

**ACWA Power Bash Wind Proj. Holding Co. Ltd**

Separate Financial Statements  
for the period from 21 October 2022 (date of  
incorporation) to 31 December 2023

**ACWA Power Bash Wind Proj. Holding Co. Ltd**  
**Separate Financial Statements**

**Table of contents**

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	<b>Page(s)</b>
Director's report	1
Independent auditor's report	2 – 4
Separate statement of financial position	5
Separate statement of profit or loss and other comprehensive income	6
Separate statement of changes in equity	7
Separate statement of cash flows	8
Notes to the separate financial statements	9 – 21

## **Directors' report**

The directors have the pleasure in presenting this report along with the audited separate financial statements of ACWA Power Bash Wind Proj. Holding Co. Ltd for the period from 21 October 2022 to 31 December 2023 .

### **Main business and operations**

The objective of the Company is to hold investments within or outside the UAE in the form of shares of or equity interest in or shareholder loans to the companies engaged in the business of power generation, distribution or transmission, water desalination and distribution or other business related to or ancillary thereto, the development and management of such companies and the provision of technical, commercial, administrative services out of UAE.

The operating results of the Company are fully set out in the attached separate financial statements.

The Company has reported a net profit of USD 195,190 for the period from 21 October 2022 to 31 December 2023.

### **Directors**

The Directors of the Company for the period from 21 October 2022 to 31 December 2023 and to the date of this report are as follows:

- Mr. Borja Miguel Sanz
- Mr. Abid Hussain Malik
- Mr. Abdulhameed Sulaiman Almuheidib

### **Auditors**

Grant Thornton were appointed auditors of the Company for the period from 21 October 2022 to 31 December 2023 and being eligible, have offered themselves for re-appointment for the year ending 31 December 2024.



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**Authorised Signatory**

## **Independent Auditor's Report**

### **To the Shareholder of ACWA Power Bash Wind Proj. Holding Co. Ltd**

#### **Report on the Audit of Separate Financial Statements**

#### **Opinion**

We have audited the separate financial statements of ACWA Power Bash Wind Proj. Holding Co. Ltd (the "Company"), which comprise the separate statement of financial position as at 31 December 2023, and the separate statement of profit or loss and other comprehensive income, separate statement of changes in equity and separate statement of cash flows for the period from 21 October 2022 to 31 December 2023 then ended, and notes to the separate financial statements, including material accounting policy information.

In our opinion, the accompanying separate financial statements present fairly, in all material respects, the separate financial position of the Company as at 31 December 2023, and its financial performance and its separate cash flows for the period 21 October 2022 to 31 December 2023 then ended in accordance with International Financial Reporting Standards (IFRS).

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Separate Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the separate financial statements in the Dubai International Financial Centre ("DIFC"), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Other Information**

The Directors are responsible for the other information. The other information comprises of the Director's Report, but does not include the separate financial statements and our auditor's report thereon.

Our opinion on the separate financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the separate financial statements, or our knowledge obtained in the audit, or otherwise, appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Independent Auditor's Report**

**To the Shareholder of ACWA Power Bash Wind Proj. Holding Co. Ltd (continued)**

**Report on the Audit of the Separate Financial Statements (continued)**

### **Responsibilities of Management and the Board of Directors for the Separate Financial statements**

Management is responsible for the preparation and fair presentation of these separate financial statements in accordance with IFRSs, and in compliance with the applicable provisions of the Companies Law pursuant to DIFC Law No. 5 of 2018 (as amended), and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Separate Financial Statements**

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

**Independent Auditor's Report****To the Shareholder of ACWA Power Bash Wind Proj. Holding Co. Ltd (continued)****Report on the Audit of the Separate Financial Statements (continued)****Auditor's Responsibilities for the Audit of the Separate Financial Statements (continued)**


- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Report on Other Legal and Regulatory Requirements**

As required by the DIFC Law No. (5) of 2018 (as amended), we report that:

- i) We have obtained all the information and explanations we considered necessary for the purpose of our audit;
- ii) the Company has maintained proper accounting records in accordance with established accounting principles;
- iii) the financial information included in the separate financial statements is consistent with the accounting records of the Company; and
- iv) the separate financial statements have been prepared and comply, in all material respects, with the applicable provisions of DIFC Law No. (5) of 2018 (as amended) and Article of Association of the Company.

**GRANT THORNTON AUDIT AND ACCOUNTING LIMITED CORPORATION (BVI)****Audit Principal: Dr Osama El-Bakry**  
**Dubai, United Arab Emirates****22 MAY 2024**

**ACWA Power Bash Wind Proj. Holding Co. Ltd**  
**Separate Financial Statements**

**Separate Statement of financial position**  
**As at 31 December 2023**

	Notes	2023 USD
<b>ASSETS</b>		
<b>Non-current assets</b>		
Investment in a subsidiary	5	500,000
Amount due from a related party	11	<u>5,202,272</u>
		5,702,272
<b>Current assets</b>		
Other receivables	9	<u>275,676</u>
<b>TOTAL ASSETS</b>		<u><u>5,977,948</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	10	25,000
Retained earnings		<u>195,190</u>
<b>Total equity</b>		<u><u>220,190</u></u>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Loan from a related party	11	<u>5,702,272</u>
		<u>5,702,272</u>
<b>Current liabilities</b>		
Other payables	8	9,500
Amount due to related parties	11	<u>45,986</u>
		55,486
<b>Total liabilities</b>		<u>5,757,758</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>5,977,948</u></u>



Soumendra Chandra Rout  
Authorised Signatory

The accompanying notes from 1 to 14 form an integral part of these financial statements.

**ACWA Power Bash Wind Proj. Holding Co. Ltd**  
**Separate Financial Statements**

**Separate Statement of profit or loss and other comprehensive income**  
**For the period from 21 October 2022 to 31 December 2023**

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	Notes	For the period from 21 October 2022 to 31 December 2023 USD
Interest income	7	265,824
General and administrative expenses	6	(70,634)
<b>Profit for the period from 21 October 2022 to 31 December 2023</b>		<hr/> <b>195,190</b>
Other comprehensive income		<hr/> -
<b>Total comprehensive income for the period from 21 October 2022 to 31 December 2023</b>		<hr/> <b>195,190</b> <hr/>

The accompanying notes from 1 to 14 form an integral part of these financial statements.

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**ACWA Power Bash Wind Proj. Holding Co. Ltd**  
**Separate Financial Statements**

**Separate Statement of changes in equity**  
**For the period from 21 October 2022 to 31 December 2023**

	Share Capital USD	Retained earnings USD	Total equity USD
Share capital issued	25,000	-	25,000
Profit for the period from 21 October 2022 to 31 December 2023	-	195,190	195,190
Total comprehensive income for the period from 21 October 2022 to 31 December 2023	-	195,190	195,190
<b>Balance as at 31 December 2023</b>	<b>25,000</b>	<b>195,190</b>	<b>220,190</b>

The accompanying notes from 1 to 14 form an integral part of these financial statements

**ACWA Power Bash Wind Proj. Holding Co. Ltd**  
**Separate Financial Statements**

**Separate Statement of cash flows**  
**For the period from 21 October 2022 to 31 December 2023**

	For the period from 21 October 2022 to 31 December 2023 USD
<b>OPERATING ACTIVITIES</b>	
Net profit for the period from 21 October 2022 to 31 December 2023	195,190
<i>Movement in working capital:</i>	
Other receivables	(275,676)
Other payables	9,500
Amount due to related parties	45,986
<b>Net cash used in operating activities</b>	<u>(25,000)</u>
<b>INVESTING ACTIVITIES</b>	
Investment in a subsidiary	(500,000)
Loan to related party	(5,202,272)
<b>Net cash used in investing activities</b>	<u>(5,702,272)</u>
<b>FINANCING ACTIVITIES</b>	
Share capital issued	25,000
Loan from related parties	5,702,272
<b>Net cash generated from financing activities</b>	<u>5,727,272</u>
<b>Net change in cash and cash equivalents</b>	-
Cash and cash equivalents, beginning of the period 21 October 2022	-
<b>Cash and cash equivalents, end of 31 December 2023</b>	<u>-</u>

The Company does not have a bank account. All cash and bank payments are made, and cash and bank receipts are taken by a related party on behalf of the Company.

The accompanying notes from 1 to 14 form an integral part of these financial statements.

# ACWA Power Bash Wind Proj. Holding Co. Ltd

## Separate Financial Statements

### Notes to the separate financial statements

#### For the period from 21 October 2022 to 31 December 2023

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#### **1 Legal status and nature of operations**

ACWA Power Bash Wind Proj. Holding Co. Ltd (the “Company”) is a company registered under the laws and regulations of the Dubai International Financial Centre (DIFC Law No. 5 of 2018) in United Arab Emirates (“UAE”) under registration number CL6210 dated 21 October 2022.

The objective of the Company is to hold investments within or outside the UAE in the form of shares of or equity interest in or shareholder loans to the companies engaged in the business of power generation, distribution or transmission, water desalination and distribution or other business related to or ancillary thereto, the development and management of such companies and the provision of technical, commercial, administrative services out of UAE.

The Parent Company is ACWA Power Green Energy Holding Limited (the “Parent Company”), registered in Dubai International Financial Center, Dubai, United Arab Emirate, which owns 100% equity interest in the Company.

The Ultimate Parent of the Company is ACWA Power Company (Saudi Listed Joint Stock Company) (“Ultimate Parent Company”), a company registered in Kingdom of Saudi Arabia, which indirectly owns 100% equity interest in the Company through its subsidiaries.

The separate financial statements present information about the Company as an individual undertaking and not about its Group. As permitted under IFRS 10, Consolidated Financial Statements, the Company has elected not to present consolidated financial statements. The results of the Company and its subsidiaries are consolidated in the financial statements of the Ultimate Parent Company, which are available and can be obtained from the Ultimate Parent Company’s office, which is located at Kingdom of Saudi Arabia.

The separate financial statements are for the period since inception from 21 October 2022 to 31 December 2023 (the “Period”) and represent the first set of statutory separate financial statements of the Company prepared under local law regulations.

These separate financial statements are authorised for issue in accordance with a resolution of the Board of Directors on 14 May 2024.

#### **2 Basis of presentation, preparation and compliance**

These separate financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by International Accounting Standards Board (“IASB”) and the applicable provisions of the Companies Law pursuant to the DIFC Law No. 5 of 2018 (as amended).

##### **Basis of preparation**

These separate financial statements are prepared on a historical cost basis. These separate financial statements are presented in United States Dollars (USD), which is the functional and presentation currency of the Company, except when otherwise indicated.

These separate financial statements only represent the financial performance of the Company and the financial performance of the subsidiaries have not been consolidated or equity accounted in these separate financial statements.

The Company is a Parent Company for subsidiary as set out in Note 5

**ACWA Power Bash Wind Proj. Holding Co. Ltd**  
**Separate Financial Statements**

Notes to the separate financial statements  
For the period from 21 October 2022 to 31 December 2023

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**2 Basis of presentation, preparation and compliance (Continued).**

**Standards, interpretations and amendments to existing standards that are effective from 1 January 2023**

The following relevant standards, interpretations and amendments to existing standards were issued by the IASB:

<b>Standard number</b>	<b>Title</b>	<b>Effective date</b>
IAS 1	Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2	1 January 2023
IAS 8	Definition of Accounting Estimates – Amendments to IAS 8	1 January 2023
IAS 12	Deferred Tax related to Assets and liabilities arising from a single transaction – Amendments to IAS 12	1 January 2023
IFRS 17	Insurance Contracts	1 January 2023

These standards have been adopted by the Company and did not have a material impact on these separate financial statements.

**Standards, amendments and Interpretations to existing Standards that are not yet effective and have not been adopted early by the Company**

At the date of authorisation of these separate financial statements, several new, but not yet effective, standards and amendments to existing standards, and interpretations have been published by the IASB. None of these standards or amendments to existing standards have been adopted early by the Company.

Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement.

<b>Standard number</b>	<b>Title</b>	<b>Effective date</b>
IAS 1	Amendment to IAS 1 – Non-current liabilities with covenants	1 January 2024
IAS 16	Amendment to IFRS 16 – Leases on sale and leaseback	1 January 2024
IAS 7	Supplier Finance Arrangements	1 January 2024
IAS 21	Lack of Exchangeability	1 January 2025

# ACWA Power Bash Wind Proj. Holding Co. Ltd

## Separate Financial Statements

### Notes to the separate financial statements

#### For the period from 21 October 2022 to 31 December 2023

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### **3 Material accounting policy information**

#### **Overall considerations**

The significant accounting policies have been applied consistently and these separate financial statements have been prepared using the measurement bases specified by IFRS for each type of asset, liability, income and expense. The measurement bases are more fully described in the following accounting policies:

#### **Functional and presentation currency**

These separate financial statements are prepared on a historical cost basis. These separate financial statements are presented in United States Dollars (USD), which is the functional and presentation currency of the Company, except when otherwise indicated.

#### **Current versus non-current classification**

The Company presents assets and liabilities in the separate statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

#### **Investment**

Subsidiary companies are those companies which are controlled by the Company.

The Company's investments are accounted for at cost with provision for impairment for any permanent decline in value, where necessary.

The Company determines whether it is necessary to recognise an impairment loss on its investment in subsidiaries. At each reporting date, the Company determines whether there is objective evidence that the investment in the subsidiaries is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the subsidiaries and its carrying value, then recognises the loss within separate statement of comprehensive income.

**ACWA Power Bash Wind Proj. Holding Co. Ltd**  
**Separate Financial Statements**

**Notes to the separate financial statements**  
**For the period from 21 October 2022 to 31 December 2023**

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**3 Material accounting policy information (continued)**

**Financial instruments**

**Initial recognition and subsequent measurement**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument at another entity.

**Financial assets**

**Initial recognition and measurement**

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

The Company's financial assets include amount due from a related party.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at fair value through profit or loss;
- Financial assets at amortised cost;
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments); and
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments).

The Company has no financial assets at fair value through profit or loss, financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments) and financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments).

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Company. The Company measures financial assets at amortised cost if both of the following conditions are met:

**ACWA Power Bash Wind Proj. Holding Co. Ltd**  
**Separate Financial Statements**

**Notes to the separate financial statements**  
**For the period from 21 October 2022 to 31 December 2023**

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**3 Material accounting policy information (continued)**

**Subsequent measurement (continued)**

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets include amount due from a related party.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**Financial liabilities**

**Initial recognition and measurement**

Financial liabilities are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus, in the case of loans and borrowings, directly attributable transaction costs.

The Company's financial liabilities include term loan, amount due to related parties, loan from related parties and other payable. The Company has not designated any financial liability as at fair value through profit or loss.

**ACWA Power Bash Wind Proj. Holding Co. Ltd**  
**Separate Financial Statements**

**Notes to the separate financial statements**  
**For the period from 21 October 2022 to 31 December 2023**

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**3 Material accounting policy information (continued)**

**Financial liabilities (continued)**

**Subsequent measurement**

The measurement of financial liabilities depends on their classification.

*Borrowings*

Borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs

After initial recognition, borrowings are subsequently measured at amortised cost using the effective interest rate method (“EIR”). Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised as well as through the amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the separate statement of comprehensive income.

Instalments due within one year are shown as a current liability.

*Accrued expenses*

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount reported in the separate statement of financial position if, and only if:

- There is a currently enforceable legal right to offset the recognised amounts; and
- There is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

**Provisions**

Provisions are recognised in the separate statement of comprehensive income when the Company has a present obligation as a result of a past event from which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

**Contingencies**

Contingent liabilities are not recognised in the separate financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognised in the separate financial statements but disclosed when an inflow of economic benefits is probable.



## ACWA Power Bash Wind Proj. Holding Co. Ltd Separate Financial Statements

### Notes to the separate financial statements For the period from 21 October 2022 to 31 December 2023

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#### **3 Material accounting policy information (continued)**

##### **Value added tax**

Expenses, and assets are recognised net of the amount of VAT, except:

- When the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; and/or
- When receivables and payables are stated with the amount of VAT included.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the separate statement of financial position.

##### **Related party**

A related party is defined as follows:

- a. A person or a close member of that person's family is related to the Company if that person:
  - has control or joint control over the Company;
  - has significant influence over the Company; or
  - is a member of the key management personnel of the Company or of a parent of the Company.
- b. An entity is related to a Company if any of the following conditions applies:
  - the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
  - the entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
  - both entities are joint ventures of the same third party;
  - one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - the entity is controlled or jointly controlled by a person identified in (a); or a person identified in (a) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

#### **4 Significant accounting judgments, estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. The Company based its assumptions and estimates on parameters available when the separate financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

##### **Expected credit losses on financial assets**

The Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

ACWA Power Bash Wind Proj. Holding Co. Ltd  
Separate Financial Statements

Notes to the separate financial statements  
For the period from 21 October 2022 to 31 December 2023

**5 Investment in a subsidiary**

	Country of Incorporation	% held by the Company 2023	Cost of investment 2023 USD
ACWA Power Bash Wind LLC BU	Uzbekistan	100.00%	<u>500,000</u>

**6 General and Administrative expenses**

	For the period from 21 October 2022 to 31 December 2023 USD
Employee costs *	32,675
Legal and professional fees	29,790
Short-term lease expense *	5,228
Utility costs *	2,287
Travel and transport expenses *	82
Miscellaneous expenses*	572
	<u>70,634</u>

\* These expenses have been incurred on our behalf from ACWA Power International LLC (Note 11).

**7 Interest Income**

	For the period from 21 October 2022 to 31 December 2023 USD
FE "ACWA Power Bash Wind" LLC	<u>265,824</u>
	<u>265,824</u>

**8 Other payables**

	2023 USD
Accrued expenses	<u>9,500</u>
	<u>9,500</u>

**ACWA Power Bash Wind Proj. Holding Co. Ltd**  
**Separate Financial Statements**

**Notes to the separate financial statements**  
**For the period from 21 October 2022 to 31 December 2023**

**9 Other receivables**

	2023 USD
Accrued receivables*	273,499
Value added tax receivable	2,177
	<u>275,676</u>

\* The accrued receivables pertains to related parties which is due from FE "ACWA Power Bash Wind" LLC and ACWA Power Treasury Holding Company (Note 11)

**10 Share capital**

	2023 USD
Authorised, issued and fully paid-up capital 25,000 shares of par value USD 1	<u>25,000</u>

The Company has one class of ordinary shares. The Company is 100% owned by ACWA Power Green Energy Holding Limited (the parent Company).

**11 Transactions and Balance with related parties**

Related parties comprise the Parent Company, Shareholder, Ultimate Parent Company, directors, key management personnel and business entities in which they have the ability to control or exercise significant influence in financial and operating decisions.

The Company maintains balances with these related parties that arise in the normal course of business from commercial transactions. Transactions are entered into at terms and conditions that the management considers comparable with those adopted for arm's length transactions with third parties. Significant transactions and reporting date balances arising from transactions with related parties are as follows:

Related parties	Relationship	2023 USD
<b>Due from related parties</b>		
FE "ACWA Power Bash Wind" LLC	Subsidiary	265,824
ACWA Power Treasury Holding Company Ltd	Affiliates	7,675
		<u>273,499</u>
<b>Amount due to related parties</b>		
ACWA Power Green Energy Holding Limited	Parent	3,100
ACWA Power International LLC	Affiliate	42,886
		<u>45,986</u>

**ACWA Power Bash Wind Proj. Holding Co. Ltd**  
**Separate Financial Statements**

**Notes to the separate financial statements**  
**For the period from 21 October 2022 to 31 December 2023**

**11 Transactions and Balance with related parties (Continued)**

<b>Related parties</b>	<b>Relationship</b>	<b>2023 USD</b>
<b>Due from a related party (non-current)</b>		
FE “ACWA Power Bash Wind” LLC	Subsidiary	<u>5,202,272</u>
<b>Amount due to a related party (non-current)</b>		
ACWA Power Green Energy Holding Limited	Parent	<u>5,702,272</u>

Due from a related party represents the following:

- The amount represents loan provided by the Company to FE “ACWA Power Bash Wind” LLC (“Subsidiary”) with respect to funding commitments. The transfer of funds was made directly by a related party (see above ‘Due from a related party’), however the transfer was structured through the Company and accordingly a corresponding loan to the Subsidiary was recognised.

The loan bears interest at the rate of 3.75% on USD 461,809 for FE “ACWA Power Bash Wind” LLC till April 2023 and after that the same amount is converted into investment in subsidiary. Further loan of USD 5,202,272 provided to FE “ACWA Power Bash Wind” LLC at the interest rate of 8% and the loan is unsecured.

The loan given to FE “ACWA Power Bash Wind” LLC and the interest thereon is repayable on the request of the Company or at the option of the subsidiary. At least for the 12 months from the reporting date, the Company has not demanded for the repayment and accordingly the Company has disclosed the loan as a non-current asset.

Due to a related party represents the following:

- The loan is interest-free from the Parent Company and is repayable at any time on the request of the Parent Company or at the option of the Company. At least for the 12 months from the reporting date, the related party has not demanded for the repayment and accordingly the Company has disclosed the loan as a non-current liability.

For the period ended 31 December 2023, the Company has not recorded any impairment of due from a related party. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates;

<b>Related party</b>	<b>Relationship</b>	<b>2023 USD</b>
<b>Expenses incurred on behalf of the Company (general and administrative expenses) (Note 6)</b>		
ACWA Power International LLC	Affiliate	<u>40,844</u>

**Compensation of key management personnel**

There are no key management personnel of the Company as it is managed by a related party which do not charge any cost.

# ACWA Power Bash Wind Proj. Holding Co. Ltd

## Separate Financial Statements

### Notes to the separate financial statements

#### For the period from 21 October 2022 to 31 December 2023

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#### 12 Risk management

Financial assets carried on the separate statement of financial position comprise of amount due from a related party. Financial liabilities consist of amounts due to related parties, loan due to related parties and other payables.

The Company has exposure to credit risk, liquidity risk and foreign currency risk from its use of financial “instruments”

The Company’s overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company’s financial performance. The management provides written principles for overall risk management covering specific areas, such as foreign exchange risk, credit risk, and investment of excess liquidity. Risk management is carried out by finance department under policies approved by the management. The finance department identifies, evaluates and hedges financial risks.

#### Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk principally arising from its amounts due from a related party.

The carrying amount of financial assets represents the maximum credit exposure. The exposure to credit risk at the reporting date was on account of:

	2023 USD
Amount due from related parties (current) (Note 11)	273,499
Amount due from a related party (non-current) (Note 11)	5,202,272
	<u>5,475,771</u>

#### *Amount due from a related party*

Management believes that amounts due from a related party is subject to minimum credit risk and is recoverable.

#### Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company’s approach to manage liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company’s reputation.

Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

**ACWA Power Bash Wind Proj. Holding Co. Ltd**  
**Separate Financial Statements**

**Notes to the separate financial statements**  
**For the period from 21 October 2022 to 31 December 2023**

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**12 Risk management (continued)**

**Liquidity risk (continued)**

The tables below summarises the maturities of the Company's undiscounted financial liabilities at 31 December based on contractual payment dates and current market interest rates.

<b>31 December 2023</b>	<b>Total undiscounted liabilities Amount USD</b>	<b>Less than 1 year USD</b>	<b>More than 1 year USD</b>
Amount due to related parties (Note 11)	45,986	45,986	-
Loan from a related party (Note 11)	5,702,272	-	5,702,272
Other payables (Note 8)	9,500	9,500	-
	<u>5,757,758</u>	<u>55,486</u>	<u>5,702,272</u>

**Foreign currency risk**

The Company is currently not exposed to any significant currency risk as the sources of fund and major expenses are in USD. The transactions in USD do not expose the Company to significant currency risk.

**Interest rate risk**

The Company's exposure to interest rate fluctuations is currently minimal as the funds are borrowed are interest free and loaned to subsidiary at a fixed rate of 8% thus do not expose to interest rate risk.

**Capital management**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and benefit other stakeholders. Management's policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development of the business. The Company manages its capital structure and makes adjustments in light of changes in economic conditions.

The Company is not subject to significant externally imposed capital requirements.

The Company manages its capital structure and makes adjustments to it in light of changes in business conditions. Equity comprises share capital, and retained earnings and is measured at USD 220,190 as at 31 December 2023.

## ACWA Power Bash Wind Proj. Holding Co. Ltd Separate Financial Statements

### Notes to the separate financial statements For the period from 21 October 2022 to 31 December 2023

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#### **13 Fair Value of Financial Instruments**

Financial instruments comprise financial assets and financial liabilities.

Financial assets consist of amount due from related party. Financial liabilities consist of amount due to related parties, and accrued expenses.

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.

Management assessed that the fair values of financial assets and liabilities are expected to approximate their carrying value due to the short-term maturities of these instruments.

#### **14 Corporate Income Tax In the UAE**

On 9 December 2022, the UAE Ministry of Finance released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (Corporate Tax Law or the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime will become effective for accounting periods beginning on or after 1 June 2023.

The Cabinet of Ministers Decision No 116/2022 effective from 2023, specifies the threshold of income over which the 9% tax rate would apply and accordingly, the Law is now considered to be substantively enacted. A rate of 9% will apply to taxable income exceeding AED 375,000, a rate of 0% will apply to taxable income exceeding AED 375,000.

For the Company, current taxes shall be accounted for as appropriate in the financial statements for the period beginning 1 January 2024. In accordance with IAS 12 income Taxes, the Company has assessed the deferred tax implications for the period ended 31 December 2023 and, after considering its interpretations of applicable tax law, official pronouncements, cabinet decisions and ministerial decisions (especially with regard to transition rules), it has been concluded that it is not material.