

**PRESS RELEASE:**

## **ACWA Power achieves steady operating growth for the first quarter of 2023**

- ***Consolidated net profit attributable to equity holders of the parent for the first three months of 2023 reaches SAR270 million, a 78% increase year-on-year***
- ***Operating income in the same period grew 7% year-on-year to SAR559 million***
- ***The Company raised SAR1,800 million through a second tranche of its SAR5,000 million Sukuk at record competitive margin in Saudi Arabia***

**Riyadh, Kingdom of Saudi Arabia, 10 May 2023:** ACWA Power Company, a publicly listed company on the Saudi Arabian Tadawul stock exchange (ACWA Power: 2082) and a leading Saudi developer, investor, and operator of power generation, water desalination and green hydrogen plants worldwide, today announced its financial results for the first quarter of 2023, a three-month period ending 31 March 2023.

Operating income before impairment loss and other expenses for the quarter ending 31 March 2023 increased by 7% from the same period last year, and reached SAR559 million. Contribution from both the new projects that came online, and the existing ones including those that were out of operations in the same period last year due to outages increased by SAR175 million. This was partially offset by lower development and construction management services fees, higher corporate general admin expenses, and other income recognised in 1Q2022.

In the first quarter of 2023, the company recorded a consolidated net profit, attributable to equity holders of the parent, of SAR270 million, representing a 78%, increase when compared to the same period last year. Earnings per share for the period was SAR0.37. In addition to higher operating income, the increase was primarily due to lower Zakat and tax charge and higher financial income that were partially offset by higher finance charges and exchange losses.

During the quarter, ACWA Power also announced the expansion of its leadership team to steer the company through its next phase of growth and expansion. ACWA Power appointed Raad Al-Saady as Vice Chairman and Managing Director, and Marco Arcelli as Chief Executive Officer, succeeding Paddy Padmanathan. Both leaders bring a wealth of expertise in building and executing high growth strategies, operations and stakeholder management and driving leadership.

"ACWA Power's consistent growth demonstrates our steadfast focus on delivering sustainable value to our partners and stakeholders. We are committed to contribute the talent, capital, and experience to make the company a global leader in energy transition and enabling economic growth of countries where we operate through affordable, secure, and sustainable energy, water, and green fuels," **said Mr. Mohammad Abunayyan, Chairman of ACWA Power.** "I am confident that our expanded leadership team will lead us into an exciting new phase of growth, overseeing our regional and global expansion efforts, and accelerating our efforts to drive the transition worldwide."

During the quarter, ACWA Power completed the issuance of the second tranche under its SAR5 billion Sukuk Issuance programme and raised SAR1,800 million, at a record pricing in double digits in the SAR corporate market since 2017, which was oversubscribed 2.24 times.

"It has been a solid start to 2023 and the first quarter results reflect the resilience of ACWA Power's business model, which has consistently delivered strong performance in the face of market volatility," said **Marco Arcelli, Chief Executive Officer of ACWA Power.** "We remain committed to pursuing ambitious goals that benefit our stakeholders and communities across the markets we serve. We are excited about opportunities that lie ahead and look forward to continuing our growth trajectory while contributing to a more sustainable future for all."

The Company has achieved significant milestones on the business development landscape during the first quarter of 2023. In the bidding space, three power purchase agreements (PPA) were signed with the National Electric grid of Uzbekistan for three solar PV plants with a total combined capacity of 1,400 MWac and Battery Energy Storage Systems (BESS) with a total combined capacity of 1,500 MWh. Subsequently in April 2023, the Company has announced the signing of a water purchase agreement (WPA) with the Saudi Water Partnership Company for the development, construction, operation and ownership of a water desalination plant using reverse osmosis technology with a capacity of up to 600,000 m<sup>3</sup>/day and associated infrastructure and facilities including potable water special facilities for tanks with a capacity of 1,200,000 m<sup>3</sup>, to be located south of Rabigh city, on the coast of the Red Sea in the Western Province of the Kingdom of Saudi Arabia.

During the quarter, two dry financial closes were achieved, including a SAR24 billion financing for the NEOM green hydrogen project, the world's largest at-scale green hydrogen production project jointly owned by ACWA Power, Air Products and NEOM, which is under construction in NEOM, Saudi Arabia.

Additionally, three projects—Jazan Integrated Gasification Combined Cycle Project's Group 2 assets, Noor Energy 1's 300MW two units, and Jazlah Independent Water Plant--achieved commercial operations in this quarter, beginning to contribute into the Company's income and cash streams.

As previously announced, ACWA Power's Board of Directors had approved on 26 January 2023, a dividend payment of SAR606.8 million for the year 2022, payable during 2023. The proposed dividends of SAR 0.83 per share are subject to shareholders' approval at the upcoming General Assembly Meeting.

"ACWA Power's strong financial results reinforce our healthy balance sheet and ensure we are well positioned to capitalise on the ambitious growth ahead of us," said **Abdulhameed Al Muhaidib, Chief Financial Officer, ACWA Power**. "We remain committed to delivering sustainable value to our shareholders by optimizing existing projects and achieving successful financial outcomes".

The Company's Interim Condensed Consolidated Financial Statements and Independent Auditor's Review Report for the three months ended 31 March 2023 issued by Ernst & Young & Co. along with the management's Interim Investor Report that includes a management's discussion and analysis of the financial results are available on ACWA's Power's Investor Relations page at <http://acwapower.com/en/investor-relations/>.

The company will host an investor call discussing this period at 1600 on 10 May 2023.

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**MORE NOTES FOR EDITORS:**

**About ACWA Power**

ACWA Power (TADAWUL:2082) is a developer, investor and operator of power generation, desalinated water, and green hydrogen production plants. Registered and established in 2004 in Riyadh, Saudi Arabia, ACWA Power employs over 4,000 people and is currently present in 12 countries in the Middle East, Africa, Central Asia, and Southeast Asia. ACWA Power's portfolio comprises 72 projects in operation, advanced development, or construction with an investment value of SAR 280.56 billion (USD 74.8 billion), and the capacity to generate 45.85 GW of power and manage 6.8 million m<sup>3</sup>/day of desalinated water per day, delivered on a bulk basis to address the needs of state utilities and industries on long term, off-taker contracts under utility services outsourcing and Public-Private-Partnership models.

**Investor Relations details:**

Ozgur Serin  
Vice President - Investor Relations  
[oserin@acwapower.com](mailto:oserin@acwapower.com)

**Media contact:**

**ACWA Power**  
**Sabina Khandwani**  
Executive Director - Marketing & Communications  
[skhandwani@acwapower.com](mailto:skhandwani@acwapower.com)