 nine-month period ended 30 September 2024

1. Reporting entity (continued)

Name of subsidiaries	Country of incorporation	Effective shareholding	
		2024	2023
Indirect subsidiaries (held through Nebras)			
(continued)			
Carmel Solar 1	South Africa	100%	100%
Carmel Solar 2	South Africa	100%	100%
Carmel Solar 3	South Africa	100%	100%
Turffontein Solar 1	South Africa	100%	100%
Varkenslaagte Solar	South Africa	100%	100%

The Company has the following equity-accounted investees at 30 September 2024 and the immediate reporting period:

Name of equity-accounted investees	Country of incorporation	Classification	Effective shareholding	
			2024	2023
Qatar Power Q.J.P.S.C.	Qatar	Joint venture	55%	55%
Mesaieed Power Company Q.P.S.C.	Qatar	Joint venture	40%	40%
Ras Girtas Power Company Q.P.S.C.	Qatar	Joint venture	45%	45%
Umm Al Houl Power Q.P.S.C.	Qatar	Joint venture	60%	60%
Equity-accounted investees held through Nebras				
Unique Meghnaghat Power Limited	Bangladesh	Joint venture	18%	18%
Shams Ma'an Solar UK Ltd	United Kingdom	Joint venture	35%	35%
Nebras-IPC Power Developments Limited	United Kingdom	Joint venture	50%	50%
Zonnepark Masselbanken Terneuzen B.V.	Netherlands	Joint venture	40%	40%
Zonnepark Duisterweg B.V.	Netherlands	Joint venture	40%	40%
NEC Energia e Participacoes S.A.	Brazil	Joint venture	50%	50%
NEC Desinvolvimentod e Projectos em Energia e Participacoes S.A.	Brazil	Joint venture	50%	50%
NEKS Energy B.V.	Uzbekistan	Joint venture	33.30%	33.30%
DN Gas Participacoes S.A. (Diamante)	Brazil	Joint venture	50%	50%
Phoenix Power Company SAOG	Oman	Associate	9.84%	9.84%
Phoenix Operation and Maintenance Company L.L.C.	Oman	Associate	15%	15%
Nebras Power Oasis Ltd (formerly "AES Oasis Ltd")	Cayman Islands	Associate	83.33%	40%
Nebras Power Baltic Holdings B.V. (formerly "AES Baltic Holding B.V.")	Netherlands	Associate	83.33%	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%
Equitix Aragorn Holdco Ltd.	United Kingdom	Associate	49.9%	49.9%
SCE-QUVVAT L.L.C. (Surkhandarya)	Uzbekistan	Associate	26.25%	-

**Notes to the condensed consolidated interim financial information
As at and for the nine-month period ended 30 September 2024**

2. Basis of preparation

The condensed consolidated interim financial information for the three month and nine-month period ended 30 September 2024 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.	United States Dollar
Nebras Power Investment Management B.V.	United States Dollar
Zon Exploitatie Nederland Holding B.V.	Euro
Zon Exploitatie Nederland B.V.	Euro
Zon Exploitatie Nederland 2 B.V.	Euro
Zonhandel B.V.	Euro
Zon Brabant B.V.	Euro
Carthage Power Company SARL	Tunisian Dinar
Nebras Netherlands Brazil Investments 1 B.V.	United States Dollar
Nebras Power Latin America Ltda.	Brazilian Real
Nebras do Brazil Investments 1 Ltda.	Brazilian Real
Salgueiro Solar Holding S.A.	Brazilian Real
Jaíba Solar Holding S.A.	Brazilian Real
Francisco Sá Solar Holding S.A.	Brazilian Real
Lavras Solar Holding S.A.	Brazilian Real
Salgueiro I Energias Renováveis S.A.	Brazilian Real
Salgueiro II Energias Renováveis S.A.	Brazilian Real
Salgueiro III Energias Renováveis S.A.	Brazilian Real
Jaíba 3 Energias Renováveis S.A.	Brazilian Real
Jaíba 4 Energias Renováveis S.A.	Brazilian Real
Jaíba 9 Energias Renováveis S.A.	Brazilian Real
Francisco Sá 1 Energias Renováveis S.A.	Brazilian Real
Francisco Sá 2 Energias Renováveis S.A.	Brazilian Real
Francisco Sá 3 Energias Renováveis S.A.	Brazilian Real
Lavras 1 Solar Energias Renováveis S.A.	Brazilian Real
Lavras 2 Solar Energias Renováveis S.A.	Brazilian Real
Lavras 3 Solar Energias Renováveis S.A.	Brazilian Real
Lavras 4 Solar Energias Renováveis S.A.	Brazilian Real
Lavras 5 Solar Energias Renováveis S.A.	Brazilian Real
Terslav LLC	Ukrainian Hryvnia
Sun Power Pervomaisk LLC	Ukrainian Hryvnia
Nebras Power Australia Pty Ltd	Australian Dollar
Carmel Solar 1	South African Rand
Carmel Solar 2	South African Rand
Carmel Solar 3	South African Rand
Turffontein Solar 1	South African Rand
Varkenslaagte Solar	South African Rand

2. Basis of preparation (continued)

The condensed consolidated interim financial information does 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 2023. In addition, the results for the three month and nine-month periods ended 30 September 2024 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024.

This condensed consolidated interim financial information was authorised for issue by the Board of Directors on 27 October 2024.

3. Material 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 2023.

Accounting Standards issued but not yet effective

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

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 2023.

5. Financial risk management

The Group's financial risk management objectives and policies are consistent with those disclosed in the annual consolidated financial statements for the year ended 31 December 2023.

6. Property, plant and equipment

Additions

During the nine-month period ended 30 September 2024, the Group acquired property, plant and equipment with a total cost of QAR 36,745 thousand (Year ended 31 December 2023: QAR 50,951 thousand).

Disposals / write-offs

Disposals / write-offs made during the nine-month period ended 30 September 2024 amounted to QAR 88 thousand (Year ended 31 December 2023: QAR 21,774 thousand).

Depreciation

Depreciation charged during the nine-month period ended 30 September 2024 amounted to QAR 249,352 thousand (Period ended 30 September 2023: QAR 272,993 thousand).

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

Notes to the condensed consolidated interim financial information As at and for the nine-month period ended 30 September 2024

In thousands of Qatari Riyals

7. Equity-accounted investees

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

	30 September 2024 (Reviewed)	31 December 2023 (Audited)
At the beginning of the period / year	8,304,635	8,904,680
Additional investment made during the period / year	382,190	463,627
Reclassification to loans receivable from related parties	-	(506,174)
Share of results for the period / year – net of tax	604,807	672,284
Share of other comprehensive income – cash flow hedges	(111,330)	(598,647)
Share of other comprehensive income – foreign currency translation	(10,610)	(20,242)
Dividends received	(483,969)	(610,893)
At the end of the period / year	8,685,723	8,304,635

The Group has investment in the following equity-accounted investees:

Name of the investees	Country of incorporation	Effective ownership %	30 September 2024 (Reviewed)	31 December 2023 (Audited)
Umm Al Houl Power Q.P.S.C.	Qatar	60%	2,119,745	2,122,070
Ras Girtas Power Company Q.P.S.C. (i)	Qatar	45%	940,645	918,377
Mesaieed Power Company Q.P.S.C.	Qatar	40%	586,209	544,627
Qatar Power Q.J.P.S.C. (ii)	Qatar	55%	394,367	429,687
Unique Meghnaghat Power Limited	Bangladesh	18%	314,362	281,617
NEC Energia e Participacoes S.A.	Brazil	50%	127,556	143,519
NEC Desinvolvimentod e Projectos em Energia e Participacoes S.A.	Brazil	50%	55,444	28,902
Shams Maan Solar UK Ltd	United Kingdom	35%	45,387	44,043
Zonnepark Mosselbanken Tem.	Netherlands	40%	28,837	29,617
Zonnepark Duisterweg B.V.	Netherlands	40%	9,946	9,452
DN Gas Participacoes S.A. (Diamante)	Brazil	50%	22,003	21,506
NEKS Energy B.V.	Uzbekistan	33.30%	25,146	12,038
Nebras IPC Power Developments Ltd	United Kingdom	50%	647	647
SCE-QUVVAT LLC (Surkhandarya) (iii)	Uzbekistan	26.25%	93,525	-
PT Paiton Energy Pte Ltd	Indonesia	26%	1,590,998	1,501,861
IPM Asia Pte Ltd	Singapore	35%	97,331	89,126
Minejesa Capital B.V.	Netherlands	26%	143,486	145,395
Phoenix Power Company SAOG	Oman	9.84%	243,036	226,359
Phoenix Operation and Maintenance Company L.L.C.	Oman	15%	5,542	2,812
Nebras Power Oasis Ltd (formerly "AES Oasis Ltd") (iv)	Cayman Islands	83.33%	284,318	193,729
Nebras Power Baltic Holding B.V. (formerly "AES Baltic Holding B.V.") (iv)	Netherlands	83.33%	259,583	266,375
AES Jordan Solar B.V.	Netherlands	40%	36,124	32,230
Stockyard Hill Wind Farm (Holding) Pty Ltd	Australia	49%	561,021	539,229
Moorabool Wind Farm	Australia	49%	483,986	409,796
Equitix Aragorn Holdco Ltd.	United Kingdom	49.9%	216,479	311,621
			8,685,723	8,304,635

7. Equity-accounted investees (continued)

(i) Ras Girtas Power Company Q.P.S.C. (the “Company”)

During 2019, the General Tax Authority (GTA) issued an income tax assessment for the years 2010 to 2018 requiring the Company to pay additional taxes of USD 85 million (QAR 310 million) including penalties amounting to USD 27 million (QAR 98.4 million) although the Company had a tax holiday for the period between April 2011 and March 2017. Currently, the Company is awaiting response from the Appeal Committee.

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

During the previous year, KAHRAMAA has disputed certain receivables pertaining to the year 2019 to 2022 amounting to USD 25.7 million (QAR 93.6 million) citing the provisions of the tax law. Management believes that these amounts are contractually recoverable from KAHRAMAA as per the provisions of the PWPA and accordingly, the Company has not created any provisions in this regard. Currently, the Company is in the process of formulating the appropriate strategy to respond to KAHRAMAA and also obtain consultations from GTA, wherever necessary.

(ii) Qatar Power Q.J.P.S.C. (the “Company”)

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

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

In April 2024, GTA issued an additional income tax assessment for the year 2018 requiring the Company to pay additional taxes of USD 17.8 million (QAR 64.9 million) related to the taxability of foreign shareholders' share of profits. Similar to the above assessments, considering that the taxability of foreign shareholders were not applicable in the erstwhile tax law, the Company is in the process of appealing to the Appeal Committee as the objection filed to the GTA was rejected. However, the Company has no tax exposure as any additional taxes to be borne by the Company will be compensated by KAHRAMAA up to 14 June 2018 as per the letter issued by KAHRAMAA dated 29 May 2016 (pass through arrangement) and thereafter by the Ministry of Finance (MoF) as per the Memorandum of Understanding (“MoU”) signed on 2 February 2020.

(iii) Surkhandarya, Uzbekistan

On 15 March 2024, the Group acquired 35% shareholding in Stone City Energy B.V., a company registered in Netherlands which holds 75% in SCE-Quvvat LLC, a project company in Uzbekistan. The project company is established to design, construct, maintain and operate a greenfield combined-cycle gas turbine (CCGT) power plant of 1,590MW capacity and associated infrastructure in Surkhandarya region in Uzbekistan.

(iv) Nebras Oasis and Baltic (IPP1 and IPP4)

On 27 March 2024, the Group purchased additional shareholding in Nebras Power Oasis Ltd. and Nebras Power Baltic Holding B.V. (revised holding of 83.33% each). These two entities respectively hold 60% interests in IPP1 (Nebras Power Jordan PSC) and IPP4 (Nebras Power Baltic Holding B.V.), two gas fired power plants in Jordan. The investees continue to be accounted as an associate in the group's condensed consolidated interim financial information as the additional purchase did not result in obtaining absolute or joint control.

8. Equity investments at fair value through other comprehensive income

	30 September 2024 (Reviewed)	31 December 2023 (Audited)
At 1 January	2,017,318	2,322,763
Disposals during the period / year	-	(316,732)
Net change in fair value	<u>132,588</u>	<u>11,287</u>
End of the period / year	<u>2,149,906</u>	<u>2,017,318</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 (2023: 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.

	30 September 2024 (Reviewed)	31 December 2023 (Audited)
Gross investment in the lease	767,253	942,979
Less: Unearned finance income	<u>(127,673)</u>	<u>(178,091)</u>
Present value of minimum lease receivable	<u>639,580</u>	<u>764,888</u>

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

	30 September 2024 (Reviewed)	31 December 2023 (Audited)
Non-current portion	459,330	594,806
Current portion	<u>180,250</u>	<u>170,082</u>
	<u>639,580</u>	<u>764,888</u>

10. Cash and bank balances

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

	30 September 2024 (Reviewed)	31 December 2023 (Audited)	30 September 2023 (Reviewed)
Cash at bank – call and current accounts (i)	1,024,376	1,026,403	1,238,146
Term deposits (ii)	2,112,873	2,755,630	4,390,150
Cash in hand	86	<u>5,278</u>	<u>75</u>
Cash and bank balances	<u>3,137,335</u>	<u>3,787,311</u>	<u>5,628,371</u>
Less: Term deposits with original maturity of over 90 days	<u>(1,844,277)</u>	<u>(1,633,298)</u>	<u>(3,488,493)</u>
Cash and cash equivalents for the purpose of the condensed consolidated statement of cash flows	<u>1,293,058</u>	<u>2,154,013</u>	<u>2,139,878</u>

(i) Cash held in bank current accounts earns no interest.

(ii) Term deposits are made at varying terms depending on the immediate cash requirements of the Group and interest is earned at the market rates.

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

Notes to the condensed consolidated interim financial information As at and for the nine-month period ended 30 September 2024

In thousands of Qatari Riyals

11. Share capital

	30 September 2024 (Reviewed)	31 December 2023 (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 and paid cash dividends as follows:

- (i) Annual dividend of QAR 0.86 per share totalling to QAR 946 million for the year 2023 (30 September 2023: QAR 0.95 per share totalling to QAR 1,045 million for the year 2022).
- (ii) Interim dividend of QAR 0.25 per share totalling to QAR 275 million for the half-year ended 30 June 2024 (30 September 2023: Nil).

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. Loans and borrowings

	30 September 2024 (Reviewed)	31 December 2023 (Audited)
At the beginning of the period / year	6,861,512	11,118,807
Additional borrowings during the period / year	258,678	124,666
Repayment during the period / year	(224,090)	(4,399,450)
Derecognition on deconsolidation of subsidiaries	-	(79,571)
Effects of movement in exchange rates	(56,670)	97,060
	<u>6,839,430</u>	<u>6,861,512</u>
Unamortized arrangement fee	(27,915)	(43,220)
At the end of the period / year	<u>6,811,515</u>	<u>6,818,292</u>

The Group has obtained loans for its production facilities of RAF A1, RAF A2, RAF A3 and RAF B2, which are secured through pledge of these production facilities.

Loans and borrowings are presented in the condensed consolidated statement of financial position as follows:

	30 September 2024 (Reviewed)	31 December 2023 (Audited)
Non-current portion	4,978,844	5,000,645
Current portion	<u>1,832,671</u>	<u>1,817,647</u>
	<u>6,811,515</u>	<u>6,818,292</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 30 September		For the nine-month period ended 30 September		31 December
	2024 (Reviewed)	2023 (Reviewed)	2024 (Reviewed)	2023 (Reviewed)	2023 (Audited)
At the beginning of the period / year	487,717	740,609	176,478	888,196	888,196
Equity-accounted investees - share of OCI – net of related tax	(422,849)	226,769	(111,330)	168,029	(598,647)
Cash flow hedges – effective portion of changes in fair value – net of related tax	(23,742)	(9,501)	(24,022)	(19,628)	(42,159)
Cash flow hedges reclassified to profit or loss on derecognition of an associate – net of related tax	-	-	-	(78,720)	(78,720)
Other movements	-	-	-	-	7,808
At the end of the period / year	41,126	957,877	41,126	957,877	176,478

(b) Derivatives

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

	30 September 2024 (Reviewed)	31 December 2023 (Audited)
Assets		
Non-current portion	19,687	24,530
Current portion	2,916	12,265
	22,603	36,795
Liabilities		
Non-current portion	9,799	-
	9,799	-

15. Revenue

(a) Revenue streams

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

	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2024 (Reviewed)	2023 (Reviewed)	2024 (Reviewed)	2023 (Reviewed)
Revenue from electricity	465,791	432,206	1,187,912	1,123,582
Revenue from water	349,791	347,191	1,013,036	996,741
	815,582	779,397	2,200,948	2,120,323

15. Revenue (continued)

(a) Revenue streams (continued)

Revenue from contract with customers (IFRS 15)

	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2024 (Reviewed)	2023 (Reviewed)	2024 (Reviewed)	2023 (Reviewed)
Sale of electricity	292,120	261,711	691,894	632,818
Sale of water	70,254	67,648	182,540	170,048
	<u>362,374</u>	<u>329,359</u>	<u>874,434</u>	<u>802,866</u>

Operating lease revenue – capacity charges (IFRS 16)

	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2024 (Reviewed)	2023 (Reviewed)	2024 (Reviewed)	2023 (Reviewed)
Electricity	173,671	170,494	496,018	490,763
Water	279,537	279,544	830,496	826,694
	<u>453,208</u>	<u>450,038</u>	<u>1,326,514</u>	<u>1,317,457</u>

(b) Disaggregation of revenue from contracts with customers

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

	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2024 (Reviewed)	2023 (Reviewed)	2024 (Reviewed)	2023 (Reviewed)
Primary geographical markets				
Qatar	325,869	293,903	780,625	696,705
Outside Qatar	36,505	35,456	93,809	106,161
	<u>362,374</u>	<u>329,359</u>	<u>874,434</u>	<u>802,866</u>
	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2024 (Reviewed)	2023 (Reviewed)	2024 (Reviewed)	2023 (Reviewed)
Timing of revenue recognition				
Point in time (i)	302,510	279,165	712,620	665,491
Over time (ii)	59,864	50,194	161,814	137,375
	<u>362,374</u>	<u>329,359</u>	<u>874,434</u>	<u>802,866</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 September		For the nine-month period ended 30 September	
	2024 (Reviewed)	2023 (Reviewed)	2024 (Reviewed)	2023 (Reviewed)
Cost of gas consumed	385,239	366,213	973,307	933,909
Depreciation of property, plant and equipment	83,456	87,801	247,224	252,793
Staff costs	41,487	41,909	131,353	128,206
Spare parts, chemicals and consumables	22,395	17,508	57,806	48,078
Others	45,333	55,094	140,055	151,961
	577,910	568,525	1,549,745	1,514,947

17. Other income

	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2024 (Reviewed)	2023 (Reviewed)	2024 (Reviewed)	2023 (Reviewed)
Dividend income from equity investments at FVOCI	32,277	-	127,704	113,948
Miscellaneous income	16,681	30,881	85,762	92,097
	48,958	30,881	213,466	206,045

18. Earnings per share

Basic earnings per share

Basic earnings per share (EPS) is calculated by dividing the profit attributable to the owners of the Company during the period by the weighted average number of ordinary shares that were outstanding during that period.

	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2024 (Reviewed)	2023 (Reviewed)	2024 (Reviewed)	2023 (Reviewed)
Profit for the period attributable to owners of the Company	509,268	340,431	1,188,922	1,109,011
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 earnings per share (expressed in QAR per share)	0.46	0.31	1.08	1.01

Diluted earnings per share

As at the reporting date, there are no potential dilutive shares, the diluted EPS equals to the basic EPS.

19. 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/or Water) but they are managed separately.

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

The Group's Managing Director and Chief Executive Officer reviews the internal management reports of each segment on a monthly basis.

B. Information about reportable segments

Information related to each reportable segment is set out below. Segment profit or loss for the period is used to measure performance because management believes 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
<i>For the period ended 30 September 2024:</i>			
External revenue	2,171,549	93,809	2,265,358
Inter-segment revenue	89,160	-	89,160
Segment revenue	2,260,709	93,809	2,354,518
Depreciation and amortisation – net of reversals	(209,793)	(47,794)	(257,587)
Finance costs	(245,358)	(54,524)	(299,882)
Interest income	121,988	53,910	175,898
Share of results of equity-accounted investees – net of tax	310,575	294,232	604,807
<i>Other material items of income and expense:</i>			
Dividend income	127,343	361	127,704
Segment profit before tax	889,248	346,115	1,235,363
<i>As at 30 September 2024:</i>			
<i>Segment assets</i>			
Property, plant and equipment	4,075,176	1,418,432	5,493,608
Equity-accounted investees	4,040,966	4,644,757	8,685,723
Cash and bank balances	2,895,213	242,122	3,137,335
Other assets	3,962,624	1,750,807	5,713,431
	14,973,979	8,056,118	23,030,097
<i>Segment liabilities</i>			
Loans and borrowings	4,783,246	2,028,269	6,811,515
Other liabilities	999,099	154,100	1,153,199
	5,782,345	2,182,369	7,964,714

19. Operating segments (continued)

B. Information about reportable segments (continued)

Information related to each reportable segment as at the comparative period is set out below:

	Operations in Qatar	Operations outside Qatar	Consolidated interim financial information
<i>For the period ended 30 September 2023:</i>			
External revenue	2,071,610	106,161	2,177,771
Inter-segment revenue	<u>68,846</u>	<u>-</u>	<u>68,846</u>
Segment revenue	<u>2,140,456</u>	<u>106,161</u>	<u>2,246,617</u>
Depreciation and amortisation – net of reversals	(240,184)	(40,440)	(280,624)
Finance costs	(312,302)	(84,953)	(397,255)
Interest income	209,593	23,050	232,643
Share of results of equity-accounted investees – net of tax	301,544	225,859	527,403
<i>Other material items of income and expense:</i>			
Dividend income	113,948	-	113,948
Gain on disposal of asset held-for-sale	77,652	-	77,652
Segment profit before tax	950,102	157,572	1,107,674
<i>As at 31 December 2023</i>			
<i>Segment assets</i>			
Property, plants and equipment and work in progress	4,251,067	1,606,730	5,857,797
Equity-accounted investees	4,014,759	4,289,876	8,304,635
Cash and bank balances	1,618,518	2,168,793	3,787,311
Other assets	<u>3,725,852</u>	<u>1,614,151</u>	<u>5,340,003</u>
	<u>13,610,196</u>	<u>9,679,550</u>	<u>23,289,746</u>
<i>Segment liabilities</i>			
Loans and borrowings	3,310,190	3,508,102	6,818,292
Other liabilities	<u>899,903</u>	<u>362,925</u>	<u>1,262,828</u>
	<u>4,210,093</u>	<u>3,871,027</u>	<u>8,081,120</u>

C. Geographic information

The Group's operations in Qatar constitutes to 95.9% (30 September 2023: 95.1%) of consolidated revenue, 71.9% (30 September 2023: 85.8%) of the consolidated profits for the period, and 65.1% (31 December 2023: 58.4%) 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, Bangladesh, Jordan, Oman, Australia, United Kingdom, and other geographies.

D. Major customers

In the state of Qatar, the Group produces power and water as per the Power and/or Water Purchase Agreements with the Off taker (KAHRAMAA). Outside Qatar, the Group has similar agreements with the local government and non-government distribution companies.

20. Commitments and contingent liabilities

	30 September 2024 (Reviewed)	31 December 2023 (Audited)
(a) Commitments:		
Corporate guarantees issued on behalf of equity-accounted investees	1,181,443	951,207
Letter of credits	358,886	331,089
Others	462	-
	<u>1,540,791</u>	<u>1,282,296</u>
(b) Other commitments:		
Notional amount of interest rate swaps (derivative financial instruments)	<u>1,065,453</u>	<u>537,787</u>
	<u>2,606,244</u>	<u>1,820,083</u>

Other contingencies:

(i) Ras Laffan Power Company Q.P.S.C. ("the Company")

During 2022, The General Tax Authority ("GTA") had issued a presumptive tax assessment for the financial year 2016, requiring the Company to pay additional taxes of QAR 27.7 million (including penalty of QAR 13.9 million) and is currently awaiting response from the Tax Appeal Committee. In addition, during the previous year, the GTA also issued an additional assessment for the financial year 2017, claiming additional QAR 16.1 million (including penalty of QAR 8.1 million). Similar to the previous assessment, the Company has appealed to the Tax Appeal Committee when the objection filed to the GTA was rejected and the response is pending.

(ii) Salgueiro Solar Holding S.A., Brazil ("the Company")

During 2022, the EPC contractor of the Salgueiro plants ("SNEF Brasil") had filed for an arbitration against the company claiming extra costs on account of force majeure, additional works and owner caused delays (claim amount - QAR 39.5 million). Subsequently, the Company had filed their rejections along with a counterclaim with the Arbitral Tribunal on the grounds of breach of contract and indemnification for the losses incurred from SNEF Brasil's failure to properly execute and complete the work as per the agreed terms (claim amount - QAR 26.1 million). As at the reporting date, the parties have submitted their final statements to the Arbitral Tribunal and the response is pending.

21. 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:

21. Related party disclosures (continued)

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

Name of the party	Nature of the transactions	For the three-month period ended 30 September		For the nine-month period ended 30 September	
		2024 (Reviewed)	2023 (Reviewed)	2024 (Reviewed)	2023 (Reviewed)
Shareholders:					
KAHRAMAA	Sale of electricity	429,286	396,750	1,094,103	1,017,421
	Sale of water	349,791	347,191	1,013,036	996,741
	Lease interest	18,800	18,726	64,410	57,448
QatarEnergy	Cost of gas consumed	385,239	366,213	973,307	933,909
Equity-accounted investees:					
Ras Girtas Power	Secondment income	1,915	1,915	5,744	5,744
Umm Al Houl Power	Secondment income	1,732	1,732	5,194	5,194
Qatar Power	Secondment income	1,313	1,313	3,940	3,867
Mesaieed Power	Secondment income	546	546	1,640	1,640
Equitix Aragorn	Interest income	36,293	-	36,293	-
NEC Energia	Interest income	-	-	-	8,623
SCE-QUVVAT	Interest income	9,660	-	9,660	-
SCE-QUVVAT	Fee income	7,305	-	7,305	-
AES Jordan Solar	Interest income	5,350	-	5,350	-
Nebras Power Baltic	Fee income	609	-	609	-
Nebras IPC Power	Interest income	242	-	242	-
Zonnepark Duistereweg	Fee income	15	-	15	-
Zonnerpark Mosselbank Terneuzen	Fee income	-	-	-	7,385
Other related parties	Fee income	11	-	11	-

b) Loans receivable from related parties

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

	30 September 2024 (Reviewed)	31 December 2023 (Audited)
At the beginning of the period / year	1,144,340	60,702
Additional loans granted during the period / year	386,256	589,603
Reclassifications made during the period / year	(23,391)	494,035
Recoveries made during the period / year	(34,532)	-
Effects of movements in exchange rates	(23,263)	-
At the end of the period / year	1,449,410	1,144,340

21. Related party disclosures (continued)

c) Receivables from related parties

	30 September 2024 (Reviewed)	31 December 2023 (Audited)
Shareholders:		
KAHRAMAA	749,049	658,254
QatarEnergy	14,373	14,373
Equity-accounted investees:		
Enersok FE LLC	12,138	12,138
Umm Al Houl Power Q.P.S.C.	3,534	1,921
Qatar Power Q.P.J.S.C.	1,313	1,488
Ras Girtas Power Company Q.P.S.C.	1,276	1,489
Nebras Power Baltic Holdings B.V.	938	-
Nebras Power Oasis Ltd	915	18
Mesaieed Power Company Limited Q.P.S.C.	650	1,015
AES Jordan PSC	183	6,414
Nebras-IPC Power Development Ltd	19	303
Equitix Aragorn Holdco Ltd.	-	2,128
Zonnepark Mosselbanken Terneuzen B.V.	-	115
Zonnepark Duisterweg	-	21
IPM Asia Pty Ltd	-	19
Other related parties:		
Others	-	8
	<u>784,388</u>	<u>699,704</u>

d) Payables to related parties

	30 September 2024 (Reviewed)	31 December 2023 (Audited)
Shareholders:		
KAHRAMAA	140,160	142,586
QatarEnergy	170,601	156,077
Other affiliates	211	9,463
	<u>310,972</u>	<u>308,126</u>

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

e) Compensation of key management personnel

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

	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2024 (Reviewed)	2023 (Reviewed)	2024 (Reviewed)	2023 (Reviewed)
Management remuneration – short term	1,134	1,052	4,909	3,519
Directors' fees – short term	1,444	4,730	12,711	15,022
Board Committee remuneration – short term	258	257	773	773
	<u>2,836</u>	<u>6,039</u>	<u>18,393</u>	<u>19,314</u>

22. 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 September 2024, the Group held the following classes of financial instruments measured at fair value:

Derivative and non-derivative financial assets / (financial liabilities)	Classification	Carrying value	Fair value	Fair value Hierarchy
Cash and bank balances	Amortised cost	3,137,335	-	-
Trade and other receivables	Amortised cost	1,073,289	-	-
Equity investments at FVOCI	FVOCI	2,149,906	2,149,906	Level 1
Loans receivable from related parties	Amortised cost	1,449,410	-	-
Derivative assets	FVOCI	22,603	22,603	Level 2
Assets held-for-distribution	Fair value less costs to sell	80,309	80,309	Level 3
Liabilities held-for-distribution	Other financial liabilities	(72,692)	(72,692)	Level 3
Loans and borrowings	Amortised cost	(6,811,515)	(6,811,515)	-
Derivative liabilities	Other financial liabilities	(9,799)	(9,799)	Level 2
Lease liabilities	Other financial liabilities	(46,850)	-	-
Trade and other payables (excluding derivative financial liabilities)	Other financial liabilities	(905,164)	-	-

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

Derivative and non-derivative financial assets / (financial liabilities)	Classification	Carrying value	Fair value	Fair value Hierarchy
Cash and bank balances	Amortised cost	3,787,311	-	-
Trade and other receivables	Amortised cost	856,257	-	-
Equity investments at FVOCI	FVOCI	2,017,318	2,017,318	Level 1
Loans receivable from related parties	Amortised cost	1,144,340	-	-
Derivative assets	FVOCI	36,795	36,795	Level 2
Assets held-for-distribution	Fair value less costs to sell	186,385	186,385	Level 3
Liabilities held-for-distribution	Other financial liabilities	(168,650)	(168,650)	Level 3
Loans and borrowings	Amortised cost	(6,818,292)	(6,818,292)	-
Lease liabilities	Other financial liabilities	(55,817)	-	-
Trade and other payables (excluding derivative financial liabilities)	Other financial liabilities	(916,392)	-	-

During the reporting period ended 30 September 2024 and year ended 31 December 2023, there were no transfers between Level 1, Level 2, and Level 3 fair value measurements.

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:

22. Fair values of financial instruments (continued)

- 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.

23. Disposal group held-for-distribution

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

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

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

	30 September 2024 (Reviewed)	31 December 2023 (Audited)
Assets held-for-distribution:		
Trade and other receivables	60,932	177,107
Cash and cash equivalents	19,317	9,272
Others	60	6
	80,309	186,385
Liabilities held-for-distribution:		
Trade and other payables	72,692	168,650
	72,692	168,650

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

ii) Cash flows from disposal group held-for-distribution

	For the nine-month period ended 30 September	
	2024 (Reviewed)	2023 (Reviewed)
Cash generated from / (used in) operating activities	9,530	(18,631)
Cash generated (used in) / from investing activities	(55)	125
Net change in cash and cash equivalents	<u>9,475</u>	<u>(18,506)</u>
Cash and cash equivalents at the beginning of the period / year	9,272	11,217
Effects of movements in exchange rates on cash held	570	16,265
Cash and cash equivalents at the end of the period / year	<u>19,317</u>	<u>8,976</u>

The profit / (loss) from the discontinued operations generated during the period amounted to QAR (667) thousand (30 September 2023: QAR 11,842 thousand), out of which QAR (400) thousand is attributed to the owners of the Company (30 September 2023: QAR 7,105 thousand) and QAR (267) thousand is attributed to the non-controlling interests (30 September 2023: QAR 4,737 thousand).

24. 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.

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