



MIAHONA COMPANY
(A Saudi Joint Stock Company)
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Unaudited)
For the three months period ended 31 March 2025
together with the
Independent Auditor's Review Report



MIAHONA COMPANY
(A Saudi Joint Stock Company)
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
For the three months period ended 31 March 2025



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KPMG Professional Services Company

Roshn Front, Airport Road
P.O. Box 92876
Riyadh 11663
Kingdom of Saudi Arabia
Commercial Registration No 1010425494

Headquarters in Riyadh

شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية

واجهة روشن، طريق المطار
صندوق بريد ٩٢٨٧٦
الرياض ١١٦٦٣
المملكة العربية السعودية
سجل تجاري رقم ١٠١٠٤٢٥٤٩٤
المركز الرئيسي في الرياض

Independent auditor's report on review of condensed consolidated interim financial statements

To the Shareholders of Miahona Company

Introduction

We have reviewed the accompanying 31 March 2025 condensed consolidated interim financial statements of Miahona Company ("the Company") and its subsidiaries ("the Group") which comprises:

- the condensed consolidated interim statement of financial position as at 31 March 2025;
- the condensed consolidated interim statement of profit or loss for the three-month ended 31 March 2025;
- the condensed consolidated interim statement of other comprehensive income for the three-month periods ended 31 March 2025;
- the condensed consolidated interim statement of changes in equity for the three-month period ended 31 March 2025;
- the condensed consolidated interim statement of cash flows for the three-month period ended 31 March 2025; and
- the notes to the condensed consolidated interim financial statements.

Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' that is endorsed in the Kingdom of Saudi Arabia. A review of condensed consolidated 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 31 March 2025 condensed consolidated interim financial statements of Miahona Company and its subsidiaries are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia.

KPMG Professional Services Company

Hani Hamzah A. Bedairi
License No: 460



Riyadh, 14 May 2025
Corresponding to 16 Dhual Qa'dah 1446H

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© شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية، شركة مساهمة مهنية مقفلة مسجلة في المملكة العربية السعودية، رأس مالها (١١٠.٠٠٠.٠٠٠) ريال سعودي مدفوع بالكامل، وهي عضو غير شريك في الشبكة العالمية للشركات كي بي إم جي المستقلة والتابعة لـ كي بي إم جي العالمية المحدودة، شركة تطويرية خاصة محدودة وبضمان.

MIAHONA COMPANY
(A Saudi Joint Stock Company)
CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION



As at 31 March 2025

(Amounts in Saudi Riyals)

	<i>Notes</i>	31 March 2025 (Unaudited)	31 December 2024 (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property and equipment		9,407,953	6,938,217
Intangible assets		237,832	262,739
Intangible assets arising from service concession arrangements	4	339,483,080	348,618,099
Right-of-use assets	11	64,623,755	9,557,886
Investments in equity accounted investees	5	19,530,282	19,087,059
Fair value of derivative financial instruments		486,959	9,388,092
Concession contract receivables	6	416,707,254	361,364,174
Prepayments and advances		35,620,254	35,337,103
Non-current assets		886,097,369	790,553,369
CURRENT ASSETS			
Concession contract receivables	6	34,586,026	34,586,026
Inventories		6,798,559	6,431,673
Prepayments and advances		30,076,449	25,868,741
Trade and other receivables	7	70,320,787	53,943,586
Contract assets	8	6,816,834	6,848,989
Due from related parties	17	13,611,778	7,848,477
Term deposits		55,000,000	80,000,000
Cash and cash equivalents	9	214,453,246	144,203,173
Current assets		431,663,679	359,730,665
TOTAL ASSETS		1,317,761,048	1,150,284,034
EQUITY			
Share capital		160,925,543	160,925,543
Statutory reserve		250,000	250,000
Cash flow hedge reserves		(1,765,978)	6,613,865
Retained earnings		336,112,728	274,685,074
Sub-total		495,522,293	442,474,482
Non-controlling interest		778,001	3,445,550
Total equity		496,300,294	445,920,032
LIABILITIES			
NON-CURRENT LIABILITIES			
Loans and borrowings	10	342,082,952	361,326,965
Lease liabilities	11	58,645,006	7,973,935
Fair value of derivative financial instrument		2,568,335	-
Defined employee benefits obligations		25,537,541	25,417,472
Other liabilities		30,595,246	30,549,672
Deferred revenue and contract liabilities	12	13,778,090	13,791,948
Share-based payments		751,835	687,553
Non-current liabilities		473,959,005	439,747,545
CURRENT LIABILITIES			
Loans and borrowings	10	166,172,111	140,080,875
Lease liabilities	11	4,183,511	1,808,349
Share-based payments		1,503,669	1,375,107
Trade and other payables	13	157,073,880	111,954,977
Zakat		8,142,256	6,102,300
Deferred revenue and contract liabilities	12	7,826,000	-
Other liabilities		2,600,322	3,294,849
Total current liabilities		347,501,749	264,616,457
Total liabilities		821,460,754	704,364,002
TOTAL EQUITY AND LIABILITIES		1,317,761,048	1,150,284,034

The accompanying notes 1 to 23 form an integral part of these condensed consolidated interim financial statements.

Signed by:

Chairman 874C6993D83246B...
Khalid Abunayyan

Signed by:

Chief Executive Officer 1509301F82214C7...
Awaadh Al Otaibi

Signed by:

Chief Financial Officer 1509301F82214C7...
Rehan Masood

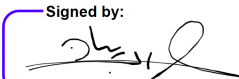
MIAHONA COMPANY

(A Saudi Joint Stock Company)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS**For the period ended 31 March 2025***(Amounts in Saudi Riyals)*

	Notes	For the three-month period ended 31	
		March	
		2025 (Unaudited)	2024 (Unaudited)
Revenue	14	175,172,189	81,604,216
Cost of revenue	15	(113,377,016)	(60,815,114)
Gross profit		61,795,173	20,789,102
Other income	21	12,720,730	7,831,014
General and administrative expenses	16	(7,639,970)	(5,514,683)
Allowance for expected credit losses ("ECL") on trade receivables	7	(950,000)	-
Operating profit		65,925,933	23,105,433
Finance costs		(12,076,061)	(9,310,543)
Finance income		7,145,669	4,740,621
Income on term deposits		2,450,919	979,567
Share of profit from equity accounted investees	5	443,223	1,316,832
Profit before Zakat		63,889,683	20,831,910
Zakat expense		(2,039,955)	(846,624)
Profit for the period		61,849,728	19,985,286
Profit for the period after Zakat attributable to:			
Equity holders of the Group		61,427,654	19,674,901
Non-controlling interest		422,074	310,385
		61,849,728	19,985,286
Earnings per share			
Basic earnings per share	20	0.38	0.12
Diluted earnings per share	20	0.38	0.12

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Chief Executive Officer
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Chief Financial Officer
Rehan Masood

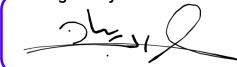
MIAHONA COMPANY

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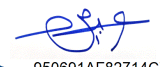
CONDENSED CONSOLIDATED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME**For the period ended 31 March 2025***(Amounts in Saudi Riyals)*

	For the three-month period ended 31 March	
	2025 (Unaudited)	2024 (Unaudited)
Profit for the period after Zakat	61,849,728	19,985,286
<i>Item that may be reclassified subsequently to profit or loss</i>		
Cash flow hedges – effective portion of changes in fair value	(11,469,466)	(965,377)
Total comprehensive income for the period	50,380,262	19,019,909
Other comprehensive income for the period attributable to:		
Equity holders of the Group	(8,379,843)	(994,446)
Non-controlling interest	(3,089,623)	29,069
	(11,469,466)	(965,377)
Total comprehensive income for the period attributable to:		
Equity holders of the Group	53,047,811	18,680,455
Non-controlling interest	(2,667,549)	339,454
	50,380,262	19,019,909

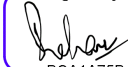
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Chief Executive Officer
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Chief Financial Officer
Rehan Masood

MIAHONA COMPANY

(A Saudi Joint Stock Company)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY**For the period ended 31 March 2025***(Amounts in Saudi Riyals)*

	Share capital	Statutory reserve	Cash flow hedge reserves	Retained earnings	Equity attributable to owners of the Company	Non-controlling interests	Total equity
As at 31 December 2023 (Audited)	160,925,543	250,000	1,705,695	229,971,854	392,853,092	385,268	393,238,360
Profit for the period	-	-	-	19,674,901	19,674,901	310,385	19,985,286
Other comprehensive income for the period	-	-	(994,446)	-	(994,446)	29,069	(965,377)
Total comprehensive income for the period	-	-	(994,446)	19,674,901	18,680,455	339,454	19,019,909
As at 31 March 2024 (Unaudited)	160,925,543	250,000	711,249	249,646,755	411,533,547	724,722	412,258,269
As at 31 December 2024 (Audited)	160,925,543	250,000	6,613,865	274,685,074	442,474,482	3,445,550	445,920,032
Profit for the period	-	-	-	61,427,654	61,427,654	422,074	61,849,728
Other comprehensive income for the period	-	-	(8,379,843)	-	(8,379,843)	(3,089,623)	(11,469,466)
Total comprehensive income for the period	-	-	(8,379,843)	61,427,654	53,047,811	(2,667,549)	50,380,262
As at 31 March 2025 (Unaudited)	160,925,543	250,000	(1,765,978)	336,112,728	495,522,293	778,001	496,300,294

The accompanying notes 1 to 23 form an integral part of these condensed consolidated interim financial statements.

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Chairman
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Chief Executive Officer
Awaadh Al Otaibi

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Chief Financial Officer
Rehan Masood

MIAHONA COMPANY

(A Saudi Joint Stock Company)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**For the period ended 31 March 2025***(Amounts in Saudi Riyals)*

	<u>Note</u>	31 March 2025 (Unaudited)	31 March 2024 (Unaudited)
Cash flows from operating activities:			
Profit before Zakat		63,889,683	20,831,910
<i>Adjustments:</i>			
Depreciation of property and equipment		668,363	700,478
Amortization of intangible assets		24,907	537
Depreciation of right-of-use assets	11	1,991,270	670,417
Amortization of intangible assets arising from service concession arrangements	4	11,517,303	10,647,782
Concession contract receivables billed during the period	6	8,683,822	8,646,506
Finance cost on lease liabilities	11	1,079,713	119,862
Finance costs		10,677,546	8,345,537
Share of profit from equity accounted investees	5	(443,223)	(1,316,832)
Allowance for ECL on trade receivables	7	950,000	-
Defined employee benefits obligation expense		1,272,892	765,586
Share-based payments		192,844	-
Amortization of the upfront cost	10	318,802	241,344
Income on term deposits		(2,450,919)	(979,567)
Finance income	6	(7,145,669)	(4,740,621)
		91,227,334	43,932,939
Changes in operating assets and liabilities:			
Inventories		(366,886)	(213,143)
Trade and other receivables		(17,327,201)	8,831,076
Contract assets		32,155	469,225
Due from related parties		(5,763,301)	(2,824,572)
Prepayments and advances		(4,490,859)	(2,352,625)
Other liabilities, deferred revenue and contract liabilities		7,163,189	(598,258)
Trade and other payables		22,423,097	8,220,938
		92,897,528	55,465,580
Income on short term deposits received		2,450,919	979,567
Defined employee benefits obligations paid		(1,152,823)	(128,320)
Finance costs paid		(15,766,853)	(7,973,984)
Net cash flows generated from operating activities		78,428,771	48,342,843
INVESTING ACTIVITIES			
Acquisition of property and equipment		(3,138,099)	(579,741)
Acquisition of plant under construction		-	(15,880,302)
Acquisition of intangible assets arising from service concession arrangements	4	(2,382,284)	(3,065,756)
Advance paid to EPC contractor		-	(38,697,262)
Movement in payables of capital creditors		27,785,116	-
Additions to concession contract receivables	6	(56,881,233)	(6,729,295)
Placement of term deposits		(55,000,000)	(101,220,000)
Proceeds of term deposits		80,000,000	16,061,000
Net cash flows used in investing activities		(9,616,500)	(150,111,356)

MIAHONA COMPANY
(A Saudi Joint Stock Company)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the period ended 31 March 2025
(Amounts in Saudi Riyals)



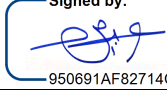
	<u>Note</u>	31 March 2025 (Unaudited)	31 March 2024 (Unaudited)
FINANCING ACTIVITIES			
Repayment of loan and borrowings	10	(19,865,496)	(17,020,000)
Proceeds from loans and borrowings	10	33,533,228	71,714,338
Upfront fees paid	10	(7,139,311)	(563,127)
Payment of lease liabilities principal	11	(4,010,906)	(607,440)
Payment of lease liabilities interest	11	(1,079,713)	(119,862)
Net cash flows generated from financing activities		<u>1,437,802</u>	<u>53,403,909</u>
Net increase / (decrease) in cash and cash equivalent during the period		70,250,073	(48,364,604)
Cash and cash equivalent at the beginning of the period		<u>144,203,173</u>	136,166,214
Cash and cash equivalents at the end of the period		<u>214,453,246</u>	<u>87,801,610</u>
Non-cash transactions			
Additions to right-of-use assets and lease liability		57,057,139	485,209
Additions to intangible assets arising from service concession arrangements and other non-current liabilities		-	32,327,453

The accompanying notes 1 to 23 form an integral part of these condensed consolidated interim financial statements.

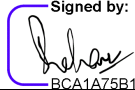
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Chief Financial Officer
Rehan Masood

MIAHONA COMPANY

(A Saudi Joint Stock Company)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**For the period ended 31 March 2025***(Amount in Saudi Riyals)***1. REPORTING ENTITY**

Miahona Company (the “Company”) is a Saudi Joint Stock Company registered in the Kingdom of Saudi Arabia under commercial registration numbered 1010253603 dated 16 Rajab 1429 H (corresponding to 20 July 2008).

The main activities of the Company and its subsidiaries (collectively referred to as “the Group”) are to engage in water transportation and distribution, operation of sewage treatment networks and facilities, general construction of the non-residential buildings (schools, hospitals, hotels etc.), establishing main water distribution stations and lines and establishing sewage stations and project, sewage networks and pumps.

The Company was formed on 16 Rajab 1429 H (corresponding to 20 July 2008) as a Limited Liability Company. On 16 Jumada'I 1445H (corresponding to 31 October 2023), the legal status of the Company changed from a Limited Liability Company to a Saudi Joint Stock Company – Closed. This was pursuant to the Company’s listing process on Tadawul, whereby the Company had filed the application of listing with Capital Market Authority (CMA) and Tadawul on 17 December 2023. Tadawul approved the application on 14 February 2024. CMA approved the application on 20 March 2024. The Company has been listed on Tadawul on 6 June 2024.

The Company has following subsidiaries and associates:

Name	Activities	Country of incorporation	Percentage of ownership (effective)	
			As at 31 March 2025	As at 31 December 2024
Industrial Cities Development and Operating Company (“ ICDOC ”) (refer note (a) below)	The main activity of ICDOC is to engage in the construction, operation and maintenance of water desalination stations, for industrial cities, water and wastewater networks, torrents networks, developing and operating industrial cities, constructing and operating of electricity stations for industrial cities, purchase of lands for constructions, developing and investing in buildings by sale and rent.	Saudi Arabia	100%	100%
Riyadh Water Production Company (“ RWPC ”) (refer note (b) below)	The main activity of RWPC is to engage in drilling all kind of water well, water technology, production, distribution transport, sell, sewerage, drainage, processors, re-use of water, sold, public construction contracting, piping, electrical work, mechanical work, maintenance, operations and road works.	Saudi Arabia	100%	100%
Al Jazirah Environment Company (“ JECO ”) (refer note (c) below)	The main activity of JECO is operation and maintenance of water desalination plant including brackish and sea water, sewerage treatment plant, water and sewerage networks, and recycle water treatment and networks.	Saudi Arabia	100%	100%
Araha Environmental Sciences Company (“ ARAH A”) (refer note (d) below)	The main activity of Araha is to engage in operation of sewer systems or sewer treatment facilities, repair and maintenance of sewer systems, sewage disposals plants and pumping station, Construction of sewer systems, sewage disposal plants and pumping stations.	Saudi Arabia	70%	70%

MIAHONA COMPANY

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**For the period ended 31 March 2025***(Amount in Saudi Riyals)***1. REPORTING ENTITY (CONTINUED)**

Name	Activities	Country of incorporation	Percentage of ownership (effective)	
			As at 31 March 2025	As at 31 December 2024
Sustainable Water Company for Environmental Services (“ SWESC ”) (refer note (e) below)	The main activity of SWES is construction of utility projects, sewage, operation and maintenance of water supply, sanitation, waste management and treatment activities.	Saudi Arabia	70%	70%
Al Haer Environmental Services (AL HAER) (refer note (f) below)	The main activity of Al Haer is to engage in water supply, sanitation, waste management and treatment, sanitation and construction of utility projects	Saudi Arabia	45%	45%
Al Haer Operations Limited Company (AL HAER OPERATIONS) (refer note (g) below)	The main activity of Al Haer is to engage in water supply, sanitation, waste management and treatment, sanitation and construction of utility projects	Saudi Arabia	55%	55%
International Water Partner Company (IWP) (refer note (h) below)	The main activity is for Management, Operations and Maintenance (MOM) Services for the first Cluster i.e., North-west consisting of the areas of Madinah and Tabuk	Saudi Arabia	40%	40%
International Water Partner Company the second (IWP2) (refer note (i) below)	The main activity is for Management, Operations and Maintenance (MOM) Services for the Cluster i.e., Eastern consisting of the areas of Dammam	Saudi Arabia	35%	35%

(a) ICDOC is engaged in the following service concession arrangements as at the reporting date:

- A service concession arrangement with a Government related entity in Jeddah dated 24 March 2002, effective from 15 March 2005, for rehabilitating, operating and maintaining the wastewater plant and related network system (“wastewater treatment facilities”) of Jeddah Industrial city. The wastewater treatment facilities will be transferred back to Government related entity at the end of the concession arrangement period of 20 years. Currently the project is extended for further two months.
- This project was rewarded to the Company under new concession arrangements (ROT) for 25 years contract from MODON.
- A service concession arrangement with Government related entity for industrial cities in Dammam and Al-Ahsa dated 22 October 2007, effective from 30 January 2008, for rehabilitating, operating and maintaining the water utilities and wastewater plant and related network system (“water utilities and wastewater treatment facilities”) of the first and second industrial cities in Dammam and building, operating and maintaining the water utilities and wastewater treatment facilities of the first industrial city in Al-Ahsa. The water utilities and wastewater treatment facilities in industrial cities in Dammam and Al-Ahsa will be transferred back to Government related entity at the end of the concession arrangement period of 30 years.

(b) RWPC is engaged in a service concession arrangement with the Government related entity dated 15 September 2015 to perform the following:

- further, develop, own, finance engineer, design, procure, construct, commission, start up and test the new Water Treatment Station (“WTS”).
- operate, maintain and transfer the new WTS.

(c) JECCO is a subcontractor for operations and maintenance of the above service concession contracts relating to ICDOC, RWPC, Araha and SWESC.

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**For the period ended 31 March 2025***(Amount in Saudi Riyals)***1. REPORTING ENTITY (CONTINUED)**

- (d) On 30 November 2022, the Company formed ARAHA. The Company injected cash of SR 350,000 equal to 70% of Araha's shares.

ARAHA is engaged in a service concession arrangement with the Government related entity dated 28 August 2022, effective from 2 May 2023, to perform the rehabilitation remediation and financing, completion, testing, operation and maintenance, handover, and transfer of the existing two sewage treatment plants (STP) in Makkah called Hadda and Arana STPs.

- (e) On 27 February 2023, the company was awarded a contract through competitive tendering process for the Ras Tanura Refinery ("RTR") wastewater treatment plant project – to treat industrial wastewater of a Government related entity. The Company's share capital amounted to SR 350,000 equal to 70% of SWESC's shares.

The industrial wastewater treatment plant, wastewater and effluent transmission systems will be developed on a Build-Own-Operate-Transfer ("BOOT") basis for a period of 25 years. This BOOT arrangement is classified as a financial asset model under IFRIC 12, Service Concession Arrangements.

JECO is a subcontractor for operations and maintenance of the above service concession contracts relating to ICDOC, RWPC, ARAHA and SWESC.

- (f) The Company formed AL HAER during 2024. The Company holds 45% of shares of Al Haer. On 07 February 2025 the Company was awarded with the contract for developing AL HAER Independent Sewage Treatment Plant ("ISTP") on a Build, Own, Operate and Transfer (BOOT) model with a treatment capacity of 200,000 m³/day. It will also include Treated Sewage Effluent Special Facilities (TSESF), consisting of an approximately 32 km-long Treated Sewage Effluent (TSE) transmission system with a capacity of 400,000 m³/day, a TSE Pumping Station, and TSE storage tanks with a capacity of 200,000 m³.
- (g) The Company has formed AL HAER Operations during 2024. The Company holds 55% of shares of AL HAER Operations. No operational activities have been undertaken by AL HAER Operations during the period.
- (h) The Group made an investment in IWP to the extent of 40% of IWP's share capital, for a consideration of SR 200,000 in February 2021.

IWP is engaged in a contract with a Government related entity to perform management and operations of the water supply lines between the cities, engage in water wells, water technology, production, distribution, transport, sell, sewerage, drainage and re-use of water and public construction contracting, piping, electrical work, mechanical work, maintenance, operating and road works.

- (i) The Group made an investment in a newly formed entity IWP2 to the extent of 35% of IWP2's share capital, for a consideration of SR 175,000 in January 2022.

IWP2 is engaged in a contract with a Government related entity to perform management and operations of the water supply lines between the cities, engage in water wells, water technology, production, distribution, transport, sell, sewerage, drainage and re-use of water and public construction contracting, piping, electrical work, mechanical work, maintenance, operating and road works.

2. BASIS OF PRESENTATION**2.1 Statement of compliance**

These condensed consolidated interim financial statements of the Group have been prepared in accordance with International Accounting Standard 34 ("IAS 34") Interim Financial Reporting as endorsed in the Kingdom of Saudi Arabia ("KSA") and other standards and pronouncements that are issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

2.2 Preparation of condensed consolidated interim financial statements

These condensed consolidated interim financial statements do not include all of the information and disclosures required in a full set of annual consolidated financial statements and should therefore be read in conjunction with the last annual consolidated financial statements for the year ended 31 December 2024 ("last annual consolidated financial statements"). However, selected explanatory notes are included to explain events and transactions that are significant to the understanding of the changes in the Group financial position and performance since the last annual consolidated financial statements.

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**For the period ended 31 March 2025***(Amount in Saudi Riyals)***2. BASIS OF PRESENTATION (CONTINUED)****2.3 Basis of measurement**

These condensed consolidated interim financial statements have been prepared on the historical cost basis except for the following items, which are measured on an alternative basis on each reporting date. Further, the financial statements are prepared using the accrual basis of accounting and on a going concern basis.

Items	Measurement basis
Derivative financial instruments	Fair value
Defined employees benefits obligations	Present value of the defined benefit obligation
Investment in equity accounted investees	Equity method of accounting
Share-based payments	Fair value

2.4 Functional and presentation currency

These condensed consolidated interim financial statements are presented in Saudi Riyals (SR), which is the Company's functional currency. The Group has used Saudi Riyal (SR) as the presentation currency. All amounts have been rounded to the nearest Saudi Riyal, unless otherwise indicated.

2.5 Basis of consolidation

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the condensed consolidated interim financial statements from the date on which control commences until the date on which control ceases.

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated.

Non-controlling interests are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

2.6 Basis of equity accounted investees

An equity accounted investee is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Interests in equity accounted investee are accounted using the equity method.

Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**For the period ended 31 March 2025***(Amount in Saudi Riyals)***3. MATERIAL ACCOUNTING POLICIES**

The accounting policies used in the preparation of the condensed consolidated interim financial statements are consistent with those followed in preparing the Group's last annual consolidated financial statements for the year ended 31 December 2024.

3.1 Significant accounting judgements, estimates and assumptions.

The preparation of condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Therefore, actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the process of applying the Group's accounting policies, management has made the following estimates and judgements, which are significant to the condensed consolidated interim financial statements:

- Consolidation: whether the Group has de facto control over an investee;
- Revenue recognition: allocation of transaction price to performance obligations, measurement of significant financing component;
- Derivative financial instruments;
- Measurement of defined employee benefits obligation - key actuarial assumptions;
- Allowance for expected credit losses on trade receivables, contract assets and concession contract receivables; and
- Classification of concession contract receivables as per IFRIC 12.

3.2 New Standards, Amendment to Standards and Interpretations:

There are new standards and number of amendments to standards which are effective from 1 January 2025 and have been explained in Group's Annual Consolidated Financial Statements for the year ended 31 December 2024, however they do not have a material effect on the Group's Condensed Consolidated Interim Financial Statements for the period ended 31 March 2025.

3.3 Standards issued but not yet effective

There are new standards and amendments that are not yet effective and have been explained in Group's Annual Consolidated Financial Statements for the year ended 31 December 2024. These amended standards and interpretations are not expected to have a material impact on the Group's Annual Consolidated Financial Statements. The Group has not early adopted the new or amended standards in preparing these condensed consolidated interim financial statements.

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For the period ended 31 March 2025

(Amount in Saudi Riyals)

4. INTANGIBLE ASSETS ARISING FROM SERVICE CONCESSION ARRANGEMENTS

	31 March 2025 (Unaudited)	31 March 2024 (Unaudited)	31 December 2024 (Audited)
<i>Cost:</i>			
As at the beginning of the period / year	786,018,084	739,120,517	739,120,517
Additions during the period / year	2,382,284	35,393,209	47,646,984
Disposal during the period / year	-	-	(749,417)
As at the end of the period / year	<u>788,400,368</u>	<u>774,513,726</u>	<u>786,018,084</u>
<i>Accumulated amortization:</i>			
As at the beginning of the period / year	437,399,985	393,295,717	393,295,717
Charge for the period / year	11,517,303	10,647,782	44,775,612
Disposal during the period / year	-	-	(671,344)
As at the end of the period / year	<u>448,917,288</u>	<u>403,943,499</u>	<u>437,399,985</u>
<i>Net book value:</i>			
As at the end of the period / year	<u>339,483,080</u>	<u>370,570,227</u>	<u>348,618,099</u>

Intangible assets arising from service concession arrangements includes the costs below:

- the cost of the rehabilitation of water utilities and wastewater treatment facilities for the first and second industrial cities of Damman;
- the cost of construction of water utilities and wastewater treatment facilities for the first industrial city of Al-Ahsa;
- the cost of the rehabilitation of water utilities and wastewater treatment facilities for reverse osmosis plant at the second industrial city in Damman; and
- the cost for the rehabilitation of wastewater treatment facilities for Jeddah Industrial City.

4.1 Additions represent enhancements to water and wastewater treatment station and networks.

4.2 Included in additions during the period are finance charges capitalized amounting to SR 217,917 (31 March 2024: SR 118,007). The rate used for finance charges capitalisation is 8.31% (2023: 7.36%) per annum.

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**For the period ended 31 March 2025***(Amount in Saudi Riyals)***5. INVESTMENTS IN EQUITY ACCOUNTED INVESTEEES**

	Ownership %	31 March 2025 (Unaudited)	31 December 2024 (Audited)
International Water Partners Company	40	13,924,429	13,817,154
International Water Partners Company 2	35	6,120,562	5,394,310
Al Haer Environmental Services (Al Haer)	45	(514,709)	(124,405)
		<u>19,530,282</u>	<u>19,087,059</u>

Movement in investments in equity accounted investees is as follows:

	31 March 2025 (Unaudited)	31 March 2024 (Unaudited)	31 December 2024 (Audited)
Balance at the beginning of the period / year	19,087,059	13,406,907	13,406,907
Additions	-	-	65,000
Share of profit for the period / year	443,223	1,316,832	5,615,152
Balance at the end of the period / year	<u>19,530,282</u>	<u>14,723,739</u>	<u>19,807,059</u>

6. CONCESSION CONTRACT RECEIVABLES

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Concession contract receivables	<u>451,293,280</u>	<u>395,950,200</u>
<i>Classified as:</i>		
- Non-current	416,707,254	361,364,174
- Current	34,586,026	34,586,026
	<u>451,293,280</u>	<u>395,950,200</u>

The movement in concession contract receivables is as follows:

	31 March 2025 (Unaudited)	31 March 2024 (Unaudited)	31 December 2024 (Audited)
Balance at the beginning of the period / year	396,096,287	305,143,186	305,143,186
Additions for the period / year (refer note 6.1 and 6.2)	56,881,233	6,729,295	105,114,375
Finance income for the period / year	7,145,669	4,740,621	20,611,303
Amount billed for the period / year	(8,683,822)	(8,646,506)	(34,772,577)
	451,439,367	307,966,596	396,096,287
Allowance for expected credit loss	(146,087)	(146,087)	(146,087)
Balance at the end of the period / year	<u>451,293,280</u>	<u>307,820,509</u>	<u>395,950,200</u>

6.1 During 2023, the Group has entered into a long-term operation and maintenance agreement (“LTOM Agreement”) with a Government related entity for a period of 10 years. The scope of the LTOM agreement is rehabilitation and remediation work of the water treatment plants while simultaneously providing operation and maintenance services. All the relevant output of the plants will be purchased and off taken by the Government related entity. At the end of the LTOM Agreement, the plants would be transferred back to Government related entity.

6.2 During 2024, the Group has entered into Build-Own-Operate-Transfer (BOOT) a wastewater treatment plant project for 25 years. The scope of the BOOT is to build the plant and providing operation and maintenance services. All the relevant output of the plants will be purchased and off taken by the Government related entity. At the end of the BOOT, the plants would be transferred back to Government related entity.

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For the period ended 31 March 2025
(Amount in Saudi Riyals)

7. TRADE AND OTHER RECEIVABLES

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Trade receivables	56,441,504	57,930,652
Less: allowance for ECL	(2,747,559)	(5,711,468)
	53,693,945	52,219,184
Staff and other receivables	16,626,842	1,724,402
	70,320,787	53,943,586

The movement of allowance for ECL is as follows:

	31 March 2025 (Unaudited)	31 March 2024 (Unaudited)	31 December 2024 (Audited)
At the beginning of the period / year	5,711,468	4,480,484	4,480,484
Allowance for the period / year	950,000	-	525,000
Reclassification from provisions	-	-	705,984
Written off during the period / year	(3,913,909)	-	-
At the end of the period / year	2,747,559	4,480,484	5,711,468

8. CONTRACT ASSETS

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Contract assets	6,816,834	6,848,989

Movement for the period / year is as follows:

	31 March 2025 (Unaudited)	31 March 2024 (Unaudited)	31 December 2024 (Audited)
Opening balance	6,848,989	38,082,881	38,082,881
Unbilled amount during the period / year	18,292,477	6,724,641	6,848,989
Billed amount during the period / year	(18,324,632)	(7,193,866)	(36,826,897)
Written off during the period / year	-	-	(1,255,984)
Closing balance	6,816,834	37,613,656	6,848,989

9. CASH AND CASH EQUIVALENTS

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Cash at bank	48,329,016	130,120,713
Term deposits having original maturity of less than three months	165,940,000	14,000,000
Cash in hand	184,230	82,460
	214,453,246	144,203,173

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**For the period ended 31 March 2025***(Amount in Saudi Riyals)***10. LOANS AND BORROWINGS**

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Murabaha term loan (a)	159,230,000	178,090,000
Murabaha term loan (b)	208,144,487	208,144,487
Equity bridge loan (EBL) (c)	18,960,373	18,960,373
Senior debt facility (d)	14,066,481	14,066,481
Equity bridge loan (EBL) (e)	115,628,854	85,624,856
VAT facility (f)	4,968,332	2,444,598
Sub-total	520,998,527	507,330,795
Less: Borrowing cost subject to amortization	(12,743,464)	(5,922,955)
Amortised cost of loans and borrowings	508,255,063	501,407,840
Less: current portion of loans and borrowings	(166,172,111)	(140,080,875)
Non-current portion of loans and borrowings	342,082,952	361,326,965

Movement for the period / year excluding borrowing cost subject to amortization is as follows:

	31 March 2025 (Unaudited)	31 March 2024 (Unaudited)	31 December 2024 (Audited)
Opening balance	501,407,840	442,550,513	442,550,513
Proceeds received during the year / period	33,533,228	71,714,338	101,584,532
Repayments made during the year / period	(19,865,496)	(17,020,000)	(41,624,394)
Amortisation of upfront fees during the year / period	318,802	241,344	1,531,652
Upfront fees paid during the year / period	(7,139,311)	(563,127)	(1,489,944)
Upfront fees transferred during the year / period	-	(1,759,059)	(1,144,519)
Closing balance	508,255,063	495,164,009	501,407,840

The Group's facilities utilised and unutilised against loans and borrowings as of 31 March are as follows:

- Murabaha loan facilities of SR 350,000,000 secured from a local bank. The facilities include non-recourse term-facility of SR 320,000,000 (fully utilized) and a working capital facility of SR 30,000,000 (availability period has ended). This facility is secured by an irrevocable and unconditional assignment of proceeds of Dammam and Jeddah projects or any new related contract extensions. These facilities carry financing costs based on Enhanced Saudi Inter Bank Offer Rate (SAIBOR) plus margin. The facilities are repayable in unequal semi-annual instalments till maturity date i.e., February 2026. As at 31 March 2025, the Group is in compliance with the financial covenants stipulated.
- Murabaha loan facilities amounting to SR 249,736,000 secured from a consortium of local banks. The facilities include long-term loan of SR 243,786,000 on non-recourse basis and a working capital facility of SR 5,950,000 (unutilized). The commission on the term-loan is charged at a floating rate based on SAIBOR plus a margin. The term loan is repayable in unequal semi-annual instalments till maturity date i.e., September 2038. As at 31 March 2025, the Group is in compliance with the financial covenants stipulated.
- Equity bridge loan facilities amounting to SR 18,960,373 secured from a local bank. The commission on this loan is charged at a floating rate based on SAIBOR plus a margin. The facility is repayable in a bullet payment at maturity date i.e., February 2027.
- Bundled facilities amounting to SR 70,926,205 secured from a local bank. The facilities include Senior debt facility of SR 65,777,643, a working capital facility of SR 952,427 and a VAT facility of SR 4,196,135. The commission on the Senior debt is charged at a floating rate based on SAIBOR plus a margin. The Senior debt is repayable in unequal quarterly instalments till maturity date i.e., February 2033. As at 31 March 2025, the Group utilised SR 14,066,481 from senior debt facility only and the Group is in compliance with the financial covenants stipulated.

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**For the period ended 31 March 2025***(Amount in Saudi Riyals)***10. LOANS AND BORROWINGS (Continued)**

- e. Equity bridge loan facilities amounting to USD 33,936,482 (equivalent to SR 127,292,048) secured from a local bank. The commission on this loan is charged at a floating rate based on USD Term Secured Overnight Financing Rate (“SOFR”) plus a margin. The maturity date of EBL Murabaha facilities is 15 June 2028, and on that date, it becomes repayable in full. To reduce its exposure to floating rate risk, the Group has entered into a profit rate swap.
- f. Istisna-Ijara facilities amounting to USD 144,189,639 and SR 17,260,000 secured from consortium of banks. The facilities include Senior debt facility of USD 139,586,972 (un-utilised), a working capital facility of USD 1,400,000 (un-utilised) and a VAT facility of SR 17,260,000. The Senior debt is repayable in unequal quarterly instalments till maturity date i.e., June 2051. As at 31 March 2025, the Group has utilised SR 4,968,332 from the VAT facility only.

11. RIGHTS-OF-USE ASSETS AND LEASE LIABILITIES

	31 March 2025 (Unaudited)	31 March 2024 (Unaudited)	31 December 2024 (Audited)
<i>Right-of-use assets</i>			
At the beginning of the period / year	9,557,886	11,680,901	11,680,901
Addition during the period / year*	57,057,139	485,209	746,316
Depreciation charge for the period / year:			
Cost of revenue (note 15)	(222,897)	(265,602)	(1,011,033)
General and administrative expenses (note 16)	(1,991,270)	(670,417)	(2,698,804)
Derecognition during the period / year	-	-	(170,527)
At the end of the period / year	64,623,755	11,495,693	9,557,886
<i>Lease liabilities</i>			
At the beginning of the period / year	9,782,284	11,275,353	11,275,353
Addition during the period / year	57,057,139	485,209	746,316
Lease payments	(5,090,619)	(727,302)	(2,530,484)
Interest on lease liabilities	1,079,713	119,862	461,626
Derecognition during the period / year	-	-	(170,527)
At the end of the period / year	62,828,517	11,153,122	9,782,284
Classified as:			
- Non-current	58,645,006	9,919,395	7,973,935
- Current	4,183,511	1,233,727	1,808,349
	62,828,517	11,153,122	9,782,284

* During the current period the Group has entered into a new lease arrangement for the corporate office in Riyadh for a period of 5 years (plus 5 years extension).

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(Amount in Saudi Riyals)

12. DEFERRED REVENUE AND CONTRACT LIABILITIES

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Deferred revenue (a)	8,778,174	9,014,118
Contract liabilities (b)	4,999,916	4,777,830
Non current	13,778,090	13,791,948
Deferred revenue (c) – current	7,826,000	-

- (a) Deferred revenue arises from the Group's connection services under service concession contract. Consideration is received upfront, accordingly, the consideration received is recognized as a deferred revenue and is recognized as revenue on a straight-line basis over the term of the concession arrangement.
- (b) The contract liabilities primarily relate to the advance consideration received from customers.

	31 March 2025 (Unaudited)	31 March 2024 (Unaudited)	31 December 2024 (Audited)
Opening balance	4,777,830	4,279,496	4,279,496
Billed during the period / year	(235,547)	(191,097)	(1,332,197)
Revenue recognized during the period / year	457,633	457,633	1,830,531
Closing balance	4,999,916	4,546,032	4,777,830

- (c) Deferred revenue arises from unrealized margins on invoicing and the recognition of development income by the holding company to one of its associates. Accordingly, the unrealized margins arising for the development income is recorded as deferred revenue and recognized as revenue progressively, based on the percentage of construction completion, over the construction period.

13. TRADE AND OTHER PAYABLES

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Accrued expenses	121,570,464	93,059,429
Employee accruals	16,237,477	11,206,725
Trade payables	7,393,268	4,341,129
Value added tax (VAT) payable	10,313,174	1,836,316
Retention payable	1,283,273	1,236,809
Advance from customer	224,039	222,384
Due to a related party (note 17.2)	52,185	52,185
	157,073,880	111,954,977

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	For the three-month period ended 31 March	
	2025 (Unaudited)	2024 (Unaudited)
Revenue recognised under service concession arrangements:		
<i>Water and wastewater services</i>	61,248,706	59,643,172
<i>Construction revenue – concession contract receivable (refer v)</i>	56,881,233	6,729,295
<i>Construction revenue – intangible assets</i>	2,382,284	3,065,756
Operation and maintenance revenue	2,387,061	4,497,048
Project development and advisory services	52,272,905	7,668,945
	175,172,189	81,604,216

Service concession arrangements

Revenue from the service concession arrangement is recognized as follows:

- i. The amount of consideration to which the Group expects to be entitled from the Grantor for the services provided is recognised when (or as) the performance obligations are satisfied. Under the terms of the arrangement with the Government related entity, the Group is obliged to Build-Operate-Transfer a Water Treatment Station (“WTS”) for 28 years.

The total expected consideration over 28 years is allocated to the performance obligations based on the relative stand-alone selling prices of the construction services and operation & maintenance services, taking into account the significant financing component, as follows:

- For construction services under one BOT arrangement, the Group estimates the relative stand-alone selling price by reference to the forecast cost plus 5%.
- For operation & maintenance services under one BOT arrangement, the Group estimates the relative stand-alone selling price by reference to the forecast cost plus 7.7%.
- The implied interest rate of 5.2% is assumed to be the rate that would be reflected in a financing transaction between the Group and the Grantor.

- ii. The amount of consideration to which the Group is entitled to by providing services to the public is recognised when (or as) the performance obligations are satisfied. Under the terms of the arrangement with the Government related entity, the Grantor is not obliged to make any payment to the Group and the Group earns revenue by providing services to the public and charging them for the same. Accordingly, the revenue earned from construction services is recognized as an intangible asset under IFRIC 12, Service Concession Arrangements.

- iii. The amount of consideration to which the Group expects to be entitled from the Grantor for the services provided is recognised when (or as) the performance obligations are satisfied. Under the terms of the arrangement with the Government related entity, the Group is obliged to Rehabilitate-Operate-Transfer a Water Treatment Station (“WTS”) for 10 years.

The total expected consideration over 10 years is allocated to the performance obligations based on the relative stand-alone selling prices of the rehabilitation services and operation & maintenance services, taking into account the significant financing component, as follows:

- For construction services under one ROT arrangement, the Group estimates the relative stand-alone selling price by reference to the forecast cost plus 5%.
- For operation & maintenance services under one ROT arrangement, the Group estimates the relative stand-alone selling price by reference to the forecast cost plus 5%.
- The implied interest rate of 5.7% is assumed to be the rate that would be reflected in a financing transaction between the Group and the Grantor.

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- iv. The amount of consideration to which the Group expects to be entitled from the Grantor for the services provided is recognised when (or as) the performance obligations are satisfied. Under the terms of the arrangement with the Grantor, the Group is obliged to Build-Own-Operate-Transfer (BOOT) a wastewater treatment plant project for 25 years.

The total expected consideration over 25 years is allocated to the performance obligations based on the relative stand-alone selling prices of the construction services and operation & maintenance services, taking into account the significant financing component, as follows:

- For construction services under one BOOT arrangement, the Group estimates the relative stand-alone selling price by reference to the forecast cost plus 5%.
 - For operation & maintenance services under one BOOT arrangement, the Group estimates the relative standalone selling price by reference to the forecast cost plus 8%.
 - The implied interest rate of 5.7% is assumed to be the rate that would be reflected in a financing transaction between the Group and the Grantor.
- v. During the current period the increase in construction revenue and construction cost is preliminary on account of the increase in construction activity in the project BOOT project {refer note (iv) below} during the current period.
- vi. During the current period the Company has achieved the financial close of a project and a project development fee pertains to the new project is recognized. This project development income is usually recognized one time when the project achieved financial close which is inline with the accounting policy.

15. COST OF REVENUE

**For the three-month period
ended 31 March**

2025 2024
(Unaudited) (Unaudited)

Salaries and employee related costs	14,110,901	13,926,535
Amortization of intangible assets arising from service concession arrangements	11,517,303	10,647,782
Business development expense	10,258,400	7,892,967
Royalty	6,411,209	6,349,385
Electricity	5,164,132	4,331,373
Subcontract costs	494,300	1,117,693
Maintenance service, spare parts and consumables	909,294	1,288,825
Chemicals	1,554,107	1,474,761
Sludge transportation and violated treatment	1,835,764	1,117,215
Insurance expense	393,511	377,349
Depreciation on property and equipment	258,582	274,175
Depreciation of right-of-use assets	222,897	265,602
Amortization of intangible assets	345	394
Professional fees	253,209	173,208
Others	2,562,381	2,197,382
Operation cost	55,946,335	51,434,646
Construction cost (refer note 14 (v) above)	57,430,681	9,380,468
Total cost of revenue	113,377,016	60,815,114

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16. GENERAL AND ADMINISTRATIVE EXPENSES

	For the three-month period ended 31 March	
	<u>2025</u> (Unaudited)	<u>2024</u> (Unaudited)
Salaries and employee related costs	2,827,986	2,226,174
IT cost and other utilities	126,386	144,878
Professional fees	2,028,639	1,260,279
Depreciation on property and equipment	409,781	426,303
Depreciation of right-of-use assets	1,768,373	404,815
Amortization of intangible assets	24,562	143
Advertising and training	-	817,384
Travel expenses	23,553	34,048
Others	430,690	200,659
	7,639,970	5,514,683

17. RELATED PARTIES TRANSACTIONS AND BALANCES

Related parties represent the Parent Company, shareholders of the Parent Company and key management personnel of the Group, and entities jointly controlled or significantly influenced by the Group and such parties. In the ordinary course of its activities, the Group transacts with related parties at terms mutually agreed between the parties. Balances and transactions between the Group entities are eliminated on consolidation. Key management personnel represent directors, the Chief Executive Officer and his direct reports.

Details of major transactions and balances between the Group and other related parties are as follows:

Name of related party	Nature of relationship
Abunayyan Trading Company	Shareholder having significant influence over the parent company (VIIC)
Abdulkadir Al-Muhaidib and Sons Company	Shareholder having significant influence over the parent company (VIIC)
Vision International Investment Company (VIIC)	Parent company, Ultimate parent company and Ultimate Controlling Party

17.1 Related party transactions

<u>Nature of transaction</u>		For the three months period ended 31 March	
		<u>2025</u> (Unaudited)	<u>2024</u> (Unaudited)
Associate			
Al Haer Environmental Service Company	Providing services	43,736,161	-
-International Water Partners Company The Second (IWP 2)	Providing services	51,363	51,363
	Expenses paid on behalf of IWP2	7,060	7,060

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17. RELATED PARTIES TRANSACTIONS AND BALANCES (CONTINUED)

17.2 Related party balances

17.2.1 Due from related parties

	Nature of relationship	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Al Haer Environmental Service Company	Associate	538,092	3,054,565
Unbilled revenue		10,241,061	-
Vision International Investment Company	Parent company	329,516	1,288,458
International Water Partners	Associate	-	332,094
International Water Partner 2			
Loan*	Associate	2,100,000	2,800,000
- Other receivables	Associate	403,109	373,360
		13,611,778	7,848,477

* Above loan balance is charged at a fixed rate and repayable on demand.

17.2.2 Due to a related party

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Abunayyan Trading Company	52,185	52,185
	52,185	52,185

All the above balances are unsecured and expect to be paid in next 12 months.

18. CONTINGENCIES AND COMMITMENTS

The Group had the following contingencies and commitments:

As of 31 March 2025 and 31 December 2024, the Group had the following contingencies and commitments in the normal course of business:

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Performance guarantees issued by banks	168,204,440	168,204,440
Bid bond	3,000,000	3,000,000
Letter of credit	106,425	106,425
Advance payment guarantee issued by banks	100,000	100,000
Capital commitments against uncompleted performance obligation	383,319,751	434,804,087

19. OPERATING SEGMENTS

The Group's activities and business lines used as a basis for the financial reporting are consistent with the internal reporting process and information reviewed by the Chief Operating Decision Maker (CODM). CODM considers the operations of the Group as a whole as one operating segment as all subsidiaries engage in provision of water utilities and wastewater treatment services.

The Group's revenue, gross profit, total assets and total liabilities pertaining to the Group's operations as a whole are presented in the consolidated statement of financial position and in the consolidated statement of profit or loss and other comprehensive income.

All of the Group's operations are conducted in KSA. Hence, separate geographical information is not disclosed.

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20. EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share is calculated by dividing the profit for the Period after Zakat attributable to the equity holders of the Parent Company by the weighted average number of ordinary shares issued and outstanding at the end of the period.

<u>Particulars</u>	For the three-month period ended 31 March	
	2025 (Unaudited)	2024 (Unaudited)
Profit attributable to ordinary shareholders	61,427,654	19,674,901
Weighted average number of ordinary shares (number of shares)	160,925,543	160,925,543
Basic earnings per share	0.38	0.12

Diluted earnings per share

Diluted earnings per share is calculated by dividing the profit for the Period after Zakat attributable to the equity holders of the parent company by the weighted average number of ordinary shares issued and outstanding at the end of the period after adjustment for the effects of all potential ordinary shares in respect of additional capital contribution.

<u>Particulars</u>	For the three-month period ended 31 March	
	2025 (Unaudited)	2024 (Unaudited)
Profit attributable to ordinary shareholders	61,427,654	19,674,901
Weighted average number of ordinary shares (number of shares)	160,925,543	160,925,543
Diluted earnings per share	0.38	0.12

21. OTHER INCOME

This primarily relates to the other income from a contract amounting SAR 12.7 million (31 March 2024: Nil) awarded to a subsidiary for providing support in training, logistics, supplier selection, design optimization, risk mitigation, procurement management, and permit acquisition for major equipment procurement.

22. SUBSEQUENT EVENTS

There are no material events other than those mentioned in note 1 subsequent to the reporting date that requires adjustment or disclosure in these condensed consolidated interim financial statements.

23. APPROVAL OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

These condensed consolidated interim financial statements were approved from Board of Directors 13 May 2025 (corresponding to 15 DHUAL-QA'DAH 1446Hs).