

Dubai Electricity and Water
Authority PJSC and
its subsidiaries

Condensed consolidated interim
financial information

*for the three month period ended
31 March 2024 (unaudited)*

Dubai Electricity and Water Authority PJSC and its subsidiaries

Condensed consolidated interim financial information

for the three month period ended 31 March 2024 (unaudited)

<i>Contents</i>	Page
Independent auditors' report on review of the condensed consolidated interim financial information	1 - 2
Condensed consolidated interim statement of financial position	3
Condensed consolidated interim statements of profit or loss and other comprehensive income	4
Condensed consolidated interim statement of changes in equity	5 - 6
Condensed consolidated interim statement of cash flows	7
Notes to the condensed consolidated interim financial information	9 - 44



KPMG Lower Gulf Limited
The Offices 5 at One Central
Level 4, Office No: 04.01
Sheikh Zayed Road, P.O. Box 3800
Dubai, United Arab Emirates
Tel. +971 (4) 4030300, www.kpmg.com/ae

Independent Auditors' Report on Review of Condensed Consolidated Interim Financial Information

To the Shareholders of Dubai Electricity and Water Authority PJSC

Introduction

We have reviewed the accompanying 31 March 2024 condensed consolidated interim financial information of Dubai Electricity and Water Authority PJSC ("DEWA" or "the Authority" or "the Company") and its subsidiaries ("the Group"), which comprises:

- the condensed consolidated interim statement of financial position as at 31 March 2024;
- the condensed consolidated interim statements of profit or loss and other comprehensive income for the three-month period ended 31 March 2024;
- the condensed consolidated interim statement of changes in equity for the three-month period ended 31 March 2024;
- the condensed consolidated interim statement of cash flows for the three-month period ended 31 March 2024; and
- notes to the condensed consolidated interim financial information.

Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.



Dubai Electricity and Water Authority PJSC
Independent Auditors' Report on Review of
Condensed Consolidated Interim Financial Information
31 March 2024

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". A review of condensed consolidated interim financial information 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 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 2024 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

KPMG Lower Gulf Limited

Emilio Pera
Registration No.: 1146
Dubai, United Arab Emirates

Date: 09 May 2024

Dubai Electricity and Water Authority PJSC and its subsidiaries

Condensed consolidated interim statement of financial position as at

	Notes	31 March 2024 AED'000 (Unaudited)	31 December 2023 AED'000 (Audited)
Assets			
Non-current assets			
Property, plant and equipment	6	156,799,518	155,917,149
Intangible assets	7	449,876	462,367
Investments accounted for using the equity method	8	640	640
Derivative financial instruments	9	1,482,914	980,417
Financial assets at fair value through other comprehensive income	10	54,881	54,153
Investment property	11	85,645	85,645
Other assets	12	981,251	1,205,646
Financial assets at fair value through profit or loss	13.1	166,346	155,663
Other financial assets at amortised cost	13.2	3,206,146	3,285,620
Deferred tax assets	14	153,195	103,899
Total non-current assets		163,380,412	162,251,199
Current assets			
Derivative financial instruments	9	561,304	584,850
Other assets	12	736,571	625,241
Financial assets at fair value through profit or loss	13.1	20,141	10,000
Other financial assets at amortised cost	13.2	3,089,997	2,688,441
Inventories	15	1,467,204	1,401,155
Trade receivables	16	3,026,028	3,420,058
Short-term deposits	17	4,519,799	4,894,389
Cash and cash equivalents	18	5,649,599	5,300,171
Total current assets		19,070,643	18,924,305
Total assets		182,451,055	181,175,504
Equity and liabilities			
Equity			
Share capital	19	500,000	500,000
Capital contribution	19	40,042,992	40,042,997
Retained earnings	19	44,802,293	47,253,178
Statutory reserve	19	591,346	591,346
Hedging reserve	19	1,050,298	824,722
Equity attributable to the Owners of the Company		86,986,929	89,212,243
Non-controlling interests		3,526,810	3,489,111
Total equity		90,513,739	92,701,354
Liabilities			
Non-current liabilities			
Derivative financial instruments	9	2,450	3,732
Deferred tax liabilities	14	61,976	11,997
Borrowings	20	26,044,084	27,341,537
Retirement benefit obligations	21	1,034,339	1,020,240
Lease liabilities	22	16,326	16,281
Other long term liabilities	23	33,735,643	33,391,742
Total non-current liabilities		60,894,818	61,785,529
Current liabilities			
Borrowings	20	12,662,956	11,546,029
Lease liabilities	22	13,784	15,966
Trade and other payables	24	18,158,366	14,926,695
Total current liabilities		30,835,106	26,488,690
Total liabilities		91,729,924	88,274,219
Total equity and liabilities		182,243,663	180,975,573
Regulatory deferral account-credit balance	25	207,392	199,931
Total equity, liabilities and regulatory deferral account credit balance		182,451,055	181,175,504

To the best of our knowledge, the condensed consolidated interim financial information fairly represents in all material respects, the financial position, results of operation and cash flows for the Group as of and for the three month period ended 31 March 2024.

The condensed consolidated interim financial information was approved and signed on behalf of the Board of Directors on 9 May 2024 by:



 Managing Director &
 Chief Executive Officer



 Chairman

The independent auditors' report on review of condensed consolidated interim financial information is set out on pages 1 and 2.

The notes on pages 9 to 44 form an integral part of this condensed consolidated interim financial information.

Dubai Electricity and Water Authority PJSC and its subsidiaries

Condensed consolidated interim statements of profit or loss and other comprehensive income

	Notes	For the three month period ended 31 March	
		2024 AED'000 (Unaudited)	2023 AED'000 (Unaudited)
Revenue	27	5,800,001	5,435,814
Cost of sales	28	(4,036,725)	(3,900,105)
Gross profit		1,763,276	1,535,709
Administrative expenses	29	(1,104,208)	(687,051)
Credit impairment reversal/(loss)	30	15,469	(1,477)
Other income	31	320,382	44,537
Operating profit		994,919	891,718
Finance income	32	261,012	202,303
Finance costs	32	(530,888)	(396,268)
Finance costs – net	32	(269,876)	(193,965)
Profit for the period before net movement in regulatory deferral account		725,043	697,753
Net movement in regulatory deferral account	25	(7,461)	65,426
Profit for the period after net movement in regulatory deferral account		717,582	763,179
Income tax expense	14	(66,684)	-
Profit for the period after net movement in regulatory deferral account and tax		650,898	763,179
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurements of retirement benefit obligations	21.1	-	112
<i>Items that may be reclassified to profit or loss</i>			
Cash flow hedges – reclassified to profit or loss		(155,392)	(119,980)
Cash flow hedges – effective portion of changes in fair value of derivative financial instruments		633,808	(512,475)
Debt instrument at FVOCI – change in fair value	10	728	658
Deferred tax expense	14	(50,254)	-
Other comprehensive income/(loss) for the period		428,890	(631,685)
Total comprehensive income for the period		1,079,788	131,494
Profit for the period attributable to			
- Owners of the Company		647,422	743,760
- Non-controlling interests		3,476	19,419
		650,898	763,179
Total comprehensive income for the period attributable to			
- Owners of the Company		873,369	412,111
- Non-controlling interests		206,419	(280,617)
		1,079,788	131,494
Earnings per share			
Basic and diluted earnings per share (AED)	36	0.013	0.015

The independent auditors' report on review of condensed consolidated interim financial information is set out on pages 1 and 2.

The notes on pages 9 to 44 form an integral part of this condensed consolidated interim financial information.

Dubai Electricity and Water Authority PJSC and its subsidiaries

Condensed consolidated interim statement of changes in equity

	Attributable to the Owners						Non- controlling interests AED'000	Total equity AED'000
	Share capital AED'000	Capital contribution AED'000	Statutory reserve AED'000	Hedging reserve AED'000	Retained earnings AED'000	Total AED'000		
At 1 January 2023 (Audited)	500,000	40,042,885	591,346	954,247	47,338,862	89,427,340	2,953,130	92,380,470
Total comprehensive income for the period								
Profit for the period	-	-	-	-	743,760	743,760	19,419	763,179
Other comprehensive income for the period	-	-	-	(332,080)	431	(331,649)	(300,036)	(631,685)
Total comprehensive income for the period	-	-	-	(332,080)	744,191	412,111	(280,617)	131,494
Transactions with the Owners								
Capital contribution by non-controlling interests	-	-	-	-	-	-	188,032	188,032
Dividends (refer note 35)	-	-	-	-	-	-	(187,810)	(187,810)
At 31 March 2023 (Unaudited)	500,000	40,042,885	591,346	622,167	48,083,053	89,839,451	2,672,735	92,512,186

The notes on pages 9 to 44 form an integral part of this condensed consolidated interim financial information.

Dubai Electricity and Water Authority PJSC and its subsidiaries

Condensed consolidated interim statement of changes in equity (continued)

	Attributable to the Owners					
	Share capital AED'000	Capital contribution AED'000	Statutory reserve AED'000	Hedging reserve AED'000	Retained earnings AED'000	Total equity AED'000
At 1 January 2024 (Audited)	500,000	40,042,997	591,346	824,722	47,253,178	92,701,354
Total comprehensive income for the period						
Profit for the period	-	-	-	-	647,422	647,422
Other comprehensive income for the period	-	-	-	225,576	371	225,947
Total comprehensive income for the period	-	-	-	225,576	647,793	873,369
	-	-	-	-	206,419	1,079,788
Transactions with the Owners						
Adjustment in value of contributed plots of land	-	(5)	-	-	-	(5)
Capital contribution by non-controlling interests	-	-	-	-	-	-
Acquisition of minority interest	-	-	-	-	1,322	1,322
Dividends (refer note 35)	-	-	-	-	(3,100,000)	(3,100,000)
At 31 March 2024 (Unaudited)	500,000	40,042,992	591,346	1,050,298	44,802,293	90,513,739

The notes on pages 9 to 44 form an integral part of this condensed consolidated interim financial information.

Dubai Electricity and Water Authority PJSC and its subsidiaries

Condensed consolidated interim statement of cash flows

	Notes	For the three month period ended 31 March	
		2024 AED'000 (Unaudited)	2023 AED'000 (Unaudited)
Cash flows from operating activities			
Profit for the period after tax		650,898	763,179
<i>Adjustments for:</i>			
Depreciation	6	1,555,148	1,379,609
Amortisation	7	23,610	17,368
Provision for slow moving and obsolete inventory	15	4,308	2,671
Amortisation – asset retirement obligations		-	1,331
(Reversal)/charge for impairment of trade receivables	30	(15,469)	1,477
Deferred income	27	(281,423)	(262,392)
Deferred tax income	14	(49,571)	-
Retirement benefit obligations – gratuity	21.1	24,249	22,478
Retirement benefit obligations – pensions	21.2	32,188	31,169
Ineffective portion on derivative financial instruments	32	(1,817)	121
Gain on sale of property, plant and equipment		(29)	(127)
Assets written off		259,997	-
Insurance claim income		(260,345)	-
Finance income	32	(259,195)	(202,303)
Finance costs	32	530,888	396,147
<i>Operating cash flows before changes in operating assets and liabilities</i>		2,213,437	2,150,728
<i>Changes in operating assets and liabilities:</i>			
Inventories	15	(70,357)	(25,167)
Trade receivables	16	409,499	188,871
Other financial assets at amortised cost	13	(8,580)	(72,673)
Other assets	12	113,065	58,676
Trade and other payables		645,999	384,711
Movement in regulatory deferral account-credit balance	25	7,461	(65,426)
<i>Net operating cash flows</i>		3,310,524	2,619,720
Payment for retirement benefit obligations – gratuity	21.1	(8,954)	(11,405)
Payment for retirement benefit obligations – pensions	21.2	(33,708)	(32,745)
Net cash generated from operating activities		3,267,862	2,575,570

Dubai Electricity and Water Authority PJSC and its subsidiaries

Condensed consolidated interim statement of cash flows (*continued*)

	<i>Notes</i>	For the three month period ended 31 March	
		2024	2023
		AED'000 (Unaudited)	AED'000 (Unaudited)
Net cash generated from operating activities		3,267,862	2,575,570
Investing activities			
Purchase of property, plant and equipment net of movements in trade payables and other long-term liabilities		(2,650,358)	(1,794,175)
Deposits with original maturity of greater than three months – placed during the period		(1,702,809)	(2,129,728)
Deposits with original maturity of greater than three months – matured during the period		2,077,399	1,353,849
Additions to investment property			(5,315)
Acquisition of minority interest in a subsidiary		(159)	-
Purchase of intangible assets	7	(570)	(1,970)
UAE National Bonds and Sukuk Bonds – placed	13	(138,937)	(16,668)
Interest received		313,267	119,925
Proceeds from disposal of property, plant and equipment		78	127
Net cash used in investing activities		(2,102,089)	(2,473,955)
Financing activities			
Repayments of borrowings		(1,930,132)	(1,499,674)
Proceeds from borrowings		1,505,950	318,398
Interest paid		(639,004)	(561,008)
Payment of lease liabilities		(3,840)	(3,391)
Capital contribution by non-controlling interest		20,661	188,032
Dividend paid to non-controlling interests in a subsidiary		(900)	(810)
Net cash used in financing activities		(1,047,265)	(1,558,453)
Net increase/(decrease) in cash and cash equivalents		118,508	(1,456,838)
Cash and cash equivalents, beginning of period	18.1	4,658,317	4,722,296
Cash and cash equivalents, end of period	18.1	4,776,825	3,265,458

The independent auditors' report on review of condensed consolidated interim financial information is set out on pages 1 and 2.

The notes on pages 9 to 44 form an integral part of this condensed consolidated interim financial information.

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information
for the three month period ended 31 March 2024 (unaudited)

1 Establishment and operations

Dubai Electricity and Water Authority (“DEWA” or “the Authority” or “the Company”) was incorporated on 1 January 1992 in the Emirate of Dubai by a decree (“the Original Decree”) issued by H.H. The Ruler of Dubai, effective 1 January 1992, as an independent public authority having the status of a body corporate, and financially and administratively independent from the Government. In accordance with the Original Decree, all rights, property and assets of Dubai Electricity Company (“DEC”) and Dubai Water Department (“the Department”) belonging to the Government, were vested in the Authority, and the Authority was held responsible for all liabilities and debts of DEC and the Department, of any kind whatsoever. Together, DEC and the Department formed DEWA from the effective date of the Original Decree.

The principal activities of the Authority, in accordance with the Original Decree and Decree No. 13 of 1999 which amended some of the provisions of the Original Decree, comprise water desalination and distribution and the generation, transmission and distribution of electricity, throughout the Emirate of Dubai. The registered address of the Authority is P.O. Box 564, Dubai, United Arab Emirates (“UAE”).

In prior years, the Authority was wholly owned by the Government of Dubai which announced its plan to list the shares of the Authority on the Dubai Financial Market (DFM). In previous year, Department of Finance (DoF), Government of Dubai had sold 18% of its shareholding in the Authority through an Initial Public Offering (“IPO”). The Authority got listed on the Dubai Financial Market (DFM) and its shares started trading with effect from 12 April 2022.

In the previous year, the Government of Dubai passed Law No. (25) of 2023 establishing Dubai Investment Fund (DIF). The Department of Finance (DoF), Government of Dubai transferred its shareholding in Dubai Electricity and Water Authority PJSC to DIF. The ultimate controlling party of the Group is Government of Dubai. The ownership structure of the Authority is as follows:

	Ownership before listing
Dubai Investment Fund (DIF)	82%
Local and international investors (including institutional and retail investors)	18%
	100%

DEWA and its subsidiaries are collectively referred to as “the Group”. The Group either directly or indirectly controls following significant subsidiaries, which are domiciled in UAE:

Name of the entity	Percentage of beneficial ownership		Principal business activities
	31 March 2024 (Unaudited)	31 December 2023 (Audited)	
Al Etihad Energy Services Company LLC	100	100	Implement energy efficiency measures in buildings
Etihad Clean Energy Development Company LLC	100	100	Buildings energy efficiency services, solar energy systems rental and solar energy systems installation
Jumeirah Energy International Holdings LLC (JEIHL)	100	100	Holding Company
Jumeirah Energy International LLC (JEI)	100	100	Holding Company

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information *(continued)*
for the three month period ended 31 March 2024 (unaudited)

1 Establishment and operations *(continued)*

Name of the entity	Percentage of beneficial ownership		Principal business activities
	31 March 2024 (Unaudited)	31 December 2023 (Audited)	
Mai Dubai LLC	100	100	Purification and sale of potable water
Hassyan Energy 1 Holdings LLC	100	100	Holding Company
Shuaa Energy 2 Holdings LLC	100	100	Holding Company
Shuaa Energy 3 Holdings LLC	100	100	Holding Company
Jumeirah Energy International Capital Holding LLC	100	100	Holding Company
Jumeirah Energy International Silicon Valley LLC	100	100	Holding Company
Noor Energy 1 Holdings LLC	100	100	Holding Company
Data Hub Integrated Solutions LLC (MORO)	100	100	Established to provide services including IT, and infrastructure, networking and computer system housing services
Digital DEWA LLC	100	100	Investment in commercial, industrial, retail trade and energy enterprises and management
Infra X	100	100	To provide services including IT and computer housing services
Dubai Green Fund Investments LLC	100	100	To invest and manage commercial, industrial, retail trade and energy enterprises
Utilities Management Company LLC	78	78	Holding Company
Emirates Central Cooling Systems Corporation PJSC (EMPOWER)	56	56	Provision of district cooling services, management, maintenance of central cooling plants and related distribution networks
EMPOWER FM LLC	56	56	Air conditioning, ventilation and air filtration system, installation and maintenance
EMPOWER Engineering & Consultancy LLC	56	56	Project development consultant services
Palm Utilities LLC	56	56	Establish and operate district cooling projects and provide air conditioning, ventilator and refrigeration services
Palm District Cooling LLC (PDC)	56	56	Establish and operate district cooling projects and provide air conditioning, ventilator and refrigeration services.
EMPOWER Logstor LLC	54.3	54.3	Manufacturing of pre-insulated pipes, mainly for district cooling

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information *(continued)*
for the three month period ended 31 March 2024 (unaudited)

1 Establishment and operations *(continued)*

Name of the entity	Percentage of beneficial ownership		Principal business activities
	31 March 2024 (Unaudited)	31 December 2023 (Audited)	
Shuaa Energy 2 P.S.C	60	60	Establish and provide full range of services for generation of electricity
Innogy International Middle East LLC	51	51	Energy projects consultancy, desalination and sewage treatment plants operations and maintenance
Shuaa Energy 1 P.S.C	51	51	Establish and provide full range of services for generation of electricity
Hassyan Energy Phase 1 P.S.C	51	51	Establish and provide full range of services for generation of electricity
Noor Energy 1 P.S.C	51	51	Establish and provide full range of services for generation of electricity
Digital X LLC	100	100	Establish and provide full range of services for information technology, data entry, network consultancies
Smart Energy X LLC	100	100	Establish and provide full range of services for parking management electronic systems installation and maintenance
Shuaa Energy 3 P.S.C	60	60	Establish and provide full range of services for generation of electricity
Forward Investments Limited	100	100	Holding Company
Dubai Carbon Centre of Excellence	100	100	Energy projects engineering consultancy and carbon control systems trading
SecureX	100	100	Computer systems housing services, communication equipment, software design, data classification & analysis services, IT infrastructure, data centre co-location services and information technology network services
Space D	100	100	Managing & operating satellites & provision satellite services, wired & wireless communication systems installation and space situational tracking, monitoring & awareness services

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information *(continued)*
for the three month period ended 31 March 2024 (unaudited)

1 Establishment and operations *(continued)*

Name of the entity	Percentage of beneficial ownership		Principal business activities
	31 March 2024	December 2023	
	(Unaudited)	(Audited)	
EMPOWER Snow LLC	56	56	Establish and operate district cooling projects and provide air-conditioning, ventilation and refrigeration services
Hassyan Water Company A Holdings LLC *	100	100	Holding Company
Shuaa Energy 4 Holding LLC *	100	100	Holding Company
Shuaa Energy 4 P.S.C *	60	60	Establish and provide full range of services for generation of electricity
Hassyan Water Company A P.S.C *	60	60	Establish and provide full range of services for production of desalinated water

* In the previous year, the Group has two new holding companies each with 100% ownership by the Authority. The perspective is to invest in project companies through these holding companies towards expansion of generation of electricity and desalination of water. The project companies were also incorporated during the previous year with 60% ownership.

2 Material accounting policies

The principal accounting policies applied by the Group in the preparation of this condensed consolidated interim financial information are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

2.1 Basis of preparation

The condensed consolidated interim financial information for the three month period ended 31 March 2024 have been prepared in accordance with International Accounting Standard 34 '*Interim Financial Reporting*'.

The Group's condensed consolidated interim financial information are presented in UAE Dirhams (AED), which is also the Group's functional currency. Subsidiaries and joint ventures determine their own functional currency and items included in the financial information of these companies are measured using that functional currency. All financial information presented in AED has been rounded to the nearest thousand.

The accounting policies applied are consistent with those of the annual consolidated financial statements for the year ended 31 December 2023, as described in those financial statements, except for certain new and revised standards that became effective in the current period (if applicable). This condensed consolidated interim financial information does not include all the notes of the type normally included in the annual consolidated financial statements. Accordingly, this condensed consolidated interim financial information should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2023.

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information (*continued*)
for the three month period ended 31 March 2024 (*unaudited*)

2 Material accounting policies (*continued*)

2.1 Basis of preparation (*continued*)

The preparation of condensed consolidated interim financial information in conformity with International Financial Reporting Standards (“IFRS”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Group’s condensed consolidated interim financial information are consistent with the annual consolidated financial statements for the year ended 31 December 2023.

Results for the three month period ended 31 March 2024 are not necessarily indicative of the results that may be expected for the year ending 31 December 2024.

2.2 Basis of measurement

This condensed consolidated interim financial information has been prepared on a historical cost basis except for financial assets and financial liabilities measured at fair value, wherever applicable.

2.3 Use of estimates and judgments

In preparing the condensed consolidated interim financial information, management has made judgments, estimates and assumptions that affect the application of the Group’s accounting policies and the reported amount of assets and liabilities, income and expenses.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. In preparing this condensed consolidated interim financial information, the significant judgments made by management in applying the Group’s accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the annual consolidated financial statements as at and for the year ended 31 December 2023.

2.4 New standards, amendments and interpretations

New standards, amendments and interpretations issued but not yet effective

A number of new standards are effective for annual periods beginning after 1 January 2024 and earlier application is permitted, however, the Group has not early adopted the new or amended standards in preparing the condensed consolidated interim financial information.

The following amended standards and interpretations are not expected to have a material impact on the Group’s condensed consolidated interim financial information:

	Effective date
Lack of Exchangeability – Amendments to IAS 21	1 January 2025
Sale of contribution of assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28	Available for optional adoption/effective date deferred indefinitely

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information (*continued*)
for the three month period ended 31 March 2024 (unaudited)

2 Material accounting policies (*continued*)

New standards, amendments and interpretations effective during the period

The following new or amended standards that are required to be adopted in annual periods beginning on 1 January 2024 and do not have a material impact on the Group's condensed consolidated interim financial information:

	Effective date
Non-current liabilities with covenants – Amendments to IAS 1 and classifications of liabilities as Current or Non-current – Amendments to IAS 1	1 January 2024
Lease liabilities in a Sale and Leaseback – Amendments to IFRS 16	1 January 2024
Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7	1 January 2024

3 Financial risk management

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, price risk and cash flow and fair value interest rate risk), credit risk and liquidity risk.

The condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the annual consolidated financial statements. Accordingly, this condensed consolidated interim financial information should be read in conjunction with the annual consolidated financial statements as at 31 December 2023. There have been no changes in the risk management department or in any risk management policies since the year end.

3.2 Fair value estimation

All financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently measured at amortised cost.

The carrying value of financial assets and financial liabilities approximates their fair value except derivatives which are the only financial instruments which are carried at fair value and fall into Level 2 of the fair value hierarchy.

To provide an indication about the reliability of the inputs used in determining fair value disclosed in this condensed consolidated interim financial information, the Group has classified its financial instruments into three levels described below:

- a. Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- b. Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and
- c. Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information (*continued*)
for the three month period ended 31 March 2024 (*unaudited*)

4 Seasonality of operations

Due to the seasonal nature of the operations of the Group, higher revenues and operating profits are usually expected in the second half of the year than the first six months. In the year ended 31 December 2023, 44% of revenue accumulated in the first half of the year, with 56% accumulating in the second half.

5 Segment reporting

Information about reportable segments and reconciliation of information on reportable segments to the amount reported in the annual consolidated financial statements

Information related to each reportable segment is set out below. Segment profit (loss) before tax is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

	DEWA	EMPOWER	IPP	Others	Eliminations	Total
31 March 2024 (Unaudited)	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Segment assets						
Non-current assets	138,256,651	8,823,261	34,092,860	3,135,238	(20,927,598)	163,380,412
Current assets	11,856,524	1,898,233	3,000,488	4,624,850	(2,309,452)	19,070,643
Total assets	150,113,175	10,721,494	37,093,348	7,760,088	(23,237,050)	182,451,055
Segment liabilities						
Non-current liabilities	45,355,914	5,573,209	23,194,981	61,571	(13,290,857)	60,894,818
Current liabilities	19,191,484	2,096,277	10,412,039	4,355,632	(5,220,326)	30,835,106
Regulatory deferral account-credit balance	207,392	-	-	-	-	207,392
Total liabilities and regulatory deferral account-credit balance	64,754,790	7,669,486	33,607,020	4,417,203	(18,511,183)	91,937,316
Net segment assets	85,358,385	3,052,008	3,486,328	3,342,885	(4,725,867)	90,513,739

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information *(continued)*
for the three month period ended 31 March 2024 *(unaudited)*

5 Segment reporting *(continued)*

Information about reportable segments and reconciliation of information on reportable segments to the amount reported in the annual consolidated financial statements (continued)

	DEWA	EMPOWER	IPP	Others	Eliminations	Total
31 December 2023 (Audited)	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Segment assets						
Non-current assets	138,265,694	8,761,136	32,286,973	3,227,245	(20,289,849)	162,251,199
Current assets	11,960,209	967,030	3,090,836	4,497,709	(1,591,479)	18,924,305
Total assets	150,225,903	9,728,166	35,377,809	7,724,954	(21,881,328)	181,175,504
Segment liabilities						
Non-current liabilities	45,058,859	4,871,282	27,433,664	68,208	(15,646,484)	61,785,529
Current liabilities	17,640,360	1,545,883	4,759,462	4,382,218	(1,839,233)	26,488,690
Regulatory deferral account-credit balance	199,931	-	-	-	-	199,931
Total liabilities and regulatory deferral account-credit balance	62,899,150	6,417,165	32,193,126	4,450,426	(17,485,717)	88,474,150
Net segment assets	87,326,753	3,311,001	3,184,683	3,274,528	(4,395,611)	92,701,354

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information *(continued)*
for the three month period ended 31 March 2024 *(unaudited)*

5 Segment reporting *(continued)*

Segment wise statement of profit or loss and other comprehensive income

	DEWA	EMPOWER	IPP	Others	Eliminations	Total
31 March 2024 (Unaudited)	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Sale of electricity	3,529,064	-	499,776	-	(639,539)	3,389,301
Sale of water	1,341,441	-	-	-	(20,956)	1,320,485
District cooling	-	537,123	-	-	-	537,123
Others	728,982	15,303	-	349,048	(540,241)	553,092
Segment revenue	5,599,487	552,426	499,776	349,048	(1,200,736)	5,800,001
Cost of sales	(3,831,532)	(266,670)	(321,789)	(193,295)	576,561	(4,036,725)
Gross profit	1,767,955	285,756	177,987	155,753	(624,175)	1,763,276
Administrative expenses	(762,213)	(58,829)	(280,006)	(128,506)	125,346	(1,104,208)
Other income	282,943	2,025	269,110	9,300	(242,996)	320,382
Credit impairment reversal/(loss)	15,108	462	-	(101)	-	15,469
Operating profit	1,303,793	229,414	167,091	36,446	(741,825)	994,919
Finance income	74,565	7,638	151,768	51,395	(24,354)	261,012
Finance costs	(150,300)	(55,254)	(476,688)	(9,595)	160,949	(530,888)
Finance (costs)/income – net	(75,735)	(47,616)	(324,920)	41,800	136,595	(269,876)
Net movement in regulatory deferral account	(7,461)	-	-	-	-	(7,461)
Income tax (expense)/benefit	(83,196)	(16,294)	11,484	(4,688)	31,772	(66,684)
Profit/(loss) for the period after tax	1,131,639	165,504	(146,345)	73,558	(573,458)	650,898
<i>Other comprehensive income</i>						
Remeasurements of retirement benefit obligations	-	-	-	-	-	-
<i>Items that may be reclassified to profit or loss</i>						
Cash flow hedges – reclassified to profit or loss	-	-	(155,392)	-	-	(155,392)
Cash flow hedges – effective portion of changes in fair value of derivative financial instruments	-	-	633,808	-	-	633,808
Debt instrument at FVOCI – change in fair value	-	728	-	-	-	728
Deferred tax expense	-	(66)	(50,188)	-	-	(50,254)
Other comprehensive income for the period	-	662	428,228	-	-	428,890
Total comprehensive income for the period	1,131,639	166,166	281,883	73,558	(573,458)	1,079,788

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information *(continued)*
for the three month period ended 31 March 2024 (unaudited)

5 Segment reporting *(continued)*

Segment wise statement of profit or loss and other comprehensive income (continued)

	DEWA	EMPOWER	IPP	Others	Eliminations	Total
31 March 2023 (Unaudited)	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Sale of electricity	3,284,632	-	373,835	-	(479,034)	3,179,433
Sale of water	1,288,722	-	-	-	(17,950)	1,270,772
District cooling	-	487,329	-	-	-	487,329
Others	360,655	6,945	-	308,533	(177,853)	498,280
Segment revenue	4,934,009	494,274	373,835	308,533	(674,837)	5,435,814
Cost of sales	(3,580,471)	(239,883)	(303,551)	(198,503)	422,303	(3,900,105)
Gross profit	1,353,538	254,391	70,284	110,030	(252,534)	1,535,709
Administrative expenses	(684,251)	(54,737)	(20,683)	(93,573)	166,193	(687,051)
Other income	264,443	1,198	17,468	4,376	(242,948)	44,537
Credit impairment loss	(1,049)	-	-	(428)	-	(1,477)
Operating profit	932,681	200,852	67,069	20,405	(329,289)	891,718
Finance income	118,663	17,530	59,167	38,242	(31,299)	202,303
Finance costs	(210,134)	(51,023)	(237,446)	(7,831)	110,166	(396,268)
Finance (costs)/income – net	(91,471)	(33,493)	(178,279)	30,411	78,867	(193,965)
Net movement in regulatory deferral account	65,426	-	-	-	-	65,426
Profit/(loss) for the period	906,636	167,359	(111,210)	50,816	(250,422)	763,179
<i>Other comprehensive income</i>						
Remeasurements of retirement benefit obligations	-	112	-	-	-	112
<i>Items that may be reclassified to profit or loss</i>						
Cash flow hedges – reclassified to profit or loss	-	-	(119,980)	-	-	(119,980)
Cash flow hedges – effective portion of changes in fair value of derivative financial instruments	-	-	(512,475)	-	-	(512,475)
Debt instrument at FVOCI – change in fair value	-	658	-	-	-	658
Other comprehensive income for the period	-	770	(632,455)	-	-	(631,685)
Total comprehensive income/(loss) for the period	906,636	168,129	(743,665)	50,816	(250,422)	131,494

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information *(continued)*
for the three month period ended 31 March 2024 *(unaudited)*

5 Segment reporting *(continued)*

Other segment information

	DEWA	EMPOWER	IPP	Others	Eliminations	Total
31 March 2024						
(Unaudited)						
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Capital expenditure (property, plant and equipment)	1,143,516	152,479	1,742,116	39,943	(369,942)	2,708,112
Depreciation (property, plant and equipment)	1,199,027	81,788	142,101	136,517	(4,285)	1,555,148
	DEWA	EMPOWER	IPP	Others	Eliminations	Total
31 December 2023						
(Audited)						
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Capital expenditure (property, plant and equipment)	5,550,286	275,625	2,432,927	137,438	(276,507)	8,119,769
Depreciation (property, plant and equipment)	4,929,502	332,884	449,408	367,027	(35,707)	6,043,114

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information (continued)
for the three month period ended 31 March 2024 (unaudited)

6 Property, plant and equipment

	Land and buildings AED'000	Right-of-use assets AED'000	Generation and desalination plants AED'000	Transmission and distribution networks AED'000	Other equipment and assets AED'000	Capital work in progress AED'000	Total AED'000
Year ended 31 December 2023							
Opening net book amount (Audited)	39,331,768	34,824	33,631,921	50,563,201	697,548	29,770,149	154,029,411
Additions	357	25,153	201,837	430,969	105,230	7,356,223	8,119,769
Transfers	384,133	1,064	20,081,691	3,098,692	205,719	(23,771,299)	-
Transfers to intangible assets (refer note 7)	-	-	-	-	-	(53,671)	(53,671)
Modification of right-of-use assets	-	(75)	-	-	-	-	(75)
Write off	-	-	(114,972)	-	-	-	(114,972)
Disposals – net	(377)	-	(17,261)	(2,283)	(278)	-	(20,199)
Depreciation	(472,185)	(30,249)	(2,585,967)	(2,721,995)	(232,718)	-	(6,043,114)
Closing net book amount (Audited)	39,243,696	30,717	51,197,249	51,368,584	775,501	13,301,402	155,917,149
At 31 December 2023							
Cost	43,982,776	90,344	75,539,246	81,581,463	3,661,079	13,301,402	218,156,310
Accumulated depreciation	(4,739,080)	(59,627)	(24,341,997)	(30,212,879)	(2,885,578)	-	(62,239,161)
Net book amount (Audited)	39,243,696	30,717	51,197,249	51,368,584	775,501	13,301,402	155,917,149
Period ended 31 March 2024							
Opening net book amount (Audited)	39,243,696	30,717	51,197,249	51,368,584	775,501	13,301,402	155,917,149
Additions – net	156	1,703	28,382	-	27,091	2,650,780	2,708,112
Transfers	69,451	-	(3,594)	344,357	1,125	(411,339)	-
Transfers to intangible assets (refer note 7)	-	-	-	-	-	(10,549)	(10,549)
Disposals – net	(5)	-	(259,997)	-	(44)	-	(260,046)
Depreciation	(91,684)	(3,802)	(708,554)	(683,166)	(67,942)	-	(1,555,148)
Closing net book amount (Unaudited)	39,221,614	28,618	50,253,486	51,029,775	735,731	15,530,294	156,799,518
At 31 March 2024							
Cost	44,052,378	92,047	75,298,795	81,910,877	3,682,892	15,530,294	220,567,283
Accumulated depreciation	(4,830,764)	(63,429)	(25,045,309)	(30,881,102)	(2,947,161)	-	(63,767,765)
Net book amount (Unaudited)	39,221,614	28,618	50,253,486	51,029,775	735,731	15,530,294	156,799,518

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information (*continued*)
for the three month period ended 31 March 2024 (unaudited)

6 Property, plant and equipment (continued)

- (a) The Group has engaged in a joint operation pertaining to Emirates National Grid Corporation (“ENGC”). The Group’s share in the carrying amount of ENGC’s assets as at 31 March 2024 is AED 99 million (31 December 2023: AED 101 million) and is included under transmission and distribution networks.
- (b) During 2008, by way of a Decree issued by H.H. The Ruler of Dubai, all existing plots of land held by the Authority were transferred to the Authority. As a result, the Authority has capitalised the plots of land on the basis of valuations (i.e. valuation based on use limitations) obtained from the Land Department of the Government of Dubai, which is considered the deemed cost and has been treated as a capital contribution by the Government of Dubai.

As per communication from Department of Finance, Government of Dubai, effective 10 March 2022, the new land policy in respect of allotment and granting of lands in the Emirate of Dubai by the Dubai Land Department to the Authority will be in consideration for a rental value of AED 1 per plot per annum for 30 years. This policy shall apply to all future lands that will be allotted to the Authority, but not on the existing lands that are currently being governed under the existing regime. The Department of Finance, Government of Dubai and the Authority shall coordinate to take all actions and procedures to procure the issuance of a decree that shall formalize the proposed policy for all future lands.

- (c) The carrying value of property, plant and equipment, pledged as collateral on borrowings, amounts to AED 32,807 million (31 December 2023: AED 31,518 million) (refer note 20).
- (d) Capital work in progress mainly comprises construction of additional electricity generation, water desalination facilities, transmission and distribution networks and district cooling facilities.
- (e) The capitalised borrowing costs related to construction of electricity and water plants and transmission substations amounted to AED 119 million (31 December 2023: AED 813 million), which was calculated using a capitalisation rate of 4.49% (31 December 2023: 4.87%) (refer note 20).
- (f) Right-of-use assets mainly represents vehicles and other equipment as of the reporting date.
- (g) During the current period, the Group did not receive any land from the Land Department of the Government of Dubai (31 December 2023: AED 112 thousand (net)).
- (h) Depreciation is allocated as detailed below:

	For the three month period ended 31 March	
	2024	2023
	AED’000	AED’000
	(Unaudited)	(Unaudited)
Cost of sales		
- Generation and desalination expenditure (refer note 28.1)	739,477	583,558
- Transmission and distribution expenditure (refer note 28.2)	749,379	726,045
Administrative expenses (refer note 29)	66,292	70,006
	<u>1,555,148</u>	<u>1,379,609</u>

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information *(continued)*
for the three month period ended 31 March 2024 (unaudited)

7 Intangible assets

	Computer software AED'000	Others AED'000	Total AED'000
Year ended 31 December 2023			
Opening net book amount (Audited)	118,984	352,139	471,123
Additions	21,437	-	21,437
Transfer from property, plant and equipment (refer note 6)	53,671	-	53,671
Amortisation	(71,707)	(12,157)	(83,864)
Closing net book amount (Audited)	<u>122,385</u>	<u>339,982</u>	<u>462,367</u>
At 31 December 2023			
Cost	626,481	364,696	991,177
Accumulated amortisation	<u>(504,096)</u>	<u>(24,714)</u>	<u>(528,810)</u>
Net book amount (Audited)	<u>122,385</u>	<u>339,982</u>	<u>462,367</u>
	Computer software AED'000	Others AED'000	Total AED'000
Period ended 31 March 2024			
Opening net book amount (Audited)	122,385	339,982	462,367
Additions	570	-	570
Transfer from property, plant and equipment (refer note 6)	10,549	-	10,549
Amortisation (refer note 28.1 & 29)	<u>(20,571)</u>	<u>(3,039)</u>	<u>(23,610)</u>
Closing net book amount (Unaudited)	<u>112,933</u>	<u>336,943</u>	<u>449,876</u>
At 31 March 2024			
Cost	637,600	364,696	1,002,296
Accumulated amortisation	<u>(524,667)</u>	<u>(27,753)</u>	<u>(552,420)</u>
Net book amount (Unaudited)	<u>112,933</u>	<u>336,943</u>	<u>449,876</u>

During the current period, amortisation expense of AED 24 million *(for the three month period ended 31 March 2023: AED 17.4 million)* is included in cost of sales and administrative expenses (refer notes 28 and 29.1).

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information *(continued)*
for the three month period ended 31 March 2024 (unaudited)

8 Investments accounted for using the equity method

The entities listed below have share capital solely consisting of ordinary shares, which are held by the Group.

Name of the entity	Country of incorporation	Effective % of holding		Carrying value	
		2024	2023	31 March 2024	31 December 2023
		%	%	AED'000 (Unaudited)	AED'000 (Audited)
Utility Management LLC	UAE	50	50	490	490
Etihad Smart Energy Solutions LLC	UAE	50	50	150	150
				<u>640</u>	<u>640</u>

All joint ventures are accounted for using the equity method of accounting and are immaterial to the Group individually.

9 Derivative financial instruments

The Group is exposed to interest rate movements on various borrowings maturing between 2024 and 2042. Some of the Group's subsidiaries have entered into a series of interest rate swaps for the duration of the borrowings to mitigate the risk of variation in future interest rates. These interest rate swaps were designated as cash flow hedges and were assessed to be highly effective. Unrealised gain of AED 634 million *(for the three month period ended 31 March 2023: AED 512 million)* relating to these hedging instruments is included in other comprehensive income. Realised gain during the period amounted to AED 155 million *(for the three month period ended 31 March 2023: AED 120 million)*.

The tables below show a summary of the hedged items, the hedging instruments and their fair values. The notional amounts indicate the amount outstanding at the reporting date.

Description of the hedged item	Hedging instrument	Notional amount AED'000	Positive fair value AED'000	Negative fair value AED'000
31 March 2024 (Unaudited)				
Interest payments on floating rate loans	Interest rate swap	<u>23,414,317</u>	<u>2,044,218</u>	<u>2,450</u>
31 December 2023 (Audited)				
Interest payments on floating rate loans	Interest rate swap	<u>21,183,952</u>	<u>1,565,267</u>	<u>3,732</u>

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information *(continued)*
for the three month period ended 31 March 2024 (unaudited)

9 Derivative financial instruments (continued)

The following table presents the Group's derivative assets and liabilities that are measured at fair value:

	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
31 March 2024 (Unaudited)				
Assets measured at fair value				
Derivative financial instruments (non-current portion)	-	1,482,914	-	1,482,914
Derivative financial instruments (current portion)	-	561,304	-	561,304
Liabilities measured at fair value				
Derivative financial instruments (non-current portion)	-	2,450	-	2,450
Derivative financial instruments (current portion)	-	-	-	-
31 December 2023 (Audited)				
Assets measured at fair value				
Derivative financial instruments (non-current portion)	-	980,417	-	980,417
Derivative financial instruments (current portion)	-	584,850	-	584,850
Liabilities measured at fair value				
Derivative financial instruments (non-current portion)	-	3,732	-	3,732
Derivative financial instruments (current portion)	-	-	-	-

Interest rate swaps were measured primarily using valuations provided by financial institutions based on the observable spot exchange rates and the yield curves of the respective swap contracts and were categorised in Level 2 hierarchy.

10 Financial assets at fair value through other comprehensive income (FVOCI)

	31 March 2024 AED'000 (Unaudited)	31 December 2023 AED'000 (Audited)
At the beginning of the period/year	54,153	52,911
Fair value adjustment during the period/year	728	1,242
At the end of the period/year	54,881	54,153

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information *(continued)*
for the three month period ended 31 March 2024 (unaudited)

10 Financial assets at fair value through other comprehensive income (FVOCI) *(continued)*

Financial assets at fair value through other comprehensive income pertains to an investment in Tier 1 Capital Certificates ("the Bonds") issued at their par value. The Bonds are listed perpetual instruments and carry non-cumulative interest at a rate of 6% per annum payable every six months at the discretion of the issuer. The Group has classified them as financial assets at fair value through other comprehensive income under IFRS 9 as the Bonds are not held for trading.

During the current period, gain recognised in other comprehensive income amounted to AED 1 million (31 December 2023: AED 1 million).

11 Investment property

	31 March 2024 AED'000 (Unaudited)	31 December 2023 AED'000 (Audited)
Investment property	<u>85,645</u>	<u>85,645</u>

The movement in investment property is as follows:

	31 March 2024 AED'000 (Unaudited)	31 December 2023 AED'000 (Audited)
At the beginning of the period/year (Audited)	85,645	72,859
Addition during the period/year	-	12,786
At the end of the period/year	<u>85,645</u>	<u>85,645</u>

The Group's subsidiary started construction of its head quarter project in 2021. The investment property includes land amounting to AED 2.5 million (31 December 2023: AED 2.5 million).

The investment property was completed in the previous year and the fair value approximates to AED 110 million as at 31 December 2023. The fair value as at 31 March 2024 approximates to the fair value as at 31 December 2023.

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information *(continued)*
for the three month period ended 31 March 2024 (unaudited)

12 Other assets

	31 March 2024 AED'000 (Unaudited)	31 December 2023 AED'000 (Audited)
Advance to suppliers	1,503,068	1,657,910
Prepayments	214,754	172,977
	<u>1,717,822</u>	<u>1,830,887</u>
Less: non-current portion	(981,251)	(1,205,646)
Current portion	<u>736,571</u>	<u>625,241</u>

13 Financial assets

13.1 Financial assets at fair value through profit or loss

	31 March 2024 AED'000 (Unaudited)	31 December 2023 AED'000 (Audited)
Investment in equity instruments	166,346	155,663
Investment in debt instruments	20,141	10,000
	<u>186,487</u>	<u>165,663</u>
Less: non-current portion	(166,346)	(155,663)
Current portion	<u>20,141</u>	<u>10,000</u>

13.2 Other financial assets at amortised cost

	31 March 2024 AED'000 (Unaudited)	31 December 2023 AED'000 (Audited)
UAE National Bonds and Sukuk Bonds	1,403,668	1,264,731
Investment in debt instruments	1,336,433	1,516,166
Other receivables	3,695,723	3,332,845
Less: provision for impairment on other receivables	(139,681)	(139,681)
	<u>6,296,143</u>	<u>5,974,061</u>
Less: non-current portion	(3,206,146)	(3,285,620)
Current portion	<u>3,089,997</u>	<u>2,688,441</u>

Other financial assets at amortised cost include investments in UAE National Bonds and Sukuk Bonds amounting to AED 1,404 million (31 December 2023: AED 1,265 million), which have a maturity of 12 months from the date of purchase. UAE National Bonds carry an interest rate ranging from 5% to 5.50% per annum (31 December 2023: 3.75% to 5.7% per annum).

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information *(continued)* for the three month period ended 31 March 2024 *(unaudited)*

13 Financial assets *(continued)*

13.2 Other financial assets at amortised cost *(continued)*

As at 31 March 2024, investment in debt instruments and other receivables amounting to AED 5,032 million (31 December 2023: AED 4,849 million) are not impaired except for an amounts of AED 140 million (31 December 2023: AED 140 million). The carrying amount of the Group's other receivables is primarily denominated in AED and approximates its fair value.

Other receivables mainly include financial assets under IFRIC 12, housing and sewerage fee receivable on behalf of a related party and interest receivable on bank deposits.

14 Income tax

Components of income tax

The components of income for the periods are:

	For the three month period ended 31 March	
	2024	2023
	AED'000	AED'000
Income tax	116,255	-
Deferred tax	(49,571)	-
	66,684	-

Income tax expense is recognised at an amount determined by multiplying the profit before tax for the interim reporting period by management's best estimate of the weighted-average annual income tax rate expected for the full financial year, adjusted for the tax effect of certain items recognised in full in the interim period. As such, the effective tax rate in the condensed consolidated interim financial information may differ from management's estimate of the effective tax rate for the annual consolidated financial statements.

Reconciliation between the tax expense and profit or loss multiplied by applicable tax rate

The income tax rate applicable to the Group's income is 9% (for the three month period ended 31 March 2023: Nil). A reconciliation between the expected and the actual tax charge is provided below:

	For the three month period ended 31 March	
	2024	2023
	AED'000	AED'000
Profit before tax	717,582	763,179
Tax on profit before tax at corporate tax rate of 9%	64,582	-
Deferred tax not recognised on losses of a subsidiary	2,060	-
Permanent difference on account of expenses disallowed	1,019	-
Others	(977)	-
Income tax expense	66,684	-

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information *(continued)* *for the three month period ended 31 March 2024 (unaudited)*

14 Income tax *(continued)*

Reconciliation between the tax expense and profit or loss multiplied by applicable tax rate (continued)

The Group's consolidated effective tax rate in respect for the three month period ended 31 March 2024 was 9.29 percent *(for the three month period ended 31 March 2023: Nil)*.

Deferred taxes analysed by type of temporary difference

Differences between IFRS Accounting Standards and statutory taxation regulations in the United Arab Emirates give rise to temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and their tax bases. The tax effect of the movements in these temporary differences were not material to the condensed consolidated interim financial information.

During the current period, further deferred income tax credit/assets and deferred tax expense/liabilities were recognised, which mainly relate to:

- Deferred tax credit/asset of AED 31 million relates to tax impact on adjustments being made in the condensed consolidated interim financial information, which resulted from temporary differences in the carrying amount of property, plant and equipment compared with tax base of subsidiaries; not part of the same tax group. This has been recognised in profit or loss in the condensed consolidated interim financial information.
- Deferred tax credit/asset of AED 15 million pertaining to tax impact on losses of certain subsidiaries. These deferred tax assets were recognised in standalone books of those subsidiaries with the expectation of realisation and assurance beyond any reasonable doubt that future taxable income would be sufficient to allow the benefit of the loss to be realised. This has been recognised in profit or loss in the condensed consolidated interim financial information.
- Deferred tax expense/liabilities of AED 50 million relating to changes in fair value of derivative financial instruments, which has been recognised in statement of other comprehensive income in the condensed consolidated interim financial information.

15 Inventories

	31 March 2024 AED'000 (Unaudited)	31 December 2023 AED'000 (Audited)
Consumables and repair spares	707,437	634,349
Less: provision for slow moving and obsolete inventory	<u>(232,732)</u>	<u>(228,424)</u>
	474,705	405,925
Fuel	992,499	995,230
	<u>1,467,204</u>	<u>1,401,155</u>

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information (*continued*)
for the three month period ended 31 March 2024 (*unaudited*)

15 Inventories (*continued*)

15.1 Movement in provision for slow moving and obsolete inventory

	31 March 2024 AED'000 (Unaudited)	31 December 2023 AED'000 (Audited)
At the beginning of the period/year	228,424	220,021
Charge for the period/year	4,308	8,403
At the end of the period/year	<u>232,732</u>	<u>228,424</u>

16 Trade receivables

	31 March 2024 AED'000 (Unaudited)	31 December 2023 AED'000 (Audited)
Trade receivables	2,328,883	2,893,137
Accrued revenue	1,295,988	1,141,233
Less: provision for impairment of receivables	<u>(598,843)</u>	<u>(614,312)</u>
Trade receivables and accrued revenue – net	<u>3,026,028</u>	<u>3,420,058</u>

16.1 Movements in the provision for impairment of trade receivables are as follows:

	31 March 2024 AED'000 (Unaudited)	31 December 2023 AED'000 (Audited)
At the beginning of the period/year	614,312	567,073
(Reversal)/charge for the period/year (refer note 30)	<u>(15,469)</u>	<u>47,239</u>
At the end of the period/year	<u>598,843</u>	<u>614,312</u>

The carrying amount of the Group's trade receivables is primarily denominated in AED and approximates its fair value. There has been no changes to ECL model assumptions.

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information *(continued)*
for the three month period ended 31 March 2024 (unaudited)

17 Short-term deposits

	31 March 2024 AED'000 (Unaudited)	31 December 2023 AED'000 (Audited)
Term deposits with banks	<u>4,519,799</u>	<u>4,894,389</u>

Term deposits amounting to AED 4,520 million (31 December 2023: AED 4,894 million) carries an interest ranging from 1.75% to 6% per annum (31 December 2023: 1.25% to 6% per annum).

Term deposits up to AED 2.9 billion (31 December 2023: AED 2.8 billion) have been kept as lien against borrowings by one of the subsidiaries.

18 Cash and cash equivalents

	31 March 2024 AED'000 (Unaudited)	31 December 2023 AED'000 (Audited)
Current and call accounts	3,565,932	4,789,922
Term deposits with banks with maturity less than 3 months	2,082,147	509,800
Cash on hand	<u>1,520</u>	<u>449</u>
	<u>5,649,599</u>	<u>5,300,171</u>

Cash and cash equivalents include AED 566 million (31 December 2023: AED 1,327 million) in foreign currencies. The majority of these balances are denominated in USD. These balances are held for settlement of existing and anticipated liabilities denominated in foreign currencies.

Cash and cash equivalents also include AED 2,202 million (31 December 2023: AED 2,206 million) of cash collected by local banks and government collection agencies on behalf of the Group.

18.1 Cash and cash equivalents for the purpose of statement of cash flows

For the purpose of the condensed consolidated interim statement of cash flows, cash and cash equivalents comprise the following:

	31 March 2024 AED'000 (Unaudited)	31 December 2023 AED'000 (Audited)
Cash and cash equivalents	5,649,599	5,300,171
Bank overdrafts (refer note 20)	<u>(872,774)</u>	<u>(641,854)</u>
Cash and cash equivalents for the purpose of statement of cash flows	<u>4,776,825</u>	<u>4,658,317</u>

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information (*continued*)
for the three month period ended 31 March 2024 (*unaudited*)

19 Equity

(a) Share capital

In the prior years, an amount of AED 500 million had been transferred to share capital account from capital contribution. The Board of Directors of the Authority had authorised the breakup of the share capital into 50 billion shares of AED 0.01 each. All shares of the Authority shall rank equally with one another in all aspects. Hence, the share capital of the Authority consists of authorised and paid-up capital of AED 500 million as of 31 March 2024.

(b) Capital contribution

This account represents amounts contributed by the Government of Dubai (both in kind and cash) as an Owner of the Group since the incorporation of the Group.

(c) Statutory reserve

As required by applicable law and Articles of Association of the Authority and certain subsidiaries, 10% or 5% of the net profit for each period has been transferred to a statutory reserve. Such transfers to reserves may cease when the statutory reserve equals to half of the share capitals. The reserve is not available for distribution except as stipulated by the law. The statutory reserve of the Authority has already reached the 50% threshold and hence no further transfers were made to statutory reserves. On 10 October 2022, the suspension of transfer to statutory reserve was approved by the General Assembly.

(d) Hedging reserve

The hedging reserve primarily represents the fair value of derivatives which are part of effective cash flow hedging relationships at period/year end. As the derivatives are held for hedging purposes as defined by IFRS 9, their fair value movements are retained in other comprehensive income instead of being charged to profit or loss during the period. The fair value movements will be adjusted in other comprehensive income in the same period as the corresponding hedged transaction.

20 Borrowings

	31 March 2024 AED'000 (Unaudited)	31 December 2023 AED'000 (Audited)
Non-current		
Others (refer (i) below)	26,044,084	27,341,537
Current		
Bank overdrafts (refer note 18)	872,774	641,854
Others (refer (i) below)	8,993,507	6,510,824
Term loan (refer (ii) below)	2,796,675	4,393,351
	12,662,956	11,546,029
	38,707,040	38,887,566

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information (*continued*)
for the three month period ended 31 March 2024 (unaudited)

20 Borrowings (*continued*)

Borrowings are denominated in the following currencies:

	31 March 2024 AED'000 (Unaudited)	31 December 2023 AED'000 (Audited)
US Dollars	26,996,221	26,505,245
UAE Dirham	11,710,819	12,382,321
	<u>38,707,040</u>	<u>38,887,566</u>

The borrowing balance is net off deferred borrowing cost amounting to AED 658 million (31 December 2023: AED 670 million).

The Group has secured borrowings amounting to AED 29,844 million (31 December 2023: AED 29,360 million) and unsecured borrowings amounting to AED 8,863 million (31 December 2023: AED 9,528 million).

Borrowings are secured by pledge of assets (refer note 6), corporate guarantees, government guarantees and letter of undertakings.

As of 31 March 2024, the Group was compliant with financial and non-financial covenants, except as disclosed below.

The financial covenant (Debt Service Cover ratio) of Shuaa Energy 2 P.S.C for conventional and Islamic facility has not been met due to damage to solar power plant that occurred as a result of a weather incident in August 2023. Hence the conventional, Islamic and financing facility amounting to AED 2,207 million has been classified as current liabilities (31 December 2023: AED 2,226 million).

(i) Others

Other loans represent loans taken by subsidiary companies from various commercial banks and shareholders.

The fair values of other loans are not materially different to their carrying amounts since the interest payable on these borrowings is close to current market rates.

(ii) Term loan

In the prior years, the Authority had obtained a long-term Shariah compliant loan of AED 10,000 million from a commercial bank. The loan carried profit rate at 1-month EIBOR + margin. The term of the loan was five years and repayable in full upon its maturity.

In the previous year, the Authority renegotiated the loan terms with the bank and has amended the original loan agreement, whereby, the repayment term and commercial rate on loan have been revised. The revision in repayment terms has resulted in the loan being reclassified from non-current liabilities to current liabilities and in return the Authority has negotiated better profit rate. Further, during the current period, the Authority has prepaid AED 1,600 million (31 December 2023: AED 3,900 million) of the loan.

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information *(continued)*
for the three month period ended 31 March 2024 *(unaudited)*

20 Borrowings *(continued)*

(ii) Term loan *(continued)*

The Group takes proactive measures to ensure, as far as possible, that it will always have sufficient liquidity to meet its financial obligations. The Group has positive operating cash flows amounting to AED 3,268 million for the period ended 31 March 2024, cash and cash equivalents of AED 5,650 million and undrawn facilities of AED 8,360 million as at 31 March 2024 to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The Group monitors the sufficiency of funds using cash flow budgeting in which it considers the cash outflows (including impact of capital commitments), the funds that would be generated from the operations and other available sources of funding.

21 Retirement benefit obligations

	31 March 2024 AED'000 (Unaudited)	31 December 2023 AED'000 (Audited)
Provision for employees' end of service benefits (refer note 21.1)	980,635	965,340
Provision for pensions (refer note 21.2)	<u>63,679</u>	<u>65,199</u>
	1,044,314	1,030,539
Less: non-current portion	<u>(1,034,339)</u>	<u>(1,020,240)</u>
Current portion (refer note 24)	<u>9,975</u>	<u>10,299</u>

21.1 Provision for employees' end of service benefits

Movements in the provision for the employees' end of service benefits are analysed below:

	31 March 2024 AED'000 (Unaudited)	31 December 2023 AED'000 (Audited)
At the beginning of the period/year	965,340	948,333
Charge for the period/year (refer note 33)	24,249	148,384
Re-measurements for the period/year (refer note 33)	-	(86,068)
Payments made during the period/year	<u>(8,954)</u>	<u>(45,309)</u>
At the end of the period/year	<u>980,635</u>	<u>965,340</u>

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information *(continued)*
for the three month period ended 31 March 2024 *(unaudited)*

21 Retirement benefit obligations *(continued)*

21.2 Provision for pensions

21.2.1 Provision for pensions (for eligible UAE National employees who retired before 1 January 2003)

The movements in the provision for pensions are analysed below:

	31 March 2024 AED'000 (Unaudited)	31 December 2023 AED'000 (Audited)
At the beginning of the period/year	54,900	62,160
Payments made during the period/year	<u>(1,196)</u>	<u>(7,260)</u>
At the end of the period/year	<u>53,704</u>	<u>54,900</u>

21.2.2 Provision for pensions (for eligible UAE National employees from 1 January 2003)

Effective 1 January 2003, the Group joined a defined contribution plan operated by the Federal Pension General and Social Security Group for its active eligible UAE National employees in accordance with the provision of Federal Law No. 7 of 1999 relating to Pension and Social Security Law. The movements in the provision for pensions are analysed below:

	31 March 2024 AED'000 (Unaudited)	31 December 2023 AED'000 (Audited)
At the beginning of the period/year	10,299	11,928
Charge for the period/year (refer note 33)	32,188	123,226
Payments made during the period/year	<u>(32,512)</u>	<u>(124,855)</u>
At the end of the period/year	<u>9,975</u>	<u>10,299</u>

Total provision for pension has been presented as follow:

	31 March 2024 AED'000 (Unaudited)	31 December 2023 AED'000 (Audited)
At the beginning of the period/year	65,199	74,088
Charge for the period/year (refer note 33)	32,188	123,226
Payments made during the period/year	<u>(33,708)</u>	<u>(132,115)</u>
At the end of the period/year	<u>63,679</u>	<u>65,199</u>

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information *(continued)*
for the three month period ended 31 March 2024 (unaudited)

22 Lease liabilities

	31 March 2024 AED'000 (Unaudited)	31 December 2023 AED'000 (Audited)
At the beginning of the period/year	32,247	36,412
Addition during the period/year	1,703	25,153
Modification	-	(98)
Payments made during the period/year	(3,840)	(29,220)
At the end of the period/year	30,110	32,247
Less: current portion	(16,326)	(16,281)
Non-current portion	13,784	15,966

23 Other long term liabilities

	31 March 2024 AED'000 (Unaudited)	31 December 2023 AED'000 (Audited)
Deferred revenue	25,886,782	25,848,381
Asset retirement obligations	317,513	313,868
Advance for new connections	6,874,974	6,616,075
Retentions payable	656,374	613,418
	33,735,643	33,391,742

24 Trade and other payables

	31 March 2024 AED'000 (Unaudited)	31 December 2023 AED'000 (Audited)
Consumers' security deposits	4,754,468	4,656,794
Capital projects payables	2,418,842	2,516,875
Trade payables	1,735,434	1,777,107
Retentions payable	1,294,533	1,320,180
Deferred revenue	1,546,664	1,465,565
Dividend payable	3,287,000	-
Advances for new connections	361,841	348,215
Accrual for staff benefits	248,033	234,540
Corporate tax payable	116,256	-
Retirement benefit obligations (refer note 21)	9,975	10,299
Other payables	2,385,320	2,597,120
	18,158,366	14,926,695

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information (*continued*)
for the three month period ended 31 March 2024 (*unaudited*)

25 Regulatory deferral account-credit balance

The prices that can be charged to customers for electricity and water by the Group are subject to oversight and/or approval by the Dubai Supreme Council of Energy. Hence the Group is subject to rate regulation. The Dubai Supreme Council of Energy through its notification issued in 2010 had allowed the Group to recover the additional costs it incurs due to the escalation in fuel prices considering 2010 as the base year from its customers.

The Supreme Council of Energy is also controlled by the Government of Dubai and it is a related party of the Group.

On the transition date, the Group had elected to apply the requirements of IFRS 14 – ‘Regulatory Deferral Accounts’ and will continue to apply its current accounting policy for recognition, measurement and derecognition of this regulatory deferral account balance.

The movement in regulatory deferral account-credit balance has been detailed below:

	31 March 2024 AED’000 (Unaudited)	31 December 2023 AED’000 (Audited)
At the beginning of the period/year	199,931	95,343
Excess collection during the period/year	7,461	104,588
At the end of the period/year	207,392	199,931

26 Related party transactions and balances

The Group transacts with the Government of Dubai, subsidiaries, joint ventures and entities controlled, jointly controlled or significantly influenced by the Government of Dubai within the scope of its ordinary business activities. Since the Group is majority owned by the Government of Dubai post its listing of shares on Dubai Financial Market (DFM), these entities are jointly referred to as ‘government related entities’.

The Group applies the exemption relating to government related entities under IAS 24 ‘Related Parties’ and only discloses transactions and balances with government related entities which are individually or collectively significant. To determine significance, the Group considers various qualitative and quantitative factors including whether transactions with related parties are based on approved terms and conditions by management.

Key management personnel and entities controlled by them are also related to the Group. Key management personnel of the Group comprise the directors and executive vice presidents (EVPs) of the Authority and employees of the Authority who are acting as directors of the subsidiaries.

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information *(continued)*
for the three month period ended 31 March 2024 (unaudited)

26 Related party transactions and balances *(continued)*

Related party transactions

The material transactions and balances with related parties are disclosed below, except as disclosed in notes 6, 13, 16, 20, 22, 25, 27, 28, 29, 32, 33 and 35 in these condensed consolidated interim financial information.

(a) Sale of electricity and water

The Group deals with various government entities in Dubai. Quantities of electricity and water sold to UAE Nationals are at subsidised rates. The Group calculates differential between the value of these quantities supplied at subsidised rates and the approved rates, which is settled by the Department of Finance (DoF), Government of Dubai.

During the current period, the Group has collected AED 256 million *(for the three month period ended 31 March 2023: AED 110 million)* from the Department of Finance (DOF), Government of Dubai, mainly in respect of UAE Nationals subsidy.

During the current period, the Group has collected AED 31 million *(for the three month period ended 31 March 2023: AED 25 million)* in respect of handling charges on behalf of a related party (refer note 27).

(b) Purchase of goods and services

The Group purchases fuel from entities owned by the Government of Dubai. During the current period, the Group purchased fuel amounting to AED 1,458 million *(for the three month period ended 31 March 2023: AED 1,397 million)* from various entities.

During the current period, the Group purchased water amounting to AED 2 million *(for the three month period ended 31 March 2023: AED 351 thousand)* from a related party of the Group.

(c) Transactions with banks owned by Government of Dubai

The Group transacts with various banks and financial institutions which are wholly or partially controlled by the Government of Dubai. All of the Group's transactions with such banks are on approved commercial terms. A portion of the cash and cash equivalents as disclosed in note 18 was included in deposit held with such banks.

	For the three month period ended 31 March	
	2024	2023
	AED'000	AED'000
	(Unaudited)	(Unaudited)
Repayment of borrowings	1,600,000	1,400,000
Term deposits – matured	1,461,856	1,310,000
Term deposits – placed	(1,461,856)	(1,461,856)
UAE National Bonds and Sukuk Bonds – placed	(138,937)	(16,668)

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information *(continued)*
for the three month period ended 31 March 2024 (unaudited)

26 Related party transactions and balances *(continued)*

Related party transactions *(continued)*

	For the three month period ended 31 March	
	2024 AED'000 (Unaudited)	2023 AED'000 (Unaudited)
(d) Compensation to key management personnel		
Salaries and short-term benefits	76,070	74,459
Post-employment benefits and long term benefits	674	604
	<u>76,744</u>	<u>75,063</u>
	For the three month period ended 31 March	
	2024 AED'000 (Unaudited)	2023 AED'000 (Unaudited)
(e) Key management remuneration		
Board of directors' remuneration	<u>9,875</u>	<u>9,875</u>
(f) Dividend declared		

During the current period, the Group declared a dividend amounting to AED 3,100 million *(for the three month period ended 31 March 2023: Nil)*. Out of this dividend, 82% pertains to Dubai Investment Fund (DIF), Government of Dubai.

27 Revenue

	For the three month period ended 31 March	
	2024 AED'000 (Unaudited)	2023 AED'000 (Unaudited)
Sale of electricity	3,389,301	3,179,433
Sale of water	1,320,485	1,270,772
District cooling charges	537,123	487,329
Others	<u>553,092</u>	<u>498,280</u>
	<u>5,800,001</u>	<u>5,435,814</u>

The Group's operations and main revenue streams are those described in the annual consolidated financial statements for the year ended 31 December 2023. The Group's revenue is derived from contracts with customers, except for handling fees and amortisation of deferred revenue presented under 'Others'.

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information *(continued)*
for the three month period ended 31 March 2024 (unaudited)

27 Revenue (continued)

Others include:

- Handling fees amounting to AED 31 million *(for the three month period ended 31 March 2023: AED 25 million)* represents amounts paid by a related party to the Group for providing collection services (refer note 26).
- Amortisation of deferred revenue amounted to AED 281 million *(for the three month period ended 31 March 2023: AED 262 million)*.

27.1 Disaggregation of revenue

	Electricity		Water		District cooling charges		Others		Total	
	31	31	31	31	31	31	31	31	31	31
	March	March	March	March	March	March	March	March	March	March
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Timing of revenue recognition	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Products and services transferred	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
- at a point in time	3,389,301	3,179,433	1,320,485	1,270,772	537,123	487,329	271,669	235,888	5,518,578	5,173,422
- over time	-	-	-	-	-	-	281,423	262,392	281,423	262,392
	3,389,301	3,179,433	1,320,485	1,270,772	537,123	487,329	553,092	498,280	5,800,001	5,435,814

28 Cost of sales

	For the three month period ended 31 March	
	2024	2023
	AED'000	AED'000
	(Unaudited)	(Unaudited)
Generation and desalination expenditure (refer note 28.1)	2,789,115	2,655,486
Transmission and distribution expenditure (refer note 28.2)	1,212,760	1,193,469
Purchase of gas, power and water	34,850	51,150
	4,036,725	3,900,105

28.1 Generation and desalination expenditure

	For the three month period ended 31 March	
	2024	2023
	AED'000	AED'000
	(Unaudited)	(Unaudited)
Fuel costs	1,452,951	1,378,892
Depreciation (refer note 6)	739,477	583,558
Employee benefit expenses (refer note 33)	147,531	169,534
Repairs and maintenance	83,633	104,639
Amortisation (refer note 7)	3,039	3,039
Others	362,484	415,824
	2,789,115	2,655,486

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information (*continued*)
for the three month period ended 31 March 2024 (unaudited)

28 Cost of sales (*continued*)

28.2 Transmission and distribution expenditure

	For the three month period ended 31 March	
	2024	2023
	AED'000	AED'000
	(Unaudited)	(Unaudited)
Depreciation (refer note 6)	749,379	726,045
Employee benefit expenses (refer note 33)	404,663	410,506
Repairs and maintenance	44,732	39,255
Others	13,986	17,663
	<u>1,212,760</u>	<u>1,193,469</u>

29 Administrative expenses

	For the three month period ended 31 March	
	2024	2023
	AED'000	AED'000
	(Unaudited)	(Unaudited)
Employee benefit expenses (refer note 33)	435,895	429,095
Assets written off	260,345	-
Repairs and maintenance	80,514	72,791
Depreciation (refer note 6)	66,292	70,006
Amortisation (refer note 7)	20,571	14,329
Insurance	32,028	23,627
Others	208,563	77,203
	<u>1,104,208</u>	<u>687,051</u>

30 Credit impairment reversal/(loss)

	For the three month period ended 31 March	
	2024	2023
	AED'000	AED'000
	(Unaudited)	(Unaudited)
Impairment reversal/(loss) on trade receivables (refer note 16)	<u>15,469</u>	<u>(1,477)</u>

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information (*continued*)
for the three month period ended 31 March 2024 (*unaudited*)

31 Other income

	For the three month period ended 31 March	
	2024	2023
	AED'000	AED'000
	(Unaudited)	(Unaudited)
Sale of scrap	8,812	1,278
Insurance claims	260,501	5,151
Profit on disposal of property, plant and equipment	29	127
Miscellaneous income	51,040	37,981
	<u>320,382</u>	<u>44,537</u>

32 Finance income/(costs) – net

	For the three month period ended 31 March	
	2024	2023
	AED'000	AED'000
	(Unaudited)	(Unaudited)
<i>Finance costs</i>		
Interest on bank and other borrowings	(645,942)	(571,727)
Amortisation of arrangement fees	(4,013)	(8,699)
Cash flow hedges – ineffective portion of changes in fair value of derivative financial instruments	-	(121)
Interest on lease liabilities	(55)	(39)
	<u>(650,010)</u>	<u>(580,586)</u>
Amounts capitalised (refer note 6)	<u>119,122</u>	<u>184,318</u>
	<u>(530,888)</u>	<u>(396,268)</u>
<i>Finance income</i>		
Interest income on short term bank deposits	97,323	182,962
Amortisation of financial liabilities	10,885	14,000
Cash flow hedges – ineffective portion of changes in fair value of derivative financial instruments	1,817	-
Cash flow hedges - reclassified to profit or loss	149,951	-
Interest income on financial assets	1,036	5,341
	<u>261,012</u>	<u>202,303</u>
Finance costs – net	<u>(269,876)</u>	<u>(193,965)</u>

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information *(continued)*
for the three month period ended 31 March 2024 *(unaudited)*

33 Employee benefit expenses

	For the three month period ended 31 March	
	2024	2023
	AED'000	AED'000
	(Unaudited)	(Unaudited)
Salaries	666,960	656,941
Bonus	90,713	148,532
Retirement benefit obligations (refer note 21)	56,437	53,685
Other benefits	173,979	149,977
	<u>988,089</u>	<u>1,009,135</u>

34 Commitments

	31 March 2024	31 December 2023
	AED'000	AED'000
	(Unaudited)	(Audited)
Future commitments including capital expenditures	<u>17,003,831</u>	<u>9,704,472</u>

35 Dividend

During the current period, the Authority declared a dividend of AED 3,100 million *(31 March 2023: Nil)*. The dividend was subsequently paid on 25 April 2024.

During the current period, EMPOWER declared a dividend of AED 425 million *(31 March 2023: AED 425 million)*. An amount of AED 187 million *(31 March 2023: AED 187 million)* was payable to the non-controlling interest as dividend. The dividend was subsequently paid on 23 April 2024.

In addition to above, Shuaa Energy 1 P.S.C declared a dividend of AED 1.8 million *(31 March 2023: AED 1.6 million)*. An amount of AED 0.9 million *(31 March 2023: AED 0.8 million)* was payable to the non-controlling interest as dividend.

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information *(continued)*
for the three month period ended 31 March 2024 (unaudited)

36 Earnings per share/diluted share

Basic earnings per share amounts are calculated by dividing net profit or loss for the period attributable to the shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

	For the three month period ended 31 March	
	2024	2023
	AED'000	AED'000
	(Unaudited)	(Unaudited)
Earnings		
Profit for the period, attributable to the Owners – before net movement in regulatory deferral account and after tax	654,883	678,334
Profit for the period, attributable to the Owners – after net movement in regulatory deferral account and tax	647,422	743,760
	2024	2023
	(Unaudited)	(Unaudited)
Number of shares in thousands		
Number of ordinary shares for basic earnings per share at 31 March	50,000,000	50,000,000
	For the three month period ended 31 March	
	2024	2023
	(Unaudited)	(Unaudited)
Earnings per share		
Basic and diluted earnings per share (AED) – before net movement of regulatory deferral account but after tax	0.013	0.014
Basic and diluted earnings per share (AED) – after net movement of regulatory deferral account and tax	0.013	0.015
37 Earnings before interest, taxes, depreciation, and amortization (EBITDA)		
	For the three month period ended 31 March	
	2024	2023
	(Unaudited)	(Unaudited)
	AED'000	AED'000
Profit for the period after net movement in regulatory deferral account and tax	650,898	763,179
Tax expense	66,684	-
Profit for the year after net movement in regulatory deferral account and before tax	717,582	763,179
Adjustments for:		
Finance costs – net	269,876	193,965
Depreciation	1,555,148	1,379,609
Amortisation	23,610	17,368
EBITDA	2,566,216	2,354,121

Dubai Electricity and Water Authority PJSC and its subsidiaries

Notes to the condensed consolidated interim financial information *(continued)*
for the three month period ended 31 March 2024 (unaudited)

38 Comparative figures

The previous period/year figures have been regrouped wherever necessary, in order to conform to the current period presentation. The regrouping does not affect the previously reported net assets, total equity and the profit or loss and other comprehensive income.