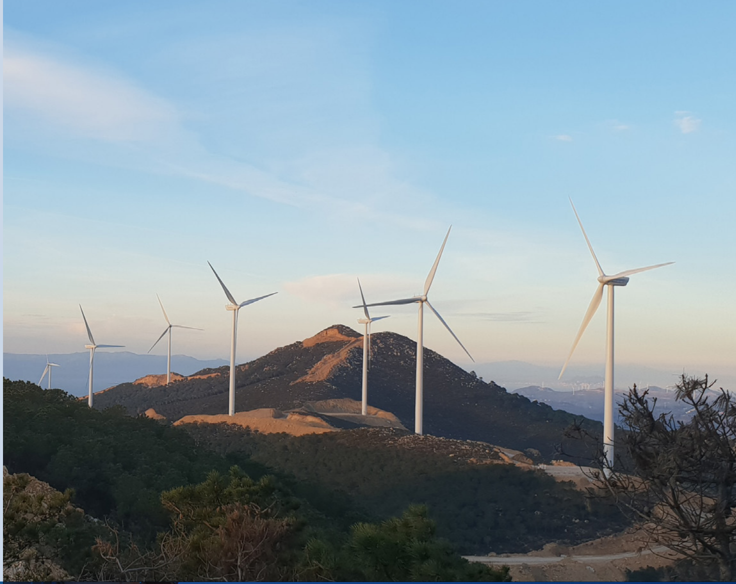

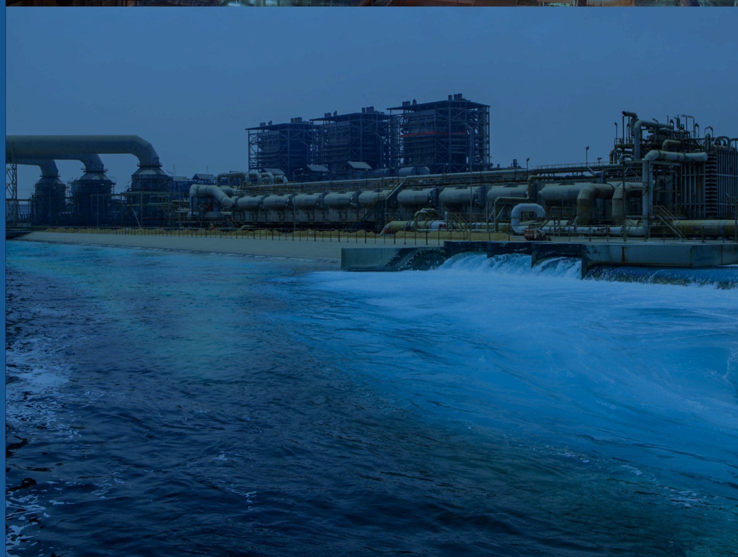

ACWA POWER Company (ACWA Power)

Investor Report
For the three- and nine-months periods ended 30 September 2022 “Third Quarter and Nine-Month 2022”

CEO's Letter

Dear stakeholders,

During a quarter marked by rising interest rates and tumbling risk sentiment, we have achieved several important milestones in our project development and operational platforms while delivering a robust financial performance with both operating profit[1] and adjusted net profit growing versus last year.

In addition to the signing of a share purchase agreement with China's Silk Road Fund as co-investor for 49% of the SAR3.75billion, 1.5GW Sirdarya combined cycle gas turbine (CCGT) facility in Uzbekistan, we also signed the Heads of Terms agreement with Uzbekistan's Ministry of Energy and Ministry of Investment & Foreign Trade for a SAR9billion, 1.5GW wind project, located in Karakalpakstan, Uzbekistan.

On the operational side, we brought the Naqa'a IWP, located in the Emirate of Umm Al Quwain, UAE, fully online, which reached its full capacity of 681.9 thousand cubic meter/day desalinated potable water, following its partial achievement of commercial operation back in December 2021 with 33% of its full capacity.

Just as we entered the last quarter of the year, and ahead of schedule, the second 300MW unit of the Shuaa Energy 3 became operational, carrying the total online capacity of the plant to 600MW. Once the remaining under-construction 300MW is complete approximately in a year's time, total capacity of the plant will reach the contracted capacity of this solar PV IPP, representing the Phase V of the MBR Solar Park located in the Emirate of Dubai, UAE.

As another significant milestone, just before the end of October, we successfully achieved the financial close for the Shuaibah 3 IWP Project and raised approximately SAR 2.4 billion of senior debt facilities arranged on a non-recourse project finance basis from a consortium of financiers. Replacing our existing Shuaibah co-generation plant by converting it to a reverse osmosis water desalination plant with an estimated total investment cost of SAR 3.1 billion, once completed this project will save about 9 million tons per annum of CO_2 emissions.

I expect this momentum to continue in the rest of the year with a few more financial closes substantially ready to be closed; the bidding process for the Saudi Power Procurement Company's (SPPC) fourth phase of the National Renewable Energy Program with a total capacity of 3.3GW already announced; and the expected PPA signing for the development of the next mega renewable energy projects in the PIF Renewable Energy deployment pipeline.

While we are all navigating the global economic headwinds that are spinning in multiple directions, it is a privilege to witness continuing investor confidence since our initial public offering back in October 2021. This is a testament to the strength and resilience of our business model and the 3,900-strong ACWA Power family. These two indispensable and intermingled elements constitute the backbone of ACWA Power's winning proposition, which allowed us to steer through the recent unexpected global disruptions and will continue to do so to deliver on our targets and commitments to create uninterrupted sustainable value for all our stakeholders.

Paddy Padmanathan

Vice Chairman and CEO

1 Operating profit before impairment loss and other expenses.

Highlights (as at and year-to-date 30 September 2022)

Asset Portfolio

67 ASSETS

ACWA Power's portfolio consists of 42 operational, 11 under construction and 14 advanced development assets. Gross power generation and water desalination capacity of the portfolio reached 42.7 GW and 6.2 million cubic meters per day, with a portfolio value of SAR 249.2 billion at Total Investment Cost (TIC).

15.7 GW renewable assets capacity

36.7% gross power capacity

Renewable and Low Co_2

At 15.7 GW, renewable assets represented 36.7% of gross power capacity, and, including natural gas projects, the ratio of low CO2 emitting assets constituted 85% of ACWA Power's gross power generation capacity as at 30 September 2022. A pioneer in globally landmark large-scale initiatives such as green hydrogen and giga-cities together with its JV partners, ACWA Power is dedicated to reduce its carbon intensity gradually targeting to reach net zero emissions status by 2050.

net zero emissions by 2050

Financial Highlights

Operating income before impairment loss and other expenses
1,877 SAR mn
11.2 %

Profit attributable to equity holders of parent
883 SAR mn
110.4 %

Adjusted profit attributable to equity holders of parent
858 SAR mn
6.8 %

Operational Highlights

87.3% Power Availability
(9M2021: 89.9%)

96.3% Water Availability
(9M2021: 92.7%)

ACWA POWER COMPANY AND ITS SUBSIDIARIES (Saudi Listed Joint Stock Company) (“ACWA Power” or the “Company”)

Management’s discussion and analysis of the financial results for the three- and nine-months periods ended 30 september 2022

1- Introduction

This section provides an analytical review of the financial results of ACWA Power for the three- and nine-months periods ended 30 September 2022 (collectively the “first nine months of 2022” or “9M2022”), and it should be read in conjunction with the Company’s Interim Condensed Consolidated Financial Statements and Independent Auditor’s Review Report for the Three- and nine-months Periods Ended 30 September 2022 issued by Ernst & Young & Co. (Certified Public Accountants).

All amounts are in SAR (or SR) thousand, unless stated herein otherwise. Percentages have also been rounded up to available number of digits presented in the tables. A calculation of the percentage increase/decrease based on the amounts presented in the tables may not therefore be exactly equivalent to the corresponding percentages as stated.

“Current Quarter” or “3Q2022” or “the third quarter of 2022” corresponds to the three-months period ended 30 September 2022 whereas “3Q2021” or “the third quarter of 2021” corresponds to the three-months period ended 30 September 2021. “Year-to-date” or “9M2022” or “9M2021” corresponds to the nine-months period ended 30 September of the year mentioned.

In the Company’s Interim Condensed Consolidated Financial Statements and Independent Auditor’s Review Report for the Three- and nine-months Periods Ended 30 September 2022 issued by Ernst & Young & Co. (Certified Public Accountants), certain figures for the prior periods have been reclassified to conform to the presentation in the current period. Please refer to the Company’s Interim Condensed Consolidated Financial Statements and Independent Auditor’s Review Report for the Three- and nine-months Periods Ended 30 September 2022, Note 23.

This section may contain data and statements of forward-looking nature that may entail risks and uncertainties. The Company’s actual results could differ materially from those expressed or implied in such data and statements as a result of various factors.

2- Key factors affecting the comparability of operational and financial results between reporting periods

Although the Company's business model of Develop, Invest, Operate, Optimize allows it to generate and capture returns over the full life cycle of a project, these returns may differ from one reporting period to another, depending on the number of projects in the Company's portfolio and where these projects are in their project life cycles (i.e., in advanced development, under construction or in operation). Projects achieving financial close ("FC") and projects achieving either initial or final commercial operation dates ("ICOD" or "PCOD" respectively) are typical examples that may lead to such variances in the values presented on the financial statements from one period to another, potentially rendering analysis of these variations unreasonable without additional transparency.

The Company considers this or similar type of transactions as "ordinary course of business." Accordingly, the financial value of these transactions does not lead into any "financial adjustment" in the Company's reported consolidated net profit for the period attributable to equity holders of the parent ("Reported Net Profit"). Material ordinary-course-of-business transactions that did not result in adjustment to the Reported Net Profit for the Current Quarter are disclosed in Section 2.1 below.

In addition to above, there may be transactions that the management would consider as non-routine or non-operational as they are non-recurring in nature insofar as they are not expected to repeat in the future. The impact of such transactions on the Reported Net Profit are adjusted in the respective period of their realizations to arrive at adjusted net profit attributable to equity holders of the parent ("Adjusted Net Profit") for the concerned period. Material transactions that resulted in adjustment to the Reported Net Profit for the Current Quarter are disclosed in Section 2.2 below.

A summary table for all transactions that the Company considered within the above-defined framework during the past 21 months (from 1 January 2021 to 30 September 2022), excluding lists of FCs and ICODs that are separately covered in Section 2.1, is provided below for ease of reference. Transactions that have affected the Current Quarter, if any, are separately discussed and analyzed in sections 2.1 and 2.2. For all other transactions in prior periods please refer to the summary table below, the Company's Investor Report for the corresponding period or to the IPO Prospectus.

Key factors affecting the comparability of operational and financial results between reporting periods								
		2021				2022		
Nature	Transaction	1Q	2Q	3Q	4Q	1Q	2Q	3Q
No adjustment to reported net profit	STPC bond issuance	✓						
	Sukuk issuance		✓					
	RAWEC Refinancing				✓	✓		
	IPO proceeds				✓			
	Hassyan coal agreement				✓			
	Declared dividends				✓			
	Sqwec sell down					✓		
	SWEC Restructuring						✓	
	Sirdarya Divestment							✓
	SRF prepayment							✓
Adjustment to reported net profit	SWEC impairment reversal	✓						
	LTIP provision	✓						
	Kirikkale provision/reversal	✓	✓	✓	✓	✓	✓	
	Impairment of Barka goodwill		✓					
	Provision for zakat and tax on prior year assessments		✓		✓			
	IPO bonus and incentive plan			✓				
	SQWEC Impairment			✓	✓			
	Gain on remeasurement of [call] options the Group has on projects				✓			
	Nam Dinh reversal of provision						✓	

Source: Company information. Shaded column depicts Current Quarter.

2.1 Material ordinary-course-of-business transactions that did not result in adjustment to the Reported Net Profit for the Current Quarter

2.1.1 Projects achieving financial close

When a project has access to funding from lenders, it achieves its FC and the Company becomes entitled to recognize development fees as revenue and recover its project development and bidding costs and reverse any related provisions. Following the FC, the project typically earns additional service fees such as project and construction management fees, which are recognized during the construction period that a project embarks upon as soon as the FC has been achieved. The following table lists all projects that achieved their respective FCs in the past 21 months to 30 September 2022.

Financial Closes in the past 21 months (September 2022—January 2021)						
Month	Project	Location	Project Cost SAR Million	Contracted Capacity (Power: MW / Water: Thousand m3/day))	Accounting Type	ACWA Power's Share
Dec'21	The Red Sea Project	Saudi Arabia	5,966	340 MW / 33 m3/day	EAI	50.1%
Oct'21	Jizan IGCC	Saudi Arabia	45,000	3800 MW	EAI	21.25%
Sep'21	Sirdarya CCGT IPP	Uzbekistan	4,500	1500 MW	Subsidiary	100.00%
Jul'21	Sudair PV IPP	Saudi Arabia	3,563	1500 MW	EAI	35.00%
May'21	Redstone CSP IPP	South Africa	3,000	100 MW	EAI	49.00%

Source: Company information

2.1.2 Projects achieving commercial operation dates

A project starts providing power and water under the Offtake Agreement to the Offtaker in the year it achieves its ICOD or PCOD and begins recognizing revenue and charging costs in profit or loss statement.

The following table lists all projects that achieved their respective ICOD or PCOD and thus started contribution to the Company's results including O&M income in the past 21 months to 30 September 2022.

ICOD/PCOD in the past 21 months (September 2022—January 2021)						
ICOD	PCOD	Project	Location	Online Capacity1 (Power: MW / Water: Thousand m3/day))	Accounting Type	Acwa Power's Share
	Aug-22	UAQ IWP	UAE	682 M3/day	EAI	40.00%
	Jun-22	Al Dur 2 (Power)	Bahrain	1500 MW	EAI	60.00%
	Jun-22	Al Dur 2 (Water)	Bahrain	227 M3/day	EAI	60.00%
Jun-22		Taweelah IWP	UAE	455 M3/day	EAI	40.00%
May-22		DEWA V PV (partial)	UAE	400 MW	EAI	24.00%
Dec-21		UAQ IWP (partial)	UAE	227 M3/day	EAI	40.00%
Dec-21		Noor Energy 1 (PV-1) (partial)	UAE	217 MW	EAI	24.99%
	Dec-21	Rabigh 3 IWP	Saudi Arabia	600 M3/day	Subsidiary	70.00%
Oct-21		Jizan IGCC1	Saudi Arabia	1500 MW	EAI	21.25%
Sep-21		Hassyan IPP (Unit 2)	UAE	600 MW	EAI	26.95%
	Aug-21	Ibri 2 PV IPP	Oman	500 MW	EAI	50.00%
Jul-21		DEWA V PV (partial)	UAE	300 MW	EAI	24.00%
May-21		Al Dur 2 (Power)	Bahrain	1500 MW	EAI	60.00%
	Mar-21	Salalah IWP	Oman	114 M3/day	EAI	50.10%
Feb-21		Al Dur 2 (Water) (partial)	Bahrain	114 M3/day	EAI	60.00%

Source: Company information. [1] Online capacity that is in operation as at the stated date.

Details for the Company's entire portfolio of projects can be found on the Company's website (www.acwapower.com).

2.1.3 Divestment of the Sirdarya CCGT

On 14th September 2022, ACWA Power entered into a Sale Purchase Agreement ("SPA") with Silk Road Fund of China – CVXF Inc. for the sale of a 49% stake in its wholly owned subsidiary, ACWA Power Uzbekistan Project Holding Company ("the Investee Company" or "Sirdarya"). The Investee Company holds 100% stake in ACWA Power Sirdarya ("the Project Company"). Legal formalities in relation to disposal are expected to complete by 31 December 2022, at which date related transactional gain or loss will be recognized. Accordingly, on the accompanied consolidated financial statements, assets and liabilities of Sirdarya are presented as held for sale.

2.1.4 Prepayment of outstanding SRF convertible loan

During 2018, ACWA Renewable Energy Holdings Limited ("APREH") entered into a convertible, interest bearing loan agreement with the Silk Road Fund of China (CVXF Inc.) at an amount of SAR 1,361.2 million, which was partly exercised and converted into equity. On account of lower probability of additional conversion in the future, the Company fully prepaid the remaining outstanding balance during the Quarter. For more details on the SRF convertible loan, please refer to the Company IPO Prospectus.

2.2 Material transactions that resulted in adjustment to the Reported Net Profit for the Current Quarter

There was no transaction in the Current Quarter that resulted in adjustment to the Reported Net Profit for the Current Quarter. For all other transactions and their corresponding impact on the related financial results in prior periods please refer to the summary table above, the Company's Investor Report for the corresponding period or to the IPO Prospectus.

3- Discussion and analysis of management's key financial indicators

ACWA Power's management uses several key performance metrics internally to review the Group's financial performance. These metrics are defined and analyzed below.

Operating income before impairment loss and other expenses	Consolidated Operating income before impairment loss and other expenses which also includes share in net results of equity accounted investees
Adjusted profit / (loss) attributable to equity holders of the parent	Adjusted profit / (loss) attributable to equity holders of the parent represent profit / (loss) after adjusting for non-routine & non-operational items
Parent Operating Cash Flow (POCF)	(i) Distributions from the project companies and NOMAC; (ii) technical and other management fees and development revenues; and (iii) cash generated by sell-downs and/or disposals of the Company's investments including refinancing. These cash inflows are then reduced by parent level general, administrative and Zakat expenses as well as the financial payments relating to the non-recourse Bond.
Total parent net leverage	(i) Borrowings with recourse to the parent and (ii) Off-balance sheet guarantees in relation to Equity Bridge Loans (EBLs) and Equity LCs; equity-related commitments and guarantees on behalf of its JVs and subsidiaries; options entered with the lenders of mezzanine debt facilities taken by the Company's JVs and subsidiaries, net of cash on hand.
Parent net leverage ratio	• Parent level debt to net tangible equity attributable to owners of the Company • Parent net debt to POCF

The Company intends to report Operating income before impairment loss and other expenses and the Adjusted profit/(loss) attributable to equity holders of the parent on a quarterly basis whereas the remaining KPIs on the parent's cash and leverage are intended to be reported on a semi-annual basis, unless there is a material need to report more frequently.

3.1 Operating income before impairment loss and other expenses

SAR in millions	Third quarter (3Q)			Nine months (9M)		
	2022	2021	% change	2022	2021	% change
Operating income before impairment loss and other expenses	**653**	605	7.8%	**1,877**	1,688	11.2%

Source: Reviewed financial statements.

3.1.1 For the nine-months period ended 30 September 2022 ("9M2022")

Operating income before impairment loss and other expenses for 9M2022 was SAR 1,877 million, growing by 11.2%, or SAR 189 million, from SAR 1,688 million in 9M2021. The higher variance was mainly due to: (i) new contribution from projects that achieved their ICOD/PCODs during or after 9M2021 and the O&M income from the same projects (see 2.1.2 Projects achieving ICOD/PCOD); (ii) recognition of performance liquidated damages recovery of SAR 79 million in NOOR III project in Morocco; (iii) higher employee long-term incentive plan (LTIP) expense in 9M2021 that was recognized for both full year 2020 and 9M2021; and (iv) higher project development costs provision in 9M2021. These were partially offset by: (i) reversal of an impairment loss of SWEC thus resulting in higher operating income in 9M2021; and (ii) lower finance lease income and share in net results of equity accounted investees excluding those from new operations, net of tax, mainly due to the ongoing extended outages in four plants, three of which are currently back in operation.

3.1.2 For the three-months period ended 30 September 2022 ("3Q2022")

Operating income before impairment loss and other expenses for 3Q2022 was SAR 653 million, growing by 7.8%, or SAR 47 million, from SAR 605 million in 3Q2021. Main drivers of this increase were new contribution from projects that achieved their ICOD/PCODs during or after 3Q2021 and the O&M income from the same projects (see 2.1.2 Projects achieving ICOD/PCOD). Higher provision for project development costs in 3Q2021 further increased the positive variance for the Quarter. These were partially offset by the financial impact of lower availability due to plants outages during the Current Quarter.

3.2 Adjusted profit attributable to equity holders of parent (Adjusted Net Profit)

SAR in millions	Third quarter (3Q)			Nine months (9M)		
	2022	2021	% change	2022	2021	% change
Profit/(loss) attributable to equity holders of the parent (Reported Net Profit)	**342**	**(27)**	**NA**	**883**	**420**	**110.4%**
Adjustments:						
Impairment in relation to subsidiaries and equity accounted investees, net		29			59	
Provision for zakat and tax on prior year assessments					11	
Provision/(reversal) on due from related party		1		(12)	5	
Provision for long-term incentive plan					29	
Provision/(reversal) on Vietnam coal project development costs				(14)		
IPO incentive plan grants expense		280			280	
Total adjustments		**310**		**(26)**	**383**	
Adjusted profit attributable to equity holders of the parent (Adjusted net profit)	**342**	**283**	**20.8%**	**858**	**803**	**6.8%**

Source: Company information

3.2.1 For the nine-months period ended 30 September 2022 ("9M2022")

Adjusted Net Profit for 9M2022 was SAR 858 million, higher by 6.8%, or SAR 55 million, from SAR 803 million in 9M2021.

During 9M2022 the Company has adjusted for the financial impact of two transactions resulting in a reduction in the consolidated Reported Net Profit by SAR 26 million to adjust the positive impact of reversal of the respective provisions in relation to the receivables of a related party (Kirikkale, Turkey) and the project development cost for the Vietnam project that is no more required to pay following the completion of the transfer of the Company's effective shareholding to a new partner. In the comparative period in 2021, five transactions resulted in an increase of SAR 383 million in the consolidated Reported Net Profit, as listed in the above table.

Management's discussion and analysis on transactions resulting in adjustments to the consolidated Reported Net Profit for the Current Quarter is provided above in Section 2.2 Material transactions that resulted in adjustment to the Reported Net Profit for the Current Quarter. For discussion and analysis on all other transactions in prior periods resulting in adjustments to the consolidated Reported Net Profit, please refer to the Company's Investor Report for the corresponding period available at https://www.acwapower.com/en/investor-relations/results-reports-and-presentations/results-and-reports/.

Consolidated Reported Net Profit

Consolidated Reported Net Profit attributable to equity holders of the parent for 9M2022 was SAR 883 million, increasing by 110.4% or SAR 463 million, from SAR 420 million in 9M2021. In addition to higher operating income before impairment loss and other expenses by SAR 189 million (as discussed above in Section 3.1 Operating income before impairment loss and other expenses), the variance was largely driven by:

- lower Impairment Loss and Other Expenses in the Current Period by SAR 282 million, mainly because of the recognition of share-based IPO grant expense (SAR 280 million) in the comparable period in 2021 in line with the Company's disclosures in the IPO Prospectus;
- higher Other Income by SAR 203 million mainly because of higher income earned on deposits in addition to gain on change in fair value of derivatives; and
- higher net loss attributable to Non-controlling Interests (NCI) by SAR 58 million,

which were partly offset by higher Zakat and Tax expenses by SAR 187 million (see below 3.2.1 Zakat & tax expenses) and higher finance charges including exchange (loss) / gain, net by SAR 72 million.

3.2.1.1 Zakat & tax expenses

SAR in millions	Third quarter (3Q)			Nine months (9M)		
	2022	2021	% change	2022	2021	% change
Zakat & tax charges	**(82)**	(38)	115.4%	**(265)**	(78)	241.3%

Source: Reviewed financial statements.

Zakat and tax charges for 9M2022 were SAR (265) million, increasing by 241%, or SAR 187 million, from SAR (78) million in 9M2021. Main driver of this increase was the deferred tax expense of SAR (170) million in 9M2022 because of the depreciation of the Moroccan Dirham (MAD) versus the United States Dollar (USD) during the period, against the deferred tax credit of SAR 27 million in 9M2021, resulting in SAR (197) million of higher tax charges.

Had above temporary deferred tax charges been neutralized, the Company's Reported Net Profit and Adjusted Net Profit in 9M2022 would post 168% and 32% growth, respectively, versus 9M2021.

3.2.2 For the three-months period ended 30 September 2022 ("3Q2022")

Adjusted Net Profit for 3Q2022 was SAR 342 million, increasing by 20.8%, or SAR 59 million, from SAR 283 million in 3Q2021. There were no transactions that are adjusted in the Current Quarter in comparison to three adjustments that have resulted in SAR 310 million increase in the consolidated Reported Net Profit in 3Q2021, mainly due to the impact of the recognition of share-based IPO grant expense (SAR 280 million) in 2021 in line with the Company's disclosures in the IPO Prospectus.

ACWA POWER COMPANY
and its subsidiaries
(Saudi Listed Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REVIEW REPORT

FOR THE THREE AND NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2022

EY
Building a better working world

Ernst & Young Professional Services (Professional LLC)
Paid-up capital (SR 5,500,000 – Five million five hundred thousand Saudi Riyal)
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INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF ACWA POWER COMPANY (A SAUDI LISTED JOINT STOCK COMPANY)

Introduction:
We have reviewed the accompanying interim condensed consolidated statement of financial position of ACWA POWER Company (A Saudi Listed Joint Stock Company) (the "Company") and its subsidiaries (collectively referred to as the "Group") as at 30 September 2022, the related interim condensed consolidated statements of profit or loss and other comprehensive income for the three-month and nine-month periods then ended, and the interim condensed consolidated statements of cashflows and changes in equity for the nine-month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

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

Conclusion:
Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") that is endorsed in the Kingdom of Saudi Arabia.

for Ernst & Young Professional Services

Ahmed Ibrahim Reda
Certified Public Accountant
License No. (356)

Riyadh: 8 Rabi Al-Thani 1444H
(2 November 2022)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Notes	**As at 30 Sep 2022**	As at 31 Dec 2021
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	3	**9,991,493**	11,815,728
Intangible assets		**1,982,627**	1,997,430
Equity accounted investees	4	**12,419,768**	9,433,199
Net investment in finance lease		**11,266,053**	12,372,474
Deferred tax asset		**89,431**	165,004
Fair value of derivatives	19	**943,705**	45,540
Strategic fuel inventories		**29,794**	54,086
Other assets	6.1	**351,699**	156,923
TOTAL NON-CURRENT ASSETS		**37,074,570**	36,040,384
CURRENT ASSETS			
Inventories		**410,645**	425,299
Net investment in finance lease		**355,953**	375,821
Fair value of derivatives	19	**59,853**	-
Due from related parties	7	**983,352**	780,656
Accounts receivable, prepayments and other receivables		**2,964,919**	2,913,617
Cash and cash equivalents	5	**6,428,721**	5,172,921
		11,203,443	9,668,314
Assets held for sale	16.2	**2,787,039**	-
TOTAL CURRENT ASSETS		**13,990,482**	9,668,314
TOTAL ASSETS		**51,065,052**	45,708,698

The attached notes 1 to 24 form an integral part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Notes	**As at 30 Sep 2022**	As at 31 Dec 2021
EQUITY AND LIABILITIES			
EQUITY			
Shareholders' equity			
Share capital		**7,134,143**	7,134,143
Share premium		**5,335,893**	5,335,893
Statutory reserve		**718,763**	718,763
Retained earnings		**2,188,303**	1,307,826
Proposed dividends		**-**	560,000
Equity attributable to owners of the Company before other reserves		**15,377,102**	15,056,625
Other reserves	8	**2,844,254**	(1,572,279)
Equity attributable to owners of the Company		**18,221,356**	13,484,346
Non-controlling interest		**1,278,652**	835,799
TOTAL EQUITY		**19,500,008**	14,320,145
LIABILITIES			
NON-CURRENT LIABILITIES			
Long-term financing and funding facilities	6	**22,573,834**	22,856,753
Due to related parties	7	**853,033**	1,594,852
Equity accounted investees	4	**-**	443,167
Fair value of derivatives	19	**5,581**	362,890
Deferred tax liability		**211,266**	120,404
Deferred revenue		**51,474**	54,331
Employee end of service benefits' liabilities		**178,694**	196,025
Other liabilities	9	**729,604**	674,248
TOTAL NON-CURRENT LIABILITIES		**24,603,486**	26,302,670
CURRENT LIABILITIES			
Accounts payable, accruals and other financial liabilities		**2,994,867**	3,597,981
Short-term financing facilities		**249,519**	186,381
Current portion of long-term financing and funding facilities	6	**978,802**	958,476
Due to related parties	7	**63,113**	83,485
Fair value of derivatives	19	**18,142**	44,058
Zakat and taxation		**230,955**	215,502
		4,535,398	5,085,883
Liabilities associated with assets held for sale	16.2	**2,426,160**	-
TOTAL CURRENT LIABILITIES		**6,961,558**	5,085,883
TOTAL LIABILITIES		**31,565,044**	31,388,553
TOTAL EQUITY AND LIABILITIES		**51,065,052**	45,708,698

The attached notes 1 to 24 form an integral part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Notes	For the three months period ended 30 Sep		For the nine months period ended 30 Sep	
		2022	2021	**2022**	2021
CONTINUING OPERATIONS					
Revenue	11	**1,262,845**	1,268,813	**3,707,840**	3,763,324
Operating costs		**(567,961)**	(560,806)	**(1,736,823)**	(1,693,214)
GROSS PROFIT		**694,884**	708,007	**1,971,017**	2,070,110
Development cost, provision and write offs, net of reversals		**24,575**	(46,160)	**(10,159)**	(95,216)
General and administration expenses		**(211,548)**	(192,783)	**(646,166)**	(647,203)
Share in net results of equity accounted investees, net of tax	4, 16.3	**45,759**	82,527	**261,887**	241,838
Other operating income	12	**99,087**	53,849	**300,009**	118,475
OPERATING INCOME BEFORE IMPAIRMENT LOSS AND OTHER EXPENSES		**652,757**	605,440	**1,876,588**	1,688,004
Impairment loss and other expenses	13	**(17,455)**	(296,458)	**(74,837)**	(356,482)
OPERATING INCOME AFTER IMPAIRMENT LOSS AND OTHER EXPENSES		**635,302**	308,982	**1,801,751**	1,331,522
Other income	9.2	**126,500**	20,180	**224,964**	21,751
Exchange (loss) / gain, net		**(14,466)**	5,289	**(16,075)**	11,980
Financial charges, net	14	**(346,850)**	(293,023)	**(884,130)**	(839,757)
PROFIT BEFORE ZAKAT AND INCOME TAX		**400,486**	41,428	**1,126,510**	525,496
Zakat and tax charge	10.1	**(81,830)**	(37,995)	**(264,827)**	(77,587)
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS		**318,656**	3,433	**861,683**	447,909
DISCONTINUED OPERATIONS					
Loss from discontinued operations / assets held for sale	16.3	**(480)**	(25,295)	**(22,288)**	(13,901)
PROFIT / (LOSS) FOR THE PERIOD		**318,176**	(21,862)	**839,395**	434,008
Profit / (loss) attributable to:					
Equity holders of the parent		**341,704**	(26,941)	**883,424**	419,944
Non-controlling interests		**(23,528)**	5,079	**(44,029)**	14,064
		318,176	(21,862)	**839,395**	434,008
Basic and diluted earnings / (loss) per share to equity holders of the parent (in SR)	15.2	**0.47**	(0.04)	**1.21**	0.65
Basic and diluted earnings per share from continuing operations to equity holders of the parent (in SR)	15.2	**0.47**	0.00	**1.24**	0.67

The attached notes 1 to 24 form an integral part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Notes	**For the three months period ended 30 Sep**		**For the nine months period ended 30 Sep**	
		2022	2021	**2022**	2021
PROFIT / (LOSS) FOR THE PERIOD		**318,176**	(21,862)	**839,395**	434,008
OTHER COMPREHENSIVE INCOME / (LOSS)					
Items that are or may be reclassified subsequently to profit or loss					
Foreign operations – foreign currency translation differences		**(4,700)**	1,092	**(5,001)**	747
Equity accounted investees – share of OCI	4, 8	**823,681**	38,071	**2,651,822**	736,944
Change in fair value of cash flow hedge reserve		**544,457**	24,580	**1,895,161**	289,916
Settlement of cash flow hedges transferred to profit or loss		**(17,824)**	(2,235)	**(43,822)**	(31,258)
Cash flow hedge reserve recycled to profit or loss on sale of an equity accounted investee	8, 16.1	**-**	-	**128,638**	-
Items that will not be reclassified to profit or loss					
Re-measurement of defined benefit liability		**7,769**	(2,789)	**12,719**	(8,947)
TOTAL OTHER COMPREHENSIVE INCOME		**1,353,383**	58,719	**4,639,517**	987,402
TOTAL COMPREHENSIVE INCOME		**1,671,559**	36,857	**5,478,912**	1,421,410
Total comprehensive income attributable to:					
Equity holders of the parent		**1,639,608**	19,927	**5,299,957**	1,324,345
Non-controlling interests		**31,951**	16,930	**178,955**	97,065
		1,671,559	36,857	**5,478,912**	1,421,410

The attached notes 1 to 24 form an integral part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Notes	**For the nine months period ended 30 Sep 2022**	For the nine months period ended 30 Sep 2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before zakat and tax from continuing operations		**1,126,510**	525,496
Loss before zakat and tax from discontinued operations and assets held for sale		**(22,288)**	(10,888)
Adjustments for:			
Depreciation and amortisation		**347,448**	460,853
Financial charges	14, 16.2	**884,130**	847,000
Unrealised exchange gain		**36,336**	(22,546)
Share in net results of equity accounted investees, net of zakat and tax		**(254,289)**	(206,310)
Charge for employees' end of service benefits		**27,918**	26,745
Fair value of cash flows hedges recycled to consolidated statement of income		**4,621**	1,634
Provisions and write-offs, net		**6,714**	33,642
Provision for long term incentive plan		**20,252**	51,545
Development cost, provision and write offs, net of reversals		**10,159**	95,216
(Gain) / loss on disposal / write-off of property, plant and equipment		**(6,130)**	7,648
Finance income from shareholder loans and deposits		**(200,169)**	(32,062)
Net loss on disposal on an equity accounted investee and loss of control in a subsidiary	16.1	**17,179**	-
Impairment loss on goodwill		**-**	60,024
Fair value change in derivative liabilities	9.2	**(112,360)**	-
Changes in operating assets and liabilities:			
Accounts receivable, prepayments and other receivables		**(184,053)**	(392,235)
Inventories		**(24,651)**	(15,286)
Payables and accruals		**(76,909)**	162,878
Due from related parties		**(81,083)**	60,586
Net investment in finance lease		**285,752**	491,470
Strategic fuel inventories		**24,292**	17
Other assets		**28,168**	12,266
Other liabilities		**9,592**	(14,383)
Deferred revenue		**(2,857)**	1,055
Net cash from operations		**1,864,282**	2,144,365
Employees' terminal benefits paid		**(27,334)**	(33,457)
Zakat and tax paid		**(96,795)**	(176,260)
Dividends received from equity accounted investees	4	**97,629**	76,365
Net cash generated from operating activities		**1,837,782**	2,011,013
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment and intangible assets		**(930,135)**	(1,604,201)
Investments in equity accounted investees, net of repayments		**(841,020)**	(453,474)
Proceeds on disposal of equity accounted investee and disposal of subsidiaries	16.1	**391,440**	-
Other assets	6.1	**(236,250)**	-
Proceeds on disposal of property, plant and equipment		**7,534**	21,924
Finance income received on deposits		**78,556**	32,062
Cash deconsolidated on loss of control	16	**(469)**	-
Net cash used in investing activities		**(1,530,344)**	(2,003,689)

The attached notes 1 to 24 form an integral part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Notes	For the nine months period ended 30 Sep 2022	2021
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from financing and funding facilities, net of transaction cost		**4,724,587**	5,898,161
Repayment of financing and funding facilities		**(1,742,925)**	(2,021,329)
Due to related parties		**(761,879)**	8,111
Financial charges paid		**(929,695)**	(794,307)
Dividends paid		**(617,753)**	(871,399)
Capital contributions from and other adjustments to non-controlling interest	20.2	**318,704**	4,806
Net cash generated from financing activities		**991,039**	2,224,043
NET INCREASE IN CASH AND CASH EQUIVALENTS DURING THE PERIOD		**1,298,477**	2,231,367
Cash and cash equivalents at beginning of the period		**5,172,921**	832,668
Cash and cash equivalents in relation to assets classified as held for sale	16.2	**(42,677)**	-
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	5	**6,428,721**	3,064,035

The attached notes 1 to 24 form an integral part of these interim condensed consolidated financial statements.

ACWA POWER Company and its Subsidiaries
(Saudi Listed Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(All amounts in Saudi Riyals thousands unless otherwise stated)

	Share capital	*Share premium*	*Statutory reserve*	*Retained earnings*	*Proposed dividends*	*Other Reserves (note 8)*	*Equity attributable to owners of the Company*	*Non-controlling interest*	*Total equity*
Balance at 1 January 2021	6,429,344	1,410,398	642,883	1,184,908	-	(2,798,419)	6,869,114	531,041	7,400,155
Profit for the period	-	-	-	419,944	-	-	419,944	14,064	434,008
Other comprehensive income	-	-	-	-	-	904,401	904,401	83,001	987,402
Total comprehensive income	-	-	-	419,944	-	904,401	1,324,345	97,065	1,421,410
Changes to non-controlling interest	-	-	-	-	-	-	-	4,806	4,806
Share based payments	-	-	-	-	-	231,703	231,703	-	231,703
Dividends (note 21)	-	-	-	-	-	-	-	(71,399)	(71,399)
Balance at 30 September 2021	6,429,344	1,410,398	642,883	1,604,852	-	(1,662,315)	8,425,162	561,513	8,986,675
Balance at 1 January 2022	**7,134,143**	**5,335,893**	**718,763**	**1,307,826**	**560,000**	**(1,572,279)**	**13,484,346**	**835,799**	**14,320,145**
Profit for the period	-	-	-	**883,424**	-	-	**883,424**	**(44,029)**	**839,395**
Other comprehensive income	-	-	-	-	-	**4,416,533**	**4,416,533**	**222,984**	**4,639,517**
Total comprehensive income	-	-	-	**883,424**	-	**4,416,533**	**5,299,957**	**178,955**	**5,478,912**
Changes to non-controlling interests (note 20.2)	-	-	-	-	-	-	-	**318,704**	**318,704**
Dividends (note 21)	-	-	-	**(2,947)**	**(560,000)**	-	**(562,947)**	**(54,806)**	**(617,753)**
Balance at 30 September 2022	**7,134,143**	**5,335,893**	**718,763**	**2,188,303**	**-**	**2,844,254**	**18,221,356**	**1,278,652**	**19,500,008**

The attached notes 1 to 24 form an integral part of these interim condensed consolidated financial statements.

1 ACTIVITIES

ACWA POWER Company (the "Company" or "ACWA POWER") is a Saudi joint stock company established pursuant to a ministerial resolution numbered 215 dated 2 Rajab 1429H (corresponding to 5 July 2008) and is registered in Riyadh, Kingdom of Saudi Arabia, under commercial registration number 1010253392 dated 10 Rajab 1429H (corresponding to 13 July 2008).

The Company's formal name changed from International Company for Water and Power Projects to ACWA POWER Company (the "Company" or "ACWA Power") after obtaining the approval of the Extraordinary General Assembly held on 5 January 2022 and fulfilling all relevant regulatory requirements.

On 11 October 2021, the Company completed its Initial Public Offering, and its ordinary shares were listed on the Saudi Stock Exchange (Tadawul).

The Company and its subsidiaries (collectively the "Group") are engaged in the business of development, construction, acquisition, generation and sale of electricity and desalinated water, leasing, operation and maintenance of power generation, water desalination and steam plants, and other related or auxiliary business activities complimentary to it.

2 BASIS OF PREPARATION AND CHANGES TO GROUP ACCOUNTING POLICIES

2.1 STATEMENT OF COMPLIANCE

The interim condensed consolidated financial statements for the three and nine months periods ended 30 September 2022 have been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board (IASB), as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA") (collectively referred as "IAS 34 as endorsed in KSA"). The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

These interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2021. These interim condensed consolidated financial statements for the three and nine months periods ended 30 September 2022 are not affected significantly by seasonality of results. The results shown in these interim condensed consolidated financial statements may not be indicative of the annual results of the Group's operations.

The interim condensed consolidated financial statements are prepared under the historical cost except for derivative financial instruments (including written put options) which are measured at fair value. These interim condensed consolidated financial statements are presented in Saudi Riyals ("SR") which is the functional and presentation currency of the Company. All values are rounded to the nearest thousand (SR'000), except when otherwise indicated.

2.2 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2021. There are no new standards issued, however, there are a number of amendments to standards which are effective from 1 January 2022 that have been explained in Group's annual consolidated financial statements, but they do not have a material effect on the interim condensed consolidated financial statements of the Group.

2.3 SIGNIFICANT ACCOUNTING ESTIMATES

The preparation of the interim condensed consolidated financial statements in conformity with IAS 34 as endorsed in KSA requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Estimates and judgments used in the preparation of these interim condensed consolidated financial statements are consistent with those used in preparation of the Group's annual consolidated financial statements for the year ended 31 December 2021.

(All amounts in Saudi Riyals thousands unless otherwise stated)

3 PROPERTY, PLANT AND EQUIPMENT

	Notes	**30 Sep 2022**	31 Dec 2021
At the beginning of the period / year		**11,815,728**	12,732,340
Additions for the period / year		**708,866**	2,288,450
Depreciation charge for the period / year		**(329,144)**	(592,312)
Finance lease recognition for the period / year		**-**	(2,582,422)
Disposals / write-offs		**(1,404)**	(29,671)
Reclassified as held for sale	*16.2*	**(2,199,974)**	-
Derecognition on loss of control	*16.1*	**(968)**	-
Foreign currency translation		**(1,611)**	(657)
At the end of the period / year		**9,991,493**	11,815,728

4 EQUITY-ACCOUNTED INVESTEES

Set out below is the contribution of equity accounted investees in the interim condensed consolidated statement of financial position, the interim condensed statement of profit or loss and other comprehensive income, and the "Dividends received from companies accounted for using the equity method" line of the interim condensed consolidated statement of cash flows.

	Notes	**30 Sep 2022**	31 Dec 2021
At the beginning of the period / year		**8,990,032**	3,879,889
Additions during the period / year, net	*4.1*	**621,254**	4,078,154
Share of results for the period / year		**254,289**	225,606
Share of other comprehensive income for the period / year	*8*	**2,651,822**	997,786
Dividends for the period / year		**(97,629)**	(191,403)
At the end of the period / year		**12,419,768**	8,990,032
Equity accounted investees shown under non-current assets		**12,419,768**	9,433,199
Equity accounted investees shown under non-current liabilities		**-**	(443,167)
		12,419,768	8,990,032

4.1 This includes additional investments and repayments of shareholder loans in certain equity accounted investees.

In addition, on 7 September 2021, the Group entered into a sale and purchase agreement (the "SPA") with a third-party buyer with respect to sale of the following assets (the "Assets"):

- The Group sold its 32% effective ownership (its entire shareholding) in Shuqaiq Water and Electricity Company ("Shuqaiq"), along with its related holding companies and
- 32% interest in the operations and maintenance ("O&M") contract associated with Shuqaiq (partial shareholding). Currently O&M services are provided by First National Operation and Maintenance Company ("NOMAC"), a wholly owned subsidiary of the Group.

The transaction was completed on 17 March 2022 (refer to note 16). The carrying amount of investment in Shuqaiq amounted to SR 378.9 million as of the transaction completion date.

5 CASH AND CASH EQUIVALENTS

	As at 30 Sep 2022	As at 31 Dec 2021
Cash at bank	**2,204,661**	1,728,067
Short-term deposits with original maturities of three months or less	**4,224,060**	3,444,854
	6,428,721	5,172,921

(All amounts in Saudi Riyals thousands unless otherwise stated)

6 LONG-TERM FINANCING AND FUNDING FACILITIES

	Note	**As at 30 Sep 2022**	As at 31 Dec 2021
Recourse debt:			
Financing facilities in relation to projects		**1,553,393**	2,479,306
Corporate facilities		**1,130**	1,130
Corporate bond		**2,790,568**	2,789,269
Non-Recourse debt:			
Financing facilities in relation to projects	*6.1, 6.2*	**15,594,459**	14,926,843
ACWA Power Management and Investments One Ltd (“APMI One”)		**3,007,268**	3,004,460
ACWA Power Capital Management Ltd (“APCM”)		**605,818**	614,221
Total financing and funding facilities		**23,552,636**	23,815,229
Less: Current portion of long-term financing and funding facilities		**(978,802)**	(958,476)
Non-current portion shown under non-current liabilities		**22,573,834**	22,856,753

Financing and funding facilities as reported in the Group’s interim consolidated statement of financial position are classified as ‘non-recourse’ or ‘recourse’ debt. Non-recourse debt is generally secured by the borrower (i.e. a subsidiary) with its own assets, contractual rights and cash flows and there is no recourse to the Company under any guarantee. The recourse debt are direct borrowings or those guaranteed by the Company. The Group’s financial liabilities are either fixed special commission bearing or at a margin above the relevant reference rates. The Group seeks to hedge long term floating exposures using derivatives. Also refer to note 16.2.

6.1 During the period ended 30 September 2022, a subsidiary of the Group (“Rabigh Arabian Water and Electricity Company” or “RAWEC”) concluded the phase 2 of its debt refinancing. A new facility amounting to SR 2,231.2 million was drawn down. The new facility was obtained in 2 Tranches as follows:

- Commercial Loan Part 1 - USD 125.0 million equivalent to SR 468.7 million, repayable on a semi-annual basis from June 2022 with the final instalment to be paid in June 2034. The fixed margin on the loan is 4%; and
- Commercial Loan Part 2 - USD 470.0 million equivalent to SR 1,762.5 million, repayable on a semi-annual basis from June 2022 with the final instalment to be paid in June 2034. The fixed margin on the loan is 4%.

Upon successful completion of refinancing, RAWEC paid a one-off fee of SR 236.25 million in accordance with the terms of the Power Purchase Agreement (“PPA”). The payment has been classified as other asset and will be amortised over remaining term of the PPA.

6.2 Further during the period ended 30 September 2022, another subsidiary of the Group (“Barka Water and Power Projects SAOG” or “Barka”) concluded restructuring of its senior debt amounting to OMR 24.1 million (equivalent to SR 236.2 million). As per the revised terms, the loan will be repaid in semi-annual instalments effective from 30 June 2022 with a final instalment due on 31 December 2024 along with a balloon payment of OMR 10.6 million (equivalent to SR 103.9 million) upon maturity. The loan carries an annual effective interest rate of 5.5%.

(All amounts in Saudi Riyals thousands unless otherwise stated)

7. RELATED PARTY TRANSACTIONS AND BALANCES

The transactions with related parties are made on mutually agreed terms and approved by the Board of Directors as necessary. Significant transactions with related parties during the period and significant balances at the reporting date are as follows:

	Notes	*Relationships*	**For the three months period ended 30 Sep**		**For the nine months period ended 30 Sep**	
			2022	2021	**2022**	2021
Transactions:						
Revenue		Affiliates	**486,341**	827,362	**1,414,252**	1,693,991
Service fees	*12*	Joint Ventures	**35,318**	43,674	**99,762**	94,359
Finance income from shareholder loan		Joint ventures	**51,019**	10,175	**121,613**	24,116
Financial charges on loan to related parties	*14*	Affiliates	**14,461**	6,604	**42,857**	34,931
Key management personnel compensation including director's remuneration*			**27,240**	133,841	**49,535**	152,409

**This includes share based payments and provision for long term incentive plan for the key management personnel and directors for the period ended 30 September 2021.*

	Notes	*Relationships*	*As at*	
			30 Sep 2022	31 Dec 2021
Due from related parties				
Current:				
Hajr for Electricity Production Company	(a)	Joint venture	**179,383**	166,859
Al Mourjan for Electricity Production Company	(a)	Joint venture	**140,404**	109,282
Hassyan Energy Phase 1 P.S.C	(a)	Joint venture	**76,518**	74,766
Noor Energy 1 P.S.C	(a)	Joint venture	**105,696**	15,054
Dhofar O&M Company	(a)	Joint venture	**68,281**	61,695
Jazan Integrated Gasification and Power Company	(e)	Joint venture	**29,654**	23,237
Shuaibah Water & Electricity Company	(a)	Joint venture	**29,994**	45,026
Rabigh Electricity Company	(a)	Joint venture	**36,260**	28,709
ACWA Power Solar reserve Redstone Solar TPP	(d)	Joint venture	**40,010**	39,873
ACWA Guc Isletme Ve Yonetim Sanayi Ve Ticaret	(a)	Joint venture	**9,331**	35,267
UPC Renewables S.A	(a)	Joint venture	**27,370**	26,952
Shuqaiq Services Company for Maintenance	(a)	Joint venture	**57,389**	-
Neom Green Hydrogen Company	(e)	Joint venture	**15,319**	-
ACWA Power Solafrica Bokpoort CSP Power Plant Ltd	(a)	Joint venture	**16,220**	8,604
Ad-Dhahirah Generating Company SAOC	(a)	Joint venture	**21,651**	14,048
Naqa Desalination Plant LLC	(a)	Joint venture	**14,871**	32,688
Shinas Generating Company SAOC	(a)	Joint venture	**25,541**	4,870
Shuaibah Expansion Project Company	(a)	Joint venture	**14,083**	11,363
Haya Power & Desalination Company	(a)	Joint venture	**29,721**	3,055
ACWA Power Oasis Three	(a)	Joint venture	**8,129**	8,022
Shams Ad-Dhahira Generating Company SAOC	(a)	Joint venture	**3,880**	3,200
Risha for Solar Energy Projects	(a)	Joint venture	**322**	204
Shuqaiq Water and Electricity Company	(a)	Joint venture	**-**	27,001
Other related parties		Joint venture	**33,325**	40,881
			983,352	780,656

(All amounts in Saudi Riyals thousands unless otherwise stated)

7 RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

	Notes	*Relationships*	*As at*	
			30 Sep 2022	31 Dec 2021
Due to related parties				
Non-current:				
ACWA Power Renewable Energy Holding Company	(b)	Joint venture	-	760,873
Water and Electricity Holding Company CJSC	(f)	Shareholder's subsidiary	**730,958**	707,410
Loans from minority shareholders of subsidiaries	(c)	-	**122,075**	126,569
			853,033	1,594,852
Current:				
ACWA Guc Isletme Ve Yonetim Sanayi Ve Ticaret	(g)	Joint venture	**19,215**	44,746
Others	(h)	Joint venture	**43,898**	38,739
			63,113	83,485

(a) These balances mainly include amounts due from related parties to First National Holding Company ("NOMAC") (and its subsidiaries) for operation and maintenance services provided to the related parties under operation and maintenance contracts. In certain cases, the balance also includes advances provided to related parties that have no specific repayment date.

(b) During 2018, ACWA Renewable Energy Holdings Limited ("APREH") entered into a convertible loan agreement whereby amounts drawn down under such agreement was advanced to the ACWA Power Global Services ("APGS"), a fully owned subsidiary of the Company, through an intra-group shareholder advance agreement ("the agreement"). An amount of SR 1,361.2 million was advanced to APGS. The loan carried an effective interest rate of 3.67% per anum. A portion of the loan balance amounting to SR 600.4 million was converted as sales consideration against the sale of 49% of the Group's shareholding in APREH. During the period, APGS opted to early repay the full loan balance to APREH.

(c) This includes:
   i. Loan payable to non-controlling shareholders of ACF Renewable Energy Limited amounting to SR 36.8 million (2021: SR 41.4 million). The loans are due for repayment in 2024 and carry profit rate at 5.75% per annum; and
   ii. Loan payable to non-controlling shareholders of Qara Solar Energy Company amounting to SR 85.2 million (2021: SR 85.2 million). The loans are due for repayment in 2024 and carry profit rate at London Interbank Offered Rate (LIBOR) + 1.3% per annum.

(d) This represents receivable on account of development fee and reimbursement of cost incurred on behalf of the equity accounted investee.

(e) The balance represents interest receivable from an equity accounted investee on account of shareholder loan.

(f) During 2020, the Group declared a one-off dividend of SR 2,701.0 million. A portion of such declared dividend, payable to the Public Investment Fund of Saudi Arabia (the "Shareholder"), was converted into a long-term non-interest-bearing loan amounting to SR 901.0 million through a wholly owned subsidiary of the Shareholder. This loan may be adjusted, on behalf of the subsidiary of the Shareholder, against future investments in renewable projects made by the Company, based on certain conditions. The loan will be repaid or settled by 31 December 2030 unless the repayment or settlement period is mutually extended by both parties. The Group recorded this loan at the present value of expected cash repayments discounted using an appropriate rate applicable for long-term loans of a similar nature. The difference between the nominal value of the loan and its discounted value was recognised as other contribution from shareholder within share premium. During the period ended 30 September 2022, SR 23.5 million (2021: SR 21.9 million) finance charge was amortised on the outstanding loan balance.

(g) This represents advance received from an equity accounted investee on account of operation and maintenance services to be rendered.

(h) These represent non-interest bearing payables to equity accounted investees with no fixed maturity.

(All amounts in Saudi Riyals thousands unless otherwise stated)

8 OTHER RESERVES

Movement in other reserve is given below:

	Cash flow hedge reserve (note 8.1)	*Currency translation reserve*	*Share in OCI of equity accounted investees (note 4)*	*Re-measurement of defined benefit liability*	*Other*	*Total*
Balance as at 1 January 2021	(591,116)	(6,171)	(2,163,341)	(10,611)	(27,180)	(2,798,419)
Changes during the year	247,149	(278)	997,786	(18,517)	-	1,226,140
Balance as at 31 December 2021	(343,967)	(6,449)	(1,165,555)	(29,128)	(27,180)	(1,572,279)
Balance as at 1 January 2022	**(343,967)**	**(6,449)**	**(1,165,555)**	**(29,128)**	**(27,180)**	**(1,572,279)**
Changes during the period	**1,628,617**	**(3,421)**	**2,651,822**	**10,877**	**-**	**4,287,895**
Recycled to profit or loss on sale of an equity accounted investee (note 16.1)	**-**	**-**	**128,638**	**-**	**-**	**128,638**
Balance as at 30 September 2022	**1,284,650**	**(9,870)**	**1,614,905**	**(18,251)**	**(27,180)**	**2,844,254**

8.1 This mainly represents movements in mark to market valuation of hedging instruments net of deferred taxation in relation to the Group's subsidiaries.

9 OTHER LIABILITIES

	Notes	**As at 30 Sep 2022**	As at 31 Dec 2021
Financial liabilities assumed on loss of control	*9.1*	**225,273**	217,076
Coal derivative liabilities	*9.2*	**67,963**	43,044
Put options	*9.3*	**2,760**	5,175
Other liabilities		**433,608**	408,953
		729,604	674,248

9.1 This represents financial liabilities assumed on loss of control in a subsidiary during 2018, together with unwinding of interest.

9.2 The Group has entered into a coal supply agreement (the "Ancillary Agreement") with a third party supplier, in relation to an independent power plant (IPP) owned by an equity accounted investee, where the Group has committed to cover the difference or take up the surplus between two agreed prices with the coal supplier during the IPP's period of operations. Pursuant to the agreement, for any difference between two agreed price formulas (i.e. reference under the coal supply agreement as opposed to the coal supplier's actual prices agreed on sourcing of such coal) the Group is obliged to pay or receive the difference when the coal is procured. The coal prices are determined with reference to coal price indices which act as a market reference for coal trading in Europe and Asia. Thus, the Ancillary Agreement has an embedded commodity swap (the "Derivative") that needs to be separated and carried at fair value.

As of 30 September 2022, the Group carries a liability of SR 72.6 million (SR 68.0 million non-current liabilities and SR 4.6 million current liabilities) in the interim condensed consolidated statement of financial position (31 December 2021: SR 171.4 million classified as SR 43.0 million non-current liabilities and SR 128.4 million current liabilities). During the nine months period ended 30 September 2022, the Group recognised a gain on change in fair value of the Derivative amounting to SR 112.4 million (30 September 2021: nil) within other income.

(All amounts in Saudi Riyals thousands unless otherwise stated)

9 OTHER LIABILITIES (CONTINUED)

The impact on the fair value of the liability due to independent changes in key assumptions are as follows. The actual impact on the financial statements would be the cumulative effect of different variables.

+/-10% change in coal consumption quantity	SR 1.9 million / (SR 1.9 million)
+/-10% change in coal price	SR 1.9 million / (SR 1.9 million)
+/- 50 bps change in discount rate	(SR 1.2 million) / SR 1.2 million

9.3 This represents liability with respect to put options written by the Group in respect of shares held by non-controlling interests in a consolidated subsidiary. The contractual obligation to purchase equity instruments was initially recognised as a financial liability and a corresponding amount has been recorded in equity in the interim condensed consolidated statement of financial position at the present value of the redemption amount being SR 27.2 million (note 8).

10 ZAKAT AND TAX

10.1 Amounts recognized in profit or loss

	For the three months period ended 30 Sep		**For the nine months period ended 30 Sep**	
	2022	2021	**2022**	2021
Zakat and current tax*	**7,311**	35,651	**112,248**	100,951
Deferred tax**	**74,519**	5,357	**152,579**	(20,351)
Zakat and tax charge	**81,830**	41,008	**264,827**	80,600
Less: Tax credit / (charge) from discontinued operation	**-**	(3,013)	**-**	(3,013)
Zakat and tax charge reflected in profit or loss	**81,830**	37,995	**264,827**	77,587

**Zakat and current tax charge for the nine months period ended 30 September 2022 includes SR nil (30 September 2021: SR 10.5 million) provision on prior year assessments.*

***Deferred tax expense for the nine months and three months periods ended 30 September 2022 includes impact from foreign exchange rate movements of SR 169.5 million and SR 77.9 million respectively (nine months and three months periods ended 30 September 2021: reversal of SR 27.1 million and expense SR 8.5 million respectively).*

10.2 Zakat and tax assessments

The Company
The Company has filed zakat and tax returns for all the years up to 2021. The company has closed its position with Zakat, Tax & Customs Authority (the "ZATCA") until year 2018. The ZATCA is yet to assess the years 2019-2021.

ACWA Power Projects ("APP")
APP has filed its zakat and tax returns for all the years up to 2021. APP had finalised its position with the ZATCA up to the year 2014. The year 2018 has also been finalised with ZATCA.

During 2021, APP received an assessment from the ZATCA for the years 2015 to 2017 with an additional zakat liability of SR 39.7 million. An appeal has been filed by APP against these assessments. The assessments are now under review by the General Secretariat of Tax Committees ("GSTC").

NOMAC Saudi Arabia ("NOMAC")
NOMAC has filed its zakat returns for all the years up to 2021. The assessment for the period 2008-2012 has been closed in favour of NOMAC by the Tax Violations and Dispute Appeal Committee ("TVDAC"). For the years 2013-2016, ZATCA has assessed an additional zakat liability of SR 6.7 million. The case is currently under review by the TVDAC.

(All amounts in Saudi Riyals thousands unless otherwise stated)

10 ZAKAT AND TAX (CONTINUED)

10.2 Zakat and tax assessments (continued)

Rabigh Arabian Water & Electricity Company ("RAWEC")
RAWEC has filed its zakat and tax returns for all the years up to 2021. The ZATCA raised an assessment in relation to 2007 to 2013 claiming additional tax, zakat, and withholding tax amounting to SR 10.7 million. RAWEC filed an objection with the General Secretariat of Tax Committees ("GSTC") and the Tax Violations and Dispute Resolution Committee ("TVDRC"). During 2021, TVDRC has issued its ruling partially in favour of RAWEC, reducing the liability to SR 1.85 million. The ZATCA appealed the TVDRC ruling to the Tax TVDAC. The case yet to be reviewed by the TVDAC.

During 2018, the ZATCA issued an assessment for the year 2017, claiming additional tax and zakat liabilities amounting to SR 47 million. Subsequently the ZATCA raised a revised assessment reducing the liability to SR 2.5 million. The case is now under review by the GSTC.

During 2021, the ZATCA issued an assessment for the year 2015, claiming additional tax, zakat and delay penalties amounting to SR 15.3 million. RAWEC has registered the objection case with the GSTC in October 2021. The case is yet to be reviewed by the GSTC.

During April 2022, ZATCA issued an assessment for the year 2016, claiming additional tax and zakat liabilities amounting to SR 23.6 million, including a delay penalty. RAWEC has submitted an objection during June 2022 and is awaiting response. RAWEC has registered the objection case with the GSTC in October 2022. The case is yet to be reviewed by the GSTC.

Others
With its multi-national operations, the Group is subject to taxation in multiple jurisdictions around the world with complex tax laws. The Group has ongoing matters in relation to tax assessments in the various jurisdictions in which it operates. Based on the best estimates of management, the Company has adequately provided for all tax assessments, where appropriate.

11 REVENUE

	Notes	**For the three months period ended 30 Sep**		**For the nine months period ended 30 Sep**	
		2022	2021	**2022**	2021
Services rendered					
Operation and maintenance		**453,337**	396,483	**1,319,786**	1,163,843
Development and construction management services		**140,337**	130,692	**435,764**	426,772
Others	*11.1*	**2,829**	6,855	**(7,651)**	12,617
Sale of electricity					
Capacity		**203,343**	266,146	**610,663**	773,897
Energy		**69,664**	108,995	**218,044**	291,967
Finance lease income	*11.2*	**49,772**	78,835	**121,605**	271,873
Sale of water					
Capacity	*11.3*	**240,925**	249,427	**702,763**	731,579
Output	*11.3*	**75,715**	31,380	**227,001**	90,776
Finance lease income	*11.2*	**26,923**	-	**79,865**	-
		1,262,845	1,268,813	**3,707,840**	3,763,324

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

(All amounts in Saudi Riyals thousands unless otherwise stated)

11 REVENUE (CONTINUED)

11.2 The finance lease income is presented net of energy generation shortfalls amounting to SR 182.0 million for the nine months and SR 37.8 million for the three months periods ended 30 September 2022 (30 September 2021: nine months SR 74.7 million and three months SR 35.1 million). Energy generation shortfalls represent lower production as compared to original estimated production levels due to non-operational periods of certain plants accounted for as finance leases.

Finance lease principal amortisation for the nine months and three months periods ended 30 September 2022 is SR 255.0 million and SR 76.2 million respectively (30 September 2021: nine months SR 249.8 million and three months SR 86.4 million).

11.3 Includes revenue from sale of steam amounting to SR 299.0 million for the nine months and SR 101.2 million for the three months periods ended 30 September 2022 (30 September 2021: nine months SR 296.6 million and three months SR 98.4 million).

12 OTHER OPERATING INCOME

	Notes	**For the three months period ended 30 Sep**		**For the nine months period ended 30 Sep**	
		2022	2021	**2022**	2021
Group services	*7, 12.1*	**35,318**	43,674	**99,762**	94,359
Finance income from shareholder loans	*7*	**51,019**	10,175	**121,613**	24,116
Performance liquidated damages recovery		**12,750**	-	**78,634**	-
		99,087	53,849	**300,009**	118,475

12.1 This represents income in relation to management advisory services, and ancillary support services provided to equity accounted investees.

13 IMPAIRMENT LOSS AND OTHER EXPENSES, NET

	Notes	**For the three months period ended 30 Sep**		**For the nine months period ended 30 Sep**	
		2022	2021	**2022**	2021
Impairment loss on goodwill	*13.1*	-	-	-	60,024
Arbitration claim and supplier settlement	*13.2*	-	-	**55,108**	-
Share based payments expenses	*13.3*	-	280,000	-	280,000
Corporate social responsibility and others		**17,455**	16,458	**19,729**	16,458
		17,455	296,458	**74,837**	356,482

13.1 During the period ended 30 September 2021, the Group performed impairment testing for certain of its cash generating units namely ACWA Power Barka Services 1 and ACWA Power Barka Services 2 ("the Entities"). The Entities are considered as a single cash generating unit for impairment testing purposes and to determine the value in use. The Group used discounted cash flows to calculate the recoverable amount to which goodwill is allocated and estimated that the recoverable amount was lower than the carrying amount and accordingly an impairment loss of SR 60.0 million was recognised in these interim condensed consolidated financial statements. As of 30 September 2022, the Group does not carry any goodwill related to the Entities.

13.2 This represents expenses pertaining to an arbitration claim, recognised by a Group's subsidiary based on the outcome from an Arbitration Tribunal and settlement with supplier on account of procurement cancellation.

13.3 On 30 March 2021, the Board of Directors approved an incentive plan comprising shares and cash benefits (the "Plan") for eligible employees payable upon a successful listing of the Company subject to other performance conditions. On 13 June 2021, the shareholders of the Company approved the Plan. The Plan was granted and vested to eligible employees on 28 September 2021. Accordingly, the Group recognised a share based payment expense, amounting to SR 280.0 million (SR 231.7 million, equivalent to 4,137,552 shares at IPO price of SR 56 per share and SR 48.3 million on account of equity settled and cash settled share based payments respectively), equivalent to the fair value of the Plan at grant date.

14 FINANCIAL CHARGES, NET

	Note	For the three months period ended 30 Sep		For the nine months period ended 30 Sep	
		2022	2021	**2022**	2021
Financial charges on borrowings		**275,555**	230,604	**726,692**	687,021
Financial charges on letters of guarantee		**45,122**	40,120	**79,365**	79,287
Financial charges on loans from related parties	*7*	**14,461**	6,604	**42,857**	34,931
Other financial charges		**11,712**	15,695	**35,216**	38,518
		346,850	293,023	**884,130**	839,757

15 EARNINGS PER SHARE

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

	For the three months period ended 30 Sep		For the nine months period ended 30 Sep	
	2022	2021	**2022**	2021
Issued ordinary shares	**731,100**	645,763	**731,100**	645,763
Weighted average number of ordinary shares outstanding during the period	**731,100**	645,763	**731,100**	645,763

15.2 The basic and diluted earnings per share are calculated as follows:

	For the three months period ended 30 Sep		For the nine months period ended 30 Sep	
	2022	2021	**2022**	2021
Net profit for the period attributable to equity holders of the Parent	**341,704**	(26,941)	**883,424**	419,944
Profit for the period from continuing operations attributable to equity holders of the Parent	**342,184**	(1,646)	**905,712**	433,845
Basic and diluted earnings per share to equity holders of the Parent (in SR)	**0.47**	(0.04)	**1.21**	0.65
Basic and diluted earnings per share for continuing operations to equity holders of the Parent (in SR)	**0.47**	0.00	**1.24**	0.67

16 DISCONTINUED OPERATIONS

16.1 Shuqaiq Water and Electricity Company

The Group sold its 32% effective shareholding (its entire shareholding) in Shuqaiq Water and Electricity Company ("Shuqaiq"), along with its related holding companies, and 32% interest (partial shareholding) in the related O&M contract (the "O&M entity" or "Shuqaiq Services Company for Maintenance"), which was previously with the Group's wholly owned subsidiary, First National Operations and Maintenance Company ("NOMAC"), effective from 17 March 2022 ("the Closing Date"). On the Closing Date, the shares were transferred to the Buyer. The sale consideration of SR 391.4 million has been settled by the Buyer.

(All amounts in Saudi Riyals thousands unless otherwise stated)

16 DISCONTINUED OPERATIONS (CONTINUED)

16.1 Shuqaiq Water and Electricity Company (continued)

Consequently, the Group derecognised its entire investment in Shuqaiq and deconsolidated net assets related to the O&M entity. The Group's remaining 68% interest in the O&M entity is retained at fair value and accounted for using the equity method effective from the Closing Date. The Group recognised a net loss of SR 17.2 million on the transaction as follows:

	Notes	**As at 17 March 2022**
Fair value of consideration received		**391,440**
Fair value of retained investment in the O&M entity		**159,859**
Derecognition of investment in Shuqaiq		**(378,925)**
Carrying amount of net assets derecognised related to the O&M entity	*16.1*	**(44,322)**
Goodwill allocated to Shuqaiq		**(12,600)**
Accumulated other reserves recycled to profit or loss from OCI	*8*	**(128,638)**
Transaction cost		**(3,993)**
Net loss on disposal		**(17,179)**

Statement of financial position of the O&M entity as of the Closing Date is as follows:

	Note	**As at 17 March 2022**
Assets		
Cash and cash equivalents		**469**
Inventories		**39,305**
Accounts receivable, prepayments and other receivables		**37,968**
Property, plant and equipment	*3*	**968**
		78,710
Liabilities		
Accounts payable and accruals		**25,086**
Deferred revenue		**4,106**
Employee end of service benefits' liabilities		**5,196**
		34,388
Net assets		**44,322**

Results of Shuqaiq and O&M entity are disclosed in note 16.3.

16.2 ACWA Power Uzbekistan Project Holding Company

On 14th September 2022, ACWA Power entered into a Sale Purchase Agreement ("SPA") with Silk Road Fund of China – CVXF Inc. for the sale of a 49% stake in its wholly owned subsidiary, ACWA Power Uzbekistan Project Holding Company ("the Investee Company" or "Sirdarya"). The Investee Company holds 100% stake in ACWA Power Sirdarya ("the Project Company"). Legal formalities in relation to disposal are expected to complete by 31 December 2022.

(All amounts in Saudi Riyals thousands unless otherwise stated)

16 DISCONTINUED OPERATIONS (CONTINUED)

16.2 ACWA Power Uzbekistan Project Holding Company (continued)

For the purpose of these consolidated financial statements, assets and liabilities of Sirdarya are presented as held for sale. Statement of financial position of Sirdarya as of 30 September 2022 is as follows:

	Note	**30 Sep 2022**
Assets		
Capital work in progress	*3*	**2,199,974**
Intangible assets		**115**
Fair value of derivatives		**513,552**
Accounts receivable, prepayments and other receivables		**30,721**
Cash and cash equivalents		**42,677**
Assets held for sale		**2,787,039**
Liabilities		
Loans and borrowings		**2,411,032**
Payable, accruals and other liabilities		**15,128**
Liabilities associated with assets held for sale		**2,426,160**
Other reserves associated with assets held for sale		**513,552**

Consolidated results of the investee Company are disclosed in note 16.3.

16.3 Results of discontinued operations

For the three months period ended 30 September	**2022**			2021		
	O&M entity including Shuqaiq	**Sirdarya**	**Total**	O&M entity including Shuqaiq	Sirdarya	Total
Revenue	-	-	-	25,198	-	25,198
Operating costs	-	-	-	(18,225)	-	(18,225)
General and administration expenses	-	**(201)**	**(201)**	(1,503)	(1,200)	(2,703)
Financial charges, net	-	-	-	(1)	-	(1)
Foreign exchange loss	-	**(279)**	**(279)**	-	(88)	(88)
Zakat and tax charge	-	-	-	(3,013)	-	(3,013)
Net income	-	**(480)**	**(480)**	2,456	(1,288)	1,168
Shuqaiq – share in net results	-	-	-	(26,463)	-	(26,463)
	-	**(480)**	**(480)**	(24,007)	(1,288)	(25,295)
Loss on disposal	-	-	-	-	-	-
Loss from discontinued operations	-	**(480)**	**(480)**	(24,007)	(1,288)	(25,295)

(All amounts in Saudi Riyals thousands unless otherwise stated)

16 DISCONTINUED OPERATIONS (CONTINUED)

16.3 Results of discontinued operations (continued)

For the nine months period ended 30 September	2022			2021		
	O&M entity including Shuqaiq	**Sirdarya**	**Total**	O&M entity including Shuqaiq	Sirdarya	Total
Revenue	**22,360**		**22,360**	90,759	-	90,759
Operating costs	**(17,678)**		**(17,678)**	(60,825)	-	(60,825)
General and administration expenses	**(1,138)**	**(746)**	**(1,884)**	(5,590)	(1,200)	(6,790)
Other operating income	**-**	**-**	**-**	8,827	-	8,827
Financial charges, net	**-**		**-**	(7,243)	-	(7,243)
Foreign exchange loss	**-**	**(309)**	**(309)**		(88)	(88)
Zakat and tax charge	**-**	**-**	**-**	(3,013)	-	(3,013)
Net income	**3,544**	**(1,055)**	**2,489**	22,915	(1,288)	21,627
Shuqaiq – share in net results	**(7,598)**	**-**	**(7,598)**	(35,528)	-	(35,528)
	(4,054)	**(1,055)**	**(5,109)**	(12,613)	(1,288)	(13,901)
Loss on disposal	**(17,179)**	**-**	**(17,179)**	-	-	-
Loss from discontinued operations	**(21,233)**	**(1,055)**	**(22,288)**	(12,613)	(1,288)	(13,901)

16.3 Cash flows of discontinued operations

	For the period from 1 January to 17 March 2022	**For the nine month period ended 30 September 2021**
O&M Entity		
Cash flows from / (used in) operating activities	**4,165**	(16,158)

	For the nine month period ended 30 September 2022	**For the nine month period ended 30 September 2021**
Sirdarya		
Cash flows used in operating activities	**(845)**	(1,230)
Cash flows used in investing activities	**(1,004,866)**	(976,228)
Cash flows generated from financing activities	**905,896**	1,297,975

16.4 Contingencies and commitments

Contingencies and commitments in relation to discontinued operations are disclosed in note 17.

(All amounts in Saudi Riyals thousands unless otherwise stated)

17 COMMITMENTS AND CONTINGENCIES

As at 30 September 2022, the Group had outstanding contingent liabilities in the form of letters of guarantee, corporate guarantees issued in relation to bank facilities for project companies and performance guarantees amounting to SR 12.13 billion (31 December 2021: SR 13.67 billion). The amount also includes the Group's share of equity accounted investees' commitments.

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

	As at 30 Sep 2022	As at 31 Dec 2021
Performance/development securities and completion support Letters of Credit ("LCs")	**3,525,066**	5,440,657
Guarantees in relation to bridge loans and equity LCs	**5,264,850**	4,988,118
Guarantees on behalf of joint ventures and subsidiaries	**2,000,759**	1,915,977
Debt service reserve account ("DSRA") standby LCs	**1,127,234**	1,193,726
Bid bonds for projects under development stage	**207,922**	136,018
	12,125,831	13,674,496

In addition to commitments and contingencies disclosed above, the Group has also committed to contribute SR 131.0 million towards the equity of an equity accounted investee during 2023.

The Group also has a loan commitment amounting to SR 598.2 million in relation to mezzanine debt facilities ("the Facilities") taken by certain of the Group's equity accounted investees. This loan commitment arises due to symmetrical call and put options entered in by the Group with the lenders of the Facilities.

In one of the Group's subsidiaries, Central Electricity Generating Company ("CEGCO"), the fuel supplier Jordan Petrol Refinery PLC ("the Supplier") has claimed an amount of SR 610.0 million (31 Dec 2021: SR 610.0 million) as interest on late payment of the monthly fuel invoices. The Fuel Supply Agreement ("FSA") with the Supplier stipulates that the Supplier shall be entitled to receive interest on late payment of the unpaid invoices after 45 days from invoice date. However, the FSA in Article 13.3 further provides that CEGCO shall not be liable for non-performance under the FSA and shall not be in default to the extent such non-performance or default is caused by the off-taker ("NEPCO"). Given that the delay in making the fuel payments to the Supplier are caused by the delay in receipt of the fuel revenues from NEPCO, contractually the Supplier has no basis to claim for any delay interest from CEGCO. Hence, the management and its independent legal counsel are of the view that as per the terms of the FSA signed between the Supplier and CEGCO, the Supplier has no contractual basis to claim these amounts. Accordingly, no provision has been made in these interim condensed consolidated financial statements.

The Group has assessed the potential impact of the Russia-Ukraine war on its projects under construction, which has included consideration of potential impact on supply chain, logistics, material costs, construction timelines and other factors. As of the reporting date of these interim condensed consolidated financial statements, the Group has determined there has been no significant adverse impact. The Group will continue to monitor the situation and will take mitigating actions as necessary. All of the Group's under construction projects include contingencies for unexpected developments and insurance coverage.

During the next 12 months, the Group has a commitment to contribute SR 75.0 million towards corporate social responsibility initiatives in Uzbekistan.

In addition to the above, the Group also has contingent assets and liabilities with respect to certain disputed matters, including claims by and against counterparties and arbitrations involving certain issues, including a claim received in relation to one of its divested equity accounted investees. These contingencies arise in the ordinary course of business. Based on the best estimates of management, the Company has adequately provided for all such claims, where appropriate.

(All amounts in Saudi Riyals thousands unless otherwise stated)

18 OPERATING SEGMENTS

The Group has determined that the Management Committee, chaired by the Chief Executive Officer, is the chief operating decision maker in accordance with the requirements of IFRS 8 'Operating Segments'.

Revenue is attributed to each operating segment based on the type of plant or equipment from which the revenue is derived. Segment assets and liabilities are not reported to the chief operating decision maker on a segmental basis and are therefore not disclosed.

The accounting policies of the operating segments are the same as the Group's accounting policies. All intercompany transactions within the reportable segments have been appropriately eliminated. There were no inter-segment sales in the periods presented below. Details of the Group's operating and reportable segments are as follows:

(i) Thermal and Water Desalination	The term thermal refers to the power and water desalination plants which use fossil fuel (oil, coal, gas) as the main source of fuel for the generation of electricity and production of water whereas water desalination refers to the stand-alone reverse osmosis desalination plants. The segment includes all four parts of the business cycle of the business line (i.e. develop, invest, operate and optimize). These plants include IPPs (Independent Power Plants), IWPPs (Independent Water and Power Plants) and IWPs (Independent Water Plants).
(ii) Renewables	This includes the Group's business line which comprises of PV (Photovoltaic), CSP (Concentrated Solar Power), Wind plants and Hydrogen. The segment includes all four parts of the business cycle of the business line (i.e. develop, invest, operate and optimize).
(iii) Others	Comprises certain activities of corporate functions and other items that are not allocated to the reportable operating segments and the results of the ACWA Power reinsurance business.

Key indicators by reportable segments

	For the three months period ended 30 Sep		For the nine months period ended 30 Sep	
Revenue	**2022**	2021	**2022**	2021
(i) Thermal and Water Desalination	**1,032,423**	1,013,721	**3,047,757**	2,998,779
(ii) Renewables	**227,594**	248,237	**667,735**	751,928
(iii) Others	**2,828**	6,855	**(7,652)**	12,617
Total revenue	**1,262,845**	1,268,813	**3,707,840**	3,763,324
Operating income before impairment loss and other expenses				
(i) Thermal and Water Desalination	**590,065**	596,805	**1,844,553**	1,693,903
(ii) Renewables	**184,885**	85,717	**434,995**	370,898
(iii) Others	**2,700**	6,714	**(8,084)**	12,543
Total*	**777,650**	689,236	**2,271,464**	2,077,344
Unallocated corporate operating income / (expenses)				
General and administration expenses	**(138,955)**	(115,513)	**(450,821)**	(398,523)
Depreciation and amortization	**(7,596)**	(4,678)	**(22,400)**	(14,315)
Provision for long term incentive plan	**(9,362)**	(8,237)	**(20,252)**	(51,545)
Provision on due from related party	**(3,505)**	(1,222)	**7,996**	(4,822)
Other operating income	**34,525**	45,854	**90,601**	79,865
Total operating income before impairment loss and other expenses	**652,757**	605,440	**1,876,588**	1,688,004

(All amounts in Saudi Riyals thousands unless otherwise stated)

18 OPERATING SEGMENTS (CONTINUED)

Segment profit	For the three months period ended 30 Sep		For the nine months period ended 30 Sep	
	2022	2021	**2022**	2021
(i) Thermal and Water Desalination	**475,912**	421,580	**1,421,970**	1,119,522
(ii) Renewables	**(27,097)**	(9,182)	**(31,476)**	96,056
(iii) Others	**2,719**	6,536	**(8,076)**	12,343
Total	**451,534**	418,934	**1,382,418**	1,227,921
Reconciliation to profit for the period from continuing operations				
General and administration expenses	**(138,955)**	(115,513)	**(450,821)**	(398,523)
Arbitration claim and supplier settlement	**-**	-	**(55,108)**	-
Impairment of goodwill in subsidiaries	**-**	-	**-**	(60,024)
Impairment reversal in relation to equity accounted investees	**-**	-	**-**	30,000
Provision for long term incentive plan	**(9,272)**	(8,237)	**(20,252)**	(51,545)
Provision / discounting on due from related party	**(3,505)**	(1,222)	**7,996**	(4,822)
Corporate social responsibility contribution	**(10,373)**	(16,458)	**(12,647)**	(16,458)
Provision for zakat and tax on prior year assessments	**-**	-	**-**	(10,500)
Discounting impact on loan from shareholder subsidiary	**(14,363)**	(7,478)	**(29,444)**	(21,928)
Share based payments	**-**	(280,000)	**-**	(280,000)
Depreciation and amortisation	**(7,596)**	(4,678)	**(22,400)**	(14,315)
Other operating income	**48,918**	45,854	**90,601**	79,865
Other income	**11,571**	208	**63,143**	15,179
Financial charges and exchange loss, net	**(13,303)**	(19,753)	**(35,903)**	(22,114)
Zakat and tax reversal / (charge)	**4,000**	(8,224)	**(55,900)**	(24,827)
Profit for the period from continuing operations	**318,656**	3,433	**861,683**	447,909

**The segment total operating income does not necessarily tally with the statement of profit or loss, as these are based on information reported to the Management Committee.*

Geographical concentration

The Company is headquartered in the Kingdom of Saudi Arabia. The geographical concentration of the Group's revenue and non-current assets is shown below.

	Revenue		Non-current assets	
	30 Sep 2022	30 Sep 2021	**30 Sep 2022**	31 Dec 2021
Kingdom of Saudi Arabia	**1,772,739**	1,732,714	**21,486,977**	20,253,954
Middle East and Asia	**1,682,755**	1,574,980	**7,082,872**	6,382,012
Africa	**252,346**	455,630	**8,504,721**	9,404,418
	3,707,840	3,763,324	**37,074,570**	36,040,384

Information about major customers

During the period, two customers (2021: two) individually accounted for more than 10% of the Group's revenues. The related revenue figures for these major customers, the identity of which may vary by period, were as follows:

(All amounts in Saudi Riyals thousands unless otherwise stated)

18 OPERATING SEGMENTS (CONTINUED)

	For the nine months period ended	
	30 Sep 2022	30 Sep 2021
Customer A	**864,232**	871,366
Customer B	**405,592**	453,758

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

19 FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised in to different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the assets or liabilities either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable input).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their level in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. It is management's assessment the fair value of assets and liabilities that are not measured at fair value would qualify for a Level 2 classification.

		Fair value			
	Carrying amount	**Level 1**	**Level 2**	**Level 3**	**Total**
As at 30 Sep 2022					
Financial (assets) / liabilities					
Fair value of derivatives used for hedging	**(979,835)**	**-**	**(979,835)**	**-**	**(979,835)**
Long-term financing and funding facilities	**23,552,636**	**2,664,222**	**20,545,368**	**-**	**23,209,590**
Other financial liabilities	**300,638**	**-**	**-**	**300,638**	**300,638**
As at 31 Dec 2021					
Financial (assets) / liabilities					
Fair value of derivatives used for hedging	361,408	-	361,408	-	361,408
Long-term financing and funding facilities	23,815,229	3,619,044	20,810,769	-	24,429,813
Other financial liabilities	393,654	-	-	393,654	393,654

19 FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

The fair value of other financial instruments has been assessed as approximately equal to the carrying amounts due to frequent re-pricing or their short term nature. Management believes that the fair value of net investment in finance lease is approximately equal to its carrying amount because the lease relates to a specialised nature of asset whereby the carrying amount of net investment in finance lease is the best proxy of its fair value.

20 OTHER SIGNIFICANT DEVELOPMENTS DURING THE PERIOD

20.1 On 20 June 2022, the Group and the off taker of Shuaibah Water and Electricity Company ("Shuaibah 3 IWPP") signed an agreement to amend and restructure the Power and Water Purchase Agreement ("PWPA") of Shuaibah 3 IWPP, to replace it with a new reverse osmosis seawater desalination plant ("RO plant") and corresponding independent water plant ("Shuaibah 3 IWP").

The RO plant will be developed under a 25 year agreement, with commercial operations date ("COD") for the plant scheduled for the second quarter of 2025. Shuaibah 3 IWPP shall continue to operate until the COD of the RO plant. Upon achieving COD of the RO plant, Shuaibah 3 IWPP shall be decommissioned. The project company which is an equity accounted investee, Shuaibah 3 IWPP, will continue to receive the capacity payments until the expiry of the original PWPA term in 2030.

As of 30 September 2022, the project company has accounted for the above restructuring under IFRS 16 for lease modifications. The restructuring has no impact on the interim condensed statement of profit or loss or the interim condensed statement of financial position as of and for the period ended 30 September 2022.

20.2 During the period ended 30 September 2022, the minority shareholders of ACWA Power Harbin Holdings Limited have provided an additional capital contribution amounting to SR 332.3 million (30 September 2021: Nil). This additional capital contribution by non-controlling shareholder is partially reduced by repayments amounting to SR 13.6 million (30 September 2021: Nil) made to certain other non-controlling shareholders in certain subsidiaries of the Group.

21 DIVIDENDS

The Board of Directors approved a cash dividend payment of SR 562.9 million (SR 0.77 per share) for the year 2021. The proposed dividends were approved by the shareholders at the ordinary general assembly meeting held on 30 September 2022 and accrued as a payable in the interim condensed consolidated statement of financial position. The dividend was subsequently paid on 21 July 2022.

Furthermore, during the period ended 30 September 2022, certain subsidiaries of the Group distributed dividends of SR 54.8 million (30 September 2021: SR 71.4 million) to the non-controlling interest shareholders.

22 SUBSEQUENT EVENTS

Subsequent to the period ended 30 September 2022, the Group in accordance with the nature of its business, has entered into or is negotiating various agreements. Management does not expect these to have any material impact on the interim condensed consolidated financial position and results as of the reporting date.

(All amounts in Saudi Riyals thousands unless otherwise stated)

23 COMPARATIVE FIGURES

Certain figures for the prior periods have been reclassified to conform to the presentation in the current period, and as per the requirements of IFRS 5 – Non-current assets held for sale and discontinued operations (refer to note 16.2). A summary of reclassifications is as follows:

Nine months period ended 30 Sep 2021	**As previously Reported**	**Reclassifications due to discontinued operations (refer to note 16.3)**	**Reclassification due to conform to the presentation in the current period**	**As reported in these financial statements**
Continuing operations				
Revenue	3,854,083	(90,759)	-	3,763,324
Operating costs	(1,754,039)	60,825	-	(1,693,214)
General and administration expenses	(653,993)	6,790	-	(647,203)
Share in net results of equity accounted investees, net of tax	206,310	35,528	-	241,838
Other operating income	103,186	(8,827)	24,116	118,475
Other income	45,867	-	(24,116)	21,751
Exchange gain, net	11,892	88	-	11,980
Financial charges, net	(847,000)	7,243	-	(839,757)
Zakat and tax charge	(80,600)	3,013	-	(77,587)
Discontinued operations				
Loss from discontinued operations	-	(13,901)	-	(13,901)

Three months period ended 30 Sep 2021	**As previously Reported**	**Reclassifications due to discontinued operations**	**Reclassification due to conform to the presentation in the current period**	**As reported in these financial statements**
Continuing operations				
Revenue	1,294,011	(25,198)	-	1,268,813
Operating costs	(579,031)	18,225	-	(560,806)
General and administration expenses	(195,486)	2,703	-	(192,783)
Share in net results of equity accounted investees, net of tax	56,064	26,463	-	82,527
Other operating income	43,674	-	10,175	53,849
Other income	30,355	-	(10,175)	20,180
Exchange gain / (loss), net	5,201	88	-	5,289
Zakat and tax charge	(41,008)	3,013		(37,995)
Discontinued operations				
Loss from discontinued operations	-	(25,295)	-	(25,295)

As at 31 December 2021	**As previously Reported**	**Reclassification due to conform to the presentation in the current period**	**As reported in these financial statements**
Non-current liabilities			
Other financial liabilities	265,295	(265,295)	-
Other liabilities	408,953	265,295	674,248

24 APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These interim condensed consolidated financial statements were approved by the Board of Directors and authorised for issue on 8 Rabi al Thani 1444H, corresponding to 2 November 2022G.