



الشركة السعودية للكهرباء
Saudi Electricity Company

EARNINGS RELEASE

Q3 2025 | - November 2025

SAUDI ELECTRICITY COMPANY REPORTS NET PROFIT OF SAR 11.6 BILLION FOR THE FIRST NINE MONTHS OF 2025. RECORD INVESTMENTS CONTINUE TO DRIVE ENERGY TRANSITION AND FUTURE GROWTH PROSPECTS

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FINANCIAL HIGHLIGHTS (9M '25)

Riyadh, 5 November 2025

Operating Revenue



78.3 billion

17.6% year on year

Gross Profit



17.7 billion

10.1 year on year

Operating Profit



16.1 billion

1.4% year on year

EBITDA



32.6 billion

5.4% year on year

Total Equity



260.9 billion

3.8% vs 2024 year end

CapEx



74.0 billion

86.4% year on year

Saudi Electricity Company (“SEC”), announced its financial results for the third quarter and the nine-month period ended 30 September 2025, reporting strong revenue growth and sustained operational excellence. The performance was supported by strategic investments enabling the Kingdom’s energy transition and reinforcing the sustainability of the Company’s business model

Commenting on the company’s financial and operational performance, Eng. Khaled Bin Salem Al-Ghamdi, CEO of SEC, stated:

“Our financial performance continues to demonstrate high-quality growth across our asset portfolio and operations. This reflects SEC’s evolving role beyond being a power service provider to becoming a key enabler of the Kingdom’s low-emission energy future anchored in innovation and sustainable investment, enhancing national competitiveness and delivering value to our shareholders and our nation.”

He added:

“We continue to advance major generation, transmission, and distribution projects, and to strengthen local and international partnerships to expand clean-energy deployment, achieve operational excellence, and enhance the reliability and quality of our power services. During the first nine months of 2025, we successfully executed record investments of approximately SAR 74 billion, the highest in SEC’s history, which are expected to be key drivers of RAB growth and business expansion in the periods ahead.”

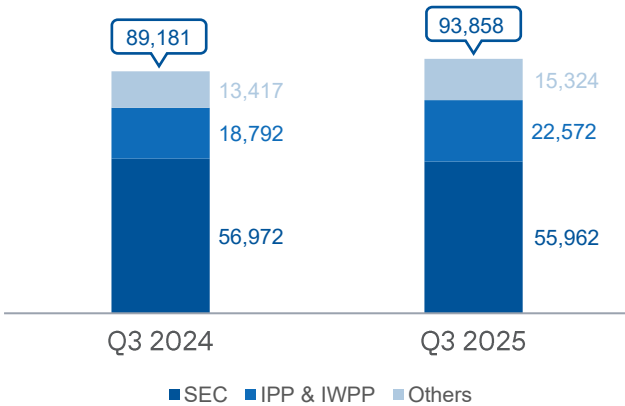
02

OPERATIONAL HIGHLIGHTS

GENERATION:



Generation Capacity (in MW)



- By Q3 2025 end, the Kingdom's power generation capacity connected to the grid increased 5% to 93.8 GW compared to the same period in 2024.
- The directly SEC owned capacity remained almost stable 55.9 GW, representing ~60% of the Kingdom's total capacity. Plant availability improved to 89.4%.
- SEC energy production stood at 190.6 TWh, up 0.2%

Growing diversified energy mix and progressing liquid to gas conversion

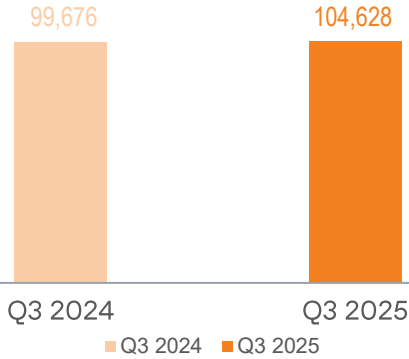
- SEC-EDF Energy Solutions consortium wins a 600 MW Samtah PV project (PPA value SAR 1.4 billion), the first large-scale solar PV project developed by SEC, marking a major milestone toward SEC's strategic pursuit of growing and diversifying its generation mix while advancing towards its net-zero 2050 ambition.
- SEC signed SAR 12.8 billion worth of PPAs with the Saudi Power Procurement Company for the Riyadh CCGT Units PP13 & PP14 (3,356 MW total), enhancing efficiency and energy security.
- Together with ACWA Power, SEC achieved financial close for the Qurayyah CCGT expansion (3,010 MW) via SAR 10.8 billion in non-recourse financing at the project joint venture level.
- liquid-to-gas conversion has been kicked-off at the Rabigh-2 plant (2,800 MW, commissioned 2013).

TRANSMISSION:

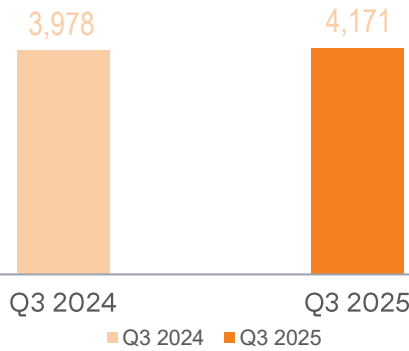


Powering The Kingdom with renewable energy

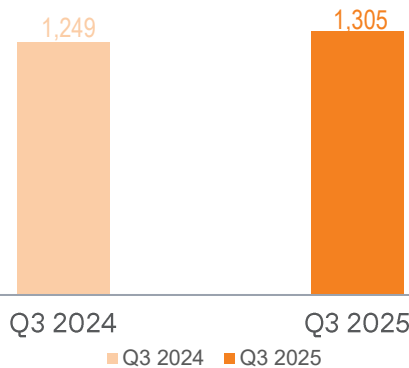
Network length (c. km)



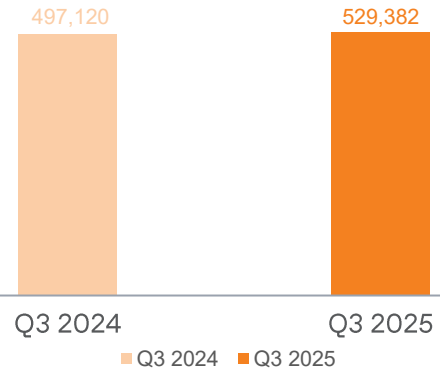
Number of Transformers



Number of Substations



Transformers capacity (in MVA)

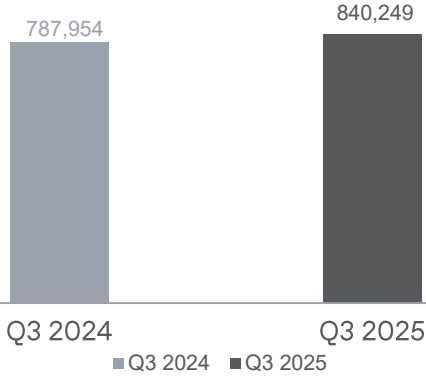


- At Q3 2025 end, **grid-connected renewable capacity** reached approximately **12.3 GW**.
- SEC successfully commissioned 8 GWh of battery energy storage systems across four sites: Bisha, Jazan, Khamis Mushait, and Najran.
- SEC is currently developing an additional **14GWh of storage capacity**, expected to be operational and grid-connected next year.
- The **transmission networks grew 5%** to 104,628 c.km, while the fiber optic lines increased 9% to 102,719 km.
- During 9M 2025, SEC added and **energized 45 new transmission substations**
- The cumulative **substations capacity** reached 529,382 MVA, reflecting y-o-y growth of 6%.
- During 9M 2025, SEC added and **energized 173 new transmission Transformer**
- The **number of transmission transformers** increased by 5%, reaching a total of 4,171 transformers.

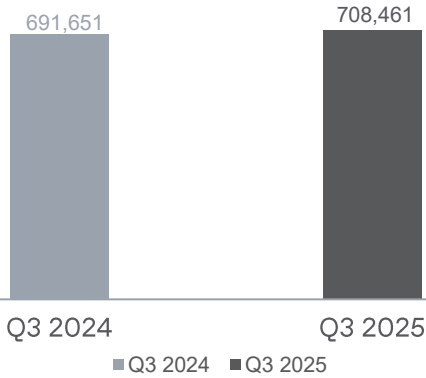
DISTRIBUTION AND CUSTOMER SERVICE:



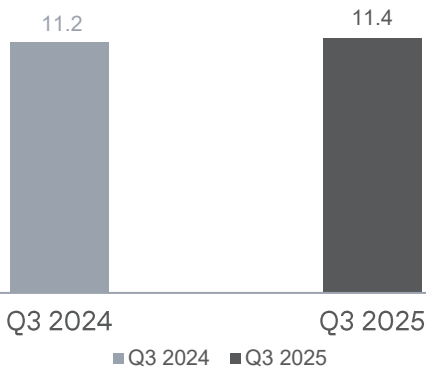
Network length (c. km)



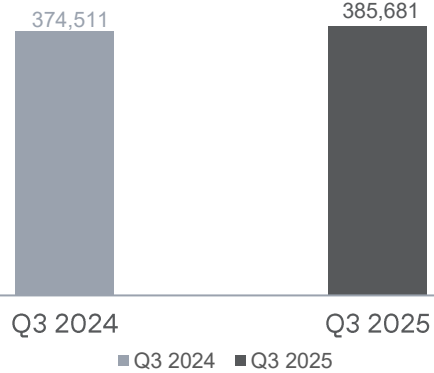
Number of Transformers



Number of Customers (Mn)



Transformers capacity (in MVA)



- **Energy sold grew 7% yoy to 275.1 Twh**, driven by high growth in residential, commercial and Industrial segments
- The customer base expanded to serve **11.5 million customers**, with the addition of more than **182,511 new customers added during 9M 2025**.
- SEC continues to upgrade its digital infrastructure. **The automation rate** of distribution stations reached **39.3%**.
- SEC expanded its distribution network to **840,249 c.km**, a **7% increase** year on year
- The number of distribution **substations increased by 2.4%** to reach a total of 708,461 transformers, contributing to a 3% rise in distribution transformer capacity, reaching 385,681 MVA.

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NON-REGULATED ACTIVITIES



Dawiyat:

870K FTTX households installed since inception, of which 609K activated at least once

26% Growth in IoT Smart Meters to 2.5Mn.

MCIT Fiber Expansion Project

Dawiyat was awarded 34 remote cities as part of the MCIT project "To expand and enhance the quality of broadband through fiber optics". The MCIT will provide support worth SAR 414 Mn to Dawiyat to extend the Fiber infrastructure to these cities



PDC: 1,265 on-going projects under management, with a project portfolio of 268.6 billion SAR

Strategic projects Managing key clients/projects NEOM, Aramco, and Saudi-Egyptian connection.



DER – TPS: Achieved a remarkable milestone by implementing reserve margin projects with capacity of 1 GVA in 2025.

Private T&D Networks: Delivered 144.6 km MV cables & 22.5Km LV cables

Strategic projects Managing key clients/projects NEOM, Aramco, and Saudi-Egyptian connection

EVIQ

- Strategic Investment, EVIQ, targeting **5,000 chargers by 2030**; currently **~55** chargers installed in three cities)



A company wholly subsidiary, to manage non-core Real Estate, **maximize returns** through leasing, selling, development, and partnerships



² As end of 2024

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FINANCIAL PERFORMANCE

SAR million	Q3 '25	Q3 '24	Change %	9M'25	9M'24	Change %
Revenues	31,047	28,316	9.60%	78,270	66,553	17.60%
Gross Profit	7,458	8,757	-14.80%	17,683	16,065	10.1%
Gross Margin	24.0%	30.9%	(6.9)pp	22.6%	24.1%	(1.5) pp
Operating Profit	7,016	8,284	-15%	16,121	15,892	1.40%
Operating Margin	22.6%	29.3%	(6.7)pp	20.6%	23.9%	(3.3)pp
EBITDA ¹	12,754	13,455	(5.2)%	32,608	30,950	5.4%
EBITDA Margin	41.08%	47.5%	(6.4)pp	41.7%	46.5%	(4.8)pp
Net Profit	5,332	6,898	(22.7)%	11,584	12,139	(4.60)%
Net Margin	17.2%	24.4%	(7.2)pp	14.8%	18.2%	(3.4)pp

EBITDA¹ = net profit/loss + depreciation + net interest expense + zakat + net amortization



Profitability

Revenue for 9M and Q3 2025 grew by 17.6% & 9.6% year on year to SAR 78.3 billion and SAR 31 billion, respectively. This growth reflects 1) higher required revenue recognized during due to growing grid's regulated asset base and increased pass-through costs, 2) higher electricity production revenue driven by growing generation fleet capacity and improved plant availability.

Gross Profit rose in 9M 2025 by 10.1% to SAR 17.7 billion, supported by higher revenues despite increased O&M costs reflecting growing business and operating assets. Due to the same. In Q3 2025 Gross profit was SAR 7.5 billion (vs. SAR 8.8 billion in Q3 2024).

Operating Profit grew 1.4% to SAR 16.1 billion in 9M2025, reflecting increase in provision for electricity subscribers' receivables, higher G&A in line with business growth and decrease in other income due to a non-recurring item from a one-off settlement with a supplier in the corresponding period of the previous year. In Q3 2025, operating profit was SAR 7.0 billion (vs. SAR 8.3 billion in Q3 2024). The decline is mainly reflecting higher O&M costs due to growing fleet.

Net Profit for 9M reached to SAR 11.6 billion (vs SAR 12.1 billion in 9M 2024), a decrease of 4.6%. Q3 2025 net profit decreased 22.7% to SAR 5.33 billion, reflecting the abovementioned items and higher finance costs due to increased financing to fund SEC expanding capital expenditures and to enhance its business growth.

Normalized Net Profit in 9M 2025 grew 6% year on year, this excludes one-offs and quarterly accrued expenses that SEC started to book since 2025 beginning compared to bulk recording at year end closing in prior years. Excluding for the same, net profit in Q3 2025 would have been higher by SAR 407 million.

Profit attributable to common shares : Net profit attributable to common shares for 9M 2025 (after deducting profit attributable to Mudaraba Instrument of SAR 6,673 million) amounted to SAR 4,911 million compared to a net profit of SAR 5,558 million for the same period last year.

Capex.

Capital expenditures surged 86.4% in 9M 2025 to SAR 74 billion. These investments were primarily directed toward power grid infrastructure expansion, BSSE projects implementation, smart grid enhancements, generation efficiency improvements, and service reliability upgrades. The company also continued its commitment to renewable energy integration.

Financing growth (highlights)

Net cash generated from financing activities surged to SAR 39.6 billion in 9M 2025, up from SAR 21.5 billion last year, driven by higher proceeds from new loans and Sukuk issuances totaling SAR 76.2 billion. The increase reflects the company's active funding program to support record capital expenditures of SAR 74 billion. Loan and Sukuk repayments amounted to SAR 25.1 billion, while dividend and finance cost payments remained stable. Cash and cash equivalents at the end of September 2025 stood at SAR 1.0 billion, reflecting the timing of major capital investments.

Our total debt (excluding revolving and short-term overdrafts) stands at ~SAR 175 billion, billion. Importantly, ~ 70 % of this debt matures after 2027, providing us with a stable long-term funding base.

Our funding strategy remains focused on diversification, long tenors, and sustainability, ensuring that we can support our significant investment program while maintaining a resilient balance sheet.

Credit Ratings: SEC's credit ratings are aligned with the Kingdom's Sovereign Ratings from all rating agencies, at 'Aa3' with a stable outlook from Moody's, 'A+' with a stable outlook from Fitch, and 'A+' with a stable outlook from Standard & Poor's

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INCOME STATEMENT

SAR thousands	Q3 2025	Q3 2024	%	9M' 2025	9M '2024	%
REVENUE	31,047,180	28,315,515	9.6%	78,269,551	66,553,340	17.6%
Fuel	(49,866)	(49,983)	(0.2%)	(104,140)	(95,306)	9.3%
Purchased power	(12,481,588)	(10,123,585)	23.3%	(28,540,737)	(22,506,244)	26.8%
Operations and maintenance	(4,529,786)	(3,472,781)	30.4%	(13,171,912)	(10,763,731)	22.4%
Depreciation - operations & maintenance	(5,608,746)	(5,011,854)	11.9%	(16,075,014)	(14,660,957)	9.6%
Depreciation – ROU assets	(81,395)	(32,681)	149.0%	(173,758)	(84,857)	104.8%
Construction cost	(837,625)	(867,208)		(2,521,125)	(2,376,940)	
GROSS PROFIT	7,458,174	8,757,423	(14.8%)	17,682,865	16,065,305	10.1%
Other income & expenses	121,600	129,003	(5.7%)	389,960	965,398	(59.6%)
Bad debt expenses	(164,686)	(271,575)	(39.4%)	(784,655)	(221,304)	254.6%
General and administrative expenses	(265,557)	(236,210)	12.4%	(804,013)	(647,569)	24.2%
Depreciation - general and administrative	(119,261)	(93,477)	27.6%	(313,797)	(260,701)	20.4%
Research and Development	(14,094)	(717)	1865.0%	(48,519)	(8,869)	447.1%
OPERATING PROFIT/(LOSS)	7,016,176	8,284,447	(15.3%)	16,121,841	15,892,260	1.4%
Finance income	29,583	233,083	(87.3%)	88,580	469,148	(81.1%)
Finance cost	(1,597,030)	(1,496,985)	6.7%	(4,378,141)	(3,980,744)	10.0%
FINANCE COSTS/INCOME - NET	(1,567,447)	(1,263,902)	24.0%	(4,289,561)	(3,511,596)	22.2%
Share of Profit/Loss on Equity Investment	18,396	47,285	(61.1%)	48,258	97,856	(50.7%)
PROFIT/(LOSS) FOR THE PERIOD BEFORE ZAKAT	5,467,125	7,067,830	(22.6%)	11,880,538	12,478,520	(4.8%)
Zakat	(135,081)	(169,775)	(20.4%)	(296,406)	(338,675)	(12.5%)
PROFIT/(LOSS)	5,332,044	6,898,055	(22.7%)	11,584,132	12,139,845	(4.6%)

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BALANCE SHEET

SAR thousands ⁴	Sep 2025	Dec 2024
Property, plant and equipment	560,834,006	503,049,006
Intangible Assets, net	312,199	577,429
Right of use assets, net	563,914	577,429
Investment properties	460,840	461,960
Equity-accounted investees	4,687,365	4,786,884
Financial assets at amortized cost	20,865	18,133
Financial asset through other comprehensive income	230,119	230,119
Derivative financial instruments	83,213	202,377
Loans and advances - Non-current	954,663	954,663
NON -CURRENT ASSETS	568,147,184	510,489,985
Inventories, net	1,519,389	1,113,404
Accounts receivables, net	32,313,301	22,597,679
Loans and advances	11,970,121	7,906,473
Contract Assets	769,549	347,934
Prepayments and other receivables, net	3,721,902	2,927,282
Cash and cash equivalents	1,011,598	1,631,656
CURRENT ASSETS	51,305,860	36,524,427
TOTAL ASSETS	619,453,044	547,014,412

SAR thousands	Sep 2025	Dec 2024
Share capital	41,665,938	41,665,938
Other reserves	(597,749)	(118,964)
Contractual reserve - Mudaraba instrument	3,303,131	984,901
Retained earnings	42,914,068	40,919,268
TOTAL EQUITY BEFORE MUDARABA INSTRUMENT (1)	87,285,388	83,451,143
Mudarabah instrument (2)	173,607,896	167,920,563
TOTAL EQUITY (1+2)	260,893,284	251,371,706
Long term loans	110,770,384	89,468,867
Long term sukuk	44,865,012	32,713,096
Employees' benefits obligation	10,440,516	9,637,319
Non-current portion of deferred revenue	78,124,391	74,999,729
Advance from subscribers	20,106,940	20,237,065
Deferred government grants	1,132,060	1,111,954
Derivative financial instruments	225,943	0
Non-current portion of lease liabilities	307,391	394,441
NON-CURRENT LIABILITIES	265,972,637	228,562,471
Short term loans and facilities	39,710,126	19,626,002
Short term sukuk	0	2,437,500
Trade payables	9,882,449	11,291,979
Accruals and other payables	34,188,716	24,533,266
Provision for other liabilities and charges	612,630	406,771
Refundable deposits from customers	1,909,003	1,911,702
Current portion of deferred revenue	3,076,516	2,917,674
Contract Liabilities	3,005,871	3,785,231
Current portion of lease liabilities	201,812	170,110
CURRENT LIABILITIES	92,587,123	67,080,235
TOTAL LIABILITIES	358,559,760	295,642,706
TOTAL EQUITY AND LIABILITIES	619,453,044	547,014,412

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ABOUT SAUDI ELECTRICITY COMPANY

Saudi Electricity Company (SEC) is a joint stock company founded in the kingdom of Saudi Arabia according to the Royal Decree #M/16 dated 6/9/1420(H) and in accordance with the Minister of Commerce resolution No. 2047 dated 30/12/1420(H).

SEC is a vertically integrated utility company involved in the generation, transmission and distribution of electricity to ~11.50 million customers in Saudi Arabia. Saudi Arabia is one of the top 20 economies globally whose demand for electricity is driven by favorable demographic makeup and an increasingly diversified and growing economy.

SEC is one of the largest utilities in the MENA region with a market capitalization of SAR 66.2 billion (30 September 2025: US \$17.8 billion) and is one of the largest companies listed on the Saudi Stock Exchange (Tadawul) by market Cap.

Disclaimer

This communication contains certain forward-looking statements. A forward-looking statement is any statement that does not relate to historical facts and events, and can be identified by the use of such words and phrases as “according to estimates”, “anticipates”, “assumes”, “believes”, “could”, “estimates”, “expects”, “intends”, “is of the opinion”, “may”, “plans”, “potential”, “predicts”, “projects”, expressions, which are intended to identify a statement as forward-looking. This applies, in particular, to statements containing information on future financial results, plans, or expectations regarding our business and management, our future growth or profitability and general economic and regulatory conditions and other matters affecting us.

Forward-looking statements reflect our management’s (“Management”) current views of future events, are based on Management’s assumptions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. The occurrence or non-occurrence of an assumption could cause our actual financial condition and results of operations to differ materially from, or fail to meet expectations expressed or implied by, such forward-looking statements. Our business is subject to a number of risks and uncertainties that could also cause a forward-looking statement, estimate or prediction to become inaccurate. These risks include fluctuations prices, costs, ability to retain the services of certain key employees, ability to compete successfully, changes in political, social, legal or economic conditions in Saudi Arabia, worldwide economic trends, the impact of war and terrorist activity, inflation, interest rate and exchange rate fluctuations and Management’s ability to timely and accurately identify future risks to our business and manage the risks mentioned above.

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