



Earnings Press Release

FY2025

CONTENTS

CEO MESSAGE 3

FINANCIAL HIGHLIGHTS 4

FINANCIAL PERFORMANCE 5

ESG HIGHLIGHTS 6

CEO MESSAGE



Engr.
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Marafiq Company is pleased to present a comprehensive summary of its financial and operational performance for the fiscal year 2025, a year distinguished by substantial progress in the execution of its long-term strategic objectives and by the continued strengthening of its core project portfolio within the water and energy sectors.

During the year, the Company maintained its trajectory of expansion through the Build-Own-Operate (BOO) and Build-Own-Operate-Transfer (BOOT) project models, advancing the development of several strategic assets. Notable among these is the Jeddah Independent Sewage Treatment Plant (ISTP), the Al-Hair Independent Sewage Treatment Plant (ISTP), and the Industrial Wastewater Treatment and Reuse Facility for the Amiral Project (IWTP).

The company achieved net profits of SAR 449.43 million for the fiscal year 2025, compared to SAR 17.15 million in the previous year 2024. This significant increase in profits is mainly attributed to strong operational performance and higher sales volumes from the water, power, and gas segments. Despite this increase, the company's results were impacted by higher operating costs, with fuel costs increasing by SAR 515.71 million and power and water purchase costs rising by SAR 151.03 million.

In response, the Company initiated a comprehensive expenditure optimization program designed to enhance operational efficiency and mitigate cost escalation. This program encompasses the restructuring and renegotiation of service contracts, rationalization of administrative spending, leveraging of economies of scale, and the adoption of a repair-over-replace strategy aimed at reducing capital outlays. These measures are expected to positively influence financial performance during the 2025–2026 period, reinforcing the Company's financial resilience and supporting improved profitability margins.

In closing, Marafiq Company extends its sincere appreciation to all stakeholders for their continued confidence and support. The Company reaffirms its unwavering commitment to maximizing shareholder value, fostering sustainable economic impact, and strengthening its competitive position through innovation and operational excellence.

FINANCIAL HIGHLIGHTS



REVENUE

₹ 6,945.62 Million
0.91%



NET INCOME

₹ 449.43 Million
2,520.58%



EARNINGS PER SHARE

₹ 1.80 /share
2,471.43%



EBITDA

₹ 2,929.35 Million
13.52%



FREE CASH FLOW

₹ 2,162.08 Million
(4.66)%



DEBT TO EQUITY (Times)

2.95x
(13.29)%

FINANCIAL PERFORMANCE

- Total revenue amounted to SAR 6,945.62 million, driven by higher sales volumes across all segments, representing an increase of 6.84% in overall demand compared to last year. During the year, Power segment demonstrated strong demand growth of 10.54%, which was offset by a one-off adjustment related to High Intensity Electricity Consumption Tariff (HIECT).
- The cost of revenue reached SAR 6,128.14 million, reflecting an increase of 14.32% compared to last year. The increase is primarily driven by an increase in the cost of fuel used in production amounting to SAR 515.71 million, representing a 27.28% increase.
- Driven by strong operational excellence, cost management, and improved efficiency across its core operations, the company recorded a net profit of SAR 449.43 million.
- Free cash flow amounted to SAR 2,162.08 million, a decrease of 4.66% compared to last year, mainly due to lower cash flows from operating activities offset by lower capital expenditures.

Financial results summary (All figures in millions of Saudi Riyals)

Item	31 December 2025	31 December 2024	Change Percentage %
Revenue	6,945.62	6,883.21	0.91 %
Cost of Revenue	(6,128.14)	(5,360.57)	14.32 %
Net profit (Loss)	449.43	17.15	2,520.58 %
Earnings per Share (SR/Share)	1.80	0.07	2,471.43 %
Free cash flow ⁽¹⁾	2,162.08	2,267.77	(4.66) %

(1) Free cash flow is calculated by: Net cash from operating activities, less additions to property, plant and equipment, plus financing costs paid.

ESG HIGHLIGHTS

In 2025, the focus was on the following areas:

- Managing greenhouse emissions and reducing their negative impacts by adopting the latest environmental technologies.
- This contributed to reducing kg CO₂e/kwh by 4.6% below the target (0.719 actual Vs 0.754 target) and 0.13 % comparing to same period of 2024.
- Improving water use efficiency and reducing water loss, with the rate reduced to 7.28%, which is 1% less than the target 7.34%
- Commencing work on a project to completely replace liquid fuel, which will reduce greenhouse gas emissions by up to 20% of current concentrations upon completion of the project.
- Increasing the rate of re used quantity (4,969,372 m³) of treated industrial water by more than 32% from total treated water , which is more than 10 % of re used quantity for the same period (3,792,452 m³).

Carbon recycling of Non-hazardous waste:

This economic system represents a shift from a linear model, in which materials are used and then discarded, to a circular model based on reducing consumption, reuse, and recycling. Marafiq support this national trend locally to promote the framework for reducing carbon emissions by recycling non-hazardous waste. Number of initiatives led to reduce carbon emissions from non-hazardous waste recycling resulting to a voided of 344 tons of carbon emissions.

GHG Emissions Intensity

0.719 KgCO₂e/kwh
4.6 % Less than target 0.754

Water loss

Actual 7.28% Vs 7.32 Target
less than target by 1%

Utilization of treated Industrial water-Y

4,969,372 m³ Vs 3,792,452 m³
which is 32% rom total treated water
and 10% more comparing to the same period

Non-Hazardous waste recycle avoiding carbon

344 Ton comparing to 673 Ton
for the last two year

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