

**Abu Dhabi National Energy Company PJSC
("TAQA")**

REVIEW REPORT AND INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS
FOR THE THREE MONTH PERIOD ENDED
31 MARCH 2026 (UNAUDITED)



Review report on interim condensed consolidated financial statements

To the Board of Directors of Abu Dhabi National Energy Company PJSC (“TAQA”)

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Abu Dhabi National Energy Company PJSC (the 'Company' or 'TAQA') and its subsidiaries (together the 'Group') as at 31 March 2026 and the related interim condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the three-month period then ended and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 *Interim Financial Reporting* (“IAS 34”). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of interim financial information performed by the independent auditor of the entity'. A review of 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 interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers Limited Partnership - Abu Dhabi

14 May 2026



Murad Alnsour

Registered Auditor Number 1301

Abu Dhabi, United Arab Emirates

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Abu Dhabi National Energy Company PJSC (“TAQA”)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Three month period ended 31 March 2026 (Unaudited)

		31 March	
		2026	2025
	<i>Notes</i>	<i>AED million</i>	<i>AED million</i>
CONTINUED OPERATIONS			
REVENUES			
Revenue from generation of power and water	3.1	2,714	2,845
Revenue from transmission and distribution of power and water	3.2	9,376	9,139
Revenue from oil and gas	3.3	992	1,489
Revenue from water solutions	3.4	648	636
		<u>13,730</u>	<u>14,109</u>
COST OF SALES			
Operating expenses		(8,233)	(8,723)
Depreciation, depletion and amortisation		(2,297)	(2,288)
		<u>(10,530)</u>	<u>(11,011)</u>
GROSS PROFIT		3,200	3,098
Net impairment losses on financial and contract assets		17	5
General and administrative expenses		(482)	(498)
Finance costs		(784)	(734)
Net foreign exchange gain (loss)		17	(4)
Interest income		110	101
Dividend income from an investment carried at fair value through OCI		165	313
Other income		77	46
Share of results of associates and joint ventures		235	(2)
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS		<u>2,555</u>	<u>2,325</u>
Income tax expense	4	(405)	(179)
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS		<u>2,150</u>	<u>2,146</u>
DISCONTINUED OPERATIONS			
Profit after tax for the period from discontinued operations	18	-	6
PROFIT FOR THE PERIOD		<u>2,150</u>	<u>2,152</u>
Attributable to:			
Equity holders of the parent		2,091	2,083
Non-controlling interests		59	69
PROFIT FOR THE PERIOD		<u>2,150</u>	<u>2,152</u>
Basic and diluted earnings per share attributable to equity holders of the parent (AED) from continuing operations		<u>0.02</u>	<u>0.02</u>
Basic and diluted earnings per share attributable to equity holders of the parent (AED) from continuing operations and discontinued operations	5	<u>0.02</u>	<u>0.02</u>

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

Abu Dhabi National Energy Company PJSC (“TAQA”)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME Three month period ended 31 March 2026 (Unaudited)

		<i>31 March</i>	
		<i>2026</i>	<i>2025</i>
	<i>Notes</i>	<i>AED million</i>	<i>AED million</i>
PROFIT FOR THE PERIOD		2,150	2,152
OTHER COMPREHENSIVE INCOME			
<i>Items that may be reclassified to statement of profit or loss in subsequent periods:</i>			
Changes in fair values of derivative instruments in cash flow hedges		66	(135)
Share of other comprehensive income of joint ventures and associates		42	101
Exchange differences arising on translation of overseas operations		<u>(194)</u>	436
		(86)	402
<i>Items not to be reclassified to statement of profit or loss in subsequent periods:</i>			
Changes in fair value of investments carried at fair value through OCI	17	<u>(1,343)</u>	(1,189)
		(1,343)	(1,189)
NET OTHER COMPREHENSIVE LOSS FOR THE PERIOD		<u>(1,429)</u>	(787)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>721</u>	<u>1,365</u>
Attributable to:			
Equity holders of the parent		628	1,375
Non-controlling interests		<u>93</u>	(10)
		<u>721</u>	<u>1,365</u>

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

Abu Dhabi National Energy Company PJSC (“TAQA”)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026 (Unaudited)

		<i>(Audited)</i>	
		<i>31 March</i>	<i>31 December</i>
		<i>2026</i>	<i>2025</i>
	<i>Notes</i>	<i>AED million</i>	<i>AED million</i>
ASSETS			
Non-current assets			
Property, plant and equipment	7	143,610	142,511
Operating financial assets		6,293	6,461
Intangible assets		12,428	12,667
Investment carried at fair value through other comprehensive income	17	12,280	13,623
Investment in and loans to associates and joint ventures		17,936	17,988
Deferred tax assets		4,451	4,651
Derivative financial instruments	14	533	518
Other assets		456	455
		197,987	198,874
Current assets			
Accounts receivable, prepayments and other receivables		7,401	6,938
Inventories		2,636	2,656
Amounts due from related parties	12	3,218	2,651
Cash and cash equivalent	8	14,137	6,661
Restricted cash		78	214
Operating financial assets		909	926
Income tax prepaid		666	787
Derivative financial instruments	14	83	66
		29,128	20,899
Assets classified as held for sale	19	146	142
TOTAL ASSETS		227,261	219,915
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		112,434	112,434
Merger reserve	9	(55,437)	(55,437)
Statutory reserve	9	5,108	4,899
Retained earnings		32,508	33,100
Foreign currency translation reserve		517	711
Cumulative changes in fair value of derivatives in cash flow hedges		3,982	3,908
Cumulative changes in fair value of investments	17	1,496	2,839
		100,608	102,454
Non-controlling interests		4,825	5,141
Loans from non-controlling interest shareholders in subsidiaries		64	67
Total non-controlling interests, including loans		4,889	5,208
TOTAL EQUITY		105,497	107,662

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

Abu Dhabi National Energy Company PJSC (“TAQA”)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION continued

As at 31 March 2026 (Unaudited)

		<i>(Audited)</i>	
		<i>31 March</i>	<i>31 December</i>
		<i>2026</i>	<i>2025</i>
	<i>Notes</i>	<i>AED million</i>	<i>AED million</i>
Non-current liabilities			
Interest bearing loans and borrowings	10	63,558	57,879
Islamic loans		871	686
Deferred tax liabilities		1,983	2,005
Asset retirement obligations		10,238	10,700
Derivative financial instruments	14	385	416
Other liabilities		3,347	3,234
		80,382	74,920
Current liabilities			
Accounts payable, accruals, provisions and other liabilities		24,961	24,090
Interest bearing loans and borrowings	10	6,788	6,742
Islamic loans		7	10
Amounts due to related parties	12	6,493	3,617
Asset retirement obligations		2,160	2,072
Bank overdrafts	8	5	1
Income tax payable		866	692
Derivative financial instruments	14	102	109
		41,382	37,333
TOTAL LIABILITIES		121,764	112,253
TOTAL EQUITY AND LIABILITIES		227,261	219,915

To the best of our knowledge, the financial information included in these interim condensed consolidated financial statements fairly presents in all material respects the financial condition, results of operation and cash flows of the Group as of, and for, the periods presented therein. The interim condensed consolidated financial statements were approved by the Board of Directors on 14 May 2026 and signed on its behalf by:

Jassem Alzaabi

CHAIRMAN OF THE
BOARD OF DIRECTORS

mbad

CHAIRMAN OF THE
AUDIT COMMITTEE

Jasim Thabet

GROUP CHIEF EXECUTIVE OFFICER
& MANAGING DIRECTOR

[Signature]

CHIEF FINANCIAL OFFICER

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

Abu Dhabi National Energy Company PJSC (“TAQA”)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY Three month period ended 31 March 2026 (Unaudited)

	Attributable to equity holders of the parent										
	Share capital AED million	Merger reserve AED million	Statutory reserves AED million	Retained earnings AED million	Foreign currency translation reserve AED million	Cumulative changes in fair value of derivatives AED million	Cumulative changes in fair value of investments AED million	Total AED million	Non-controlling interests AED million	Loans from non-controlling interest shareholders in subsidiaries AED million	Total equity AED million
Balance at 1 January 2025 (audited)	112,434	(55,437)	4,152	31,275	(253)	3,905	2,685	98,761	5,968	95	104,824
Profit for the period	-	-	-	2,083	-	-	-	2,083	69	-	2,152
Other comprehensive income for the period	-	-	-	-	436	45	(1,189)	(708)	(79)	-	(787)
Total comprehensive income for the period	-	-	-	2,083	436	45	(1,189)	1,375	(10)	-	1,365
Dividends (note 16)	-	-	-	(2,363)	-	-	-	(2,363)	(200)	-	(2,563)
Transfer to reserves	-	-	208	(208)	-	-	-	-	-	-	-
Repayment of loans	-	-	-	-	-	-	-	-	-	(8)	(8)
Balance at 31 March 2025 (unaudited)	112,434	(55,437)	4,360	30,787	183	3,950	1,496	97,773	5,758	87	103,618
Balance at 1 January 2026 (audited)	112,434	(55,437)	4,899	33,100	711	3,908	2,839	102,454	5,141	67	107,662
Profit for the period	-	-	-	2,091	-	-	-	2,091	59	-	2,150
Other comprehensive income for the period	-	-	-	-	(194)	74	(1,343)	(1,463)	34	-	(1,429)
Total comprehensive income for the period	-	-	-	2,091	(194)	74	(1,343)	628	93	-	721
Dividends (note 16)	-	-	-	(2,474)	-	-	-	(2,474)	(409)	-	(2,883)
Transfer to reserves	-	-	209	(209)	-	-	-	-	-	-	-
Repayment of loans	-	-	-	-	-	-	-	-	-	(3)	(3)
Balance at 31 March 2026 (unaudited)	112,434	(55,437)	5,108	32,508	517	3,982	1,496	100,608	4,825	64	105,497

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

Abu Dhabi National Energy Company PJSC (“TAQA”)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

Three month period ended 31 March 2026 (Unaudited)

		<i>31 March</i>	<i>31 March</i>
		<i>2026</i>	<i>2025</i>
	<i>Notes</i>	<i>AED million</i>	<i>AED million</i>
OPERATING ACTIVITIES			
Profit before tax from continuing operations		2,555	2,325
Profit before tax from discontinued operations	18	-	13
		<u>2,555</u>	<u>2,338</u>
Adjustments for:			
Depreciation, depletion and amortisation		2,297	2,289
Finance costs		784	734
Share of results of associates and joint ventures		(235)	2
Interest income		(110)	(103)
Dividend income from an investment		(165)	(313)
Expected credit loss movement		(17)	(5)
Other movements		334	(10)
Revenue from operating financial assets		(332)	(377)
		<u>2,556</u>	<u>2,217</u>
Working capital changes:			
Inventories		19	(92)
Accounts receivables and prepayments		(526)	(345)
Amounts due from related parties		(200)	991
Amounts due to related parties		2,670	2,539
Accounts payable, accruals and other liabilities		38	(711)
Income tax reimbursed		66	18
Asset retirement obligation payments		(404)	(527)
Cash received from operating financial assets		235	474
		<u>1,898</u>	<u>2,347</u>
Net cash generated from operating activities		<u>7,009</u>	<u>6,902</u>
INVESTING ACTIVITIES			
Purchases of property, plant and equipment		(2,055)	(1,924)
Advances and loans to associates and joint ventures	12	(174)	(212)
Interest received		79	98
Purchases of intangible assets		(50)	-
Other movements		32	(37)
		<u>(2,168)</u>	<u>(2,075)</u>
Net cash used in investing activities		<u>(2,168)</u>	<u>(2,075)</u>

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

Abu Dhabi National Energy Company PJSC (“TAQA”)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS continued Three month period ended 31 March 2026 (Unaudited)

		31 March 2026	31 March 2025
	<i>Notes</i>	AED million	AED million
FINANCING ACTIVITIES			
Repayments of interest bearing loans and borrowings	10	(900)	(768)
Repayments of Islamic loans	10	(3)	-
Islamic loans received	10	102	-
Interest bearing loans and borrowings received	10	6,950	310
Payments of lease liabilities- principal	10	(71)	(75)
Interest paid		(684)	(655)
Dividend paid to non-controlling interest shareholders		(286)	(191)
Dividend paid to shareholders		(2,474)	(2,363)
Repayment of loans to non-controlling interest shareholders		(3)	(8)
		2,631	(3,750)
Net cash generated from (used in) financing activities			
		7,472	1,077
NET INCREASE IN CASH AND CASH EQUIVALENTS			
		-	2
Net foreign exchange difference			
		6,660	8,382
Cash and cash equivalents at 1 January			
		14,132	9,461
CASH AND CASH EQUIVALENTS AT 31 MARCH			
		8	8

Significant non-cash transactions:

In the period ended 31 March 2026, assets with a value of AED 150 million and AED 224 million (31 March 2025: nil) were respectively transferred to Abu Dhabi Sustainable Water Solutions Company PJSC and TAQA Distribution. These amounts have not been reflected in the ‘Purchases of property, plant and equipment’ in the interim condensed consolidated statement of cash flows as they were transferred at nil cash outflow to the company. However, for the period ended 31 March 2026 the amounts have been recorded within ‘Property, plant and equipment’ and ‘Accounts payable, accruals, provisions, and other liabilities’ on the interim condensed consolidated statement of financial position.

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

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2026 (Unaudited)

1 CORPORATE INFORMATION

Abu Dhabi National Energy Company PJSC (“TAQA”, “Group” or the “Company”) was established on 21 June 2005 pursuant to the provisions of Emiri Decree number 16/2005 as a public joint stock company.

TAQA is a subsidiary of Abu Dhabi Power Corporation (“ADPC”) and is listed on the Abu Dhabi Securities Exchange. ADPC’s ownership represents 90.0% of the entire issued share capital of TAQA. Of the remainder, 5.1% is held by Norm Commercial Investments – One Person Company and 4.9% by other shareholders including the public. ADPC is a 100% owned by Abu Dhabi Developmental Holding Company (“ADQ”). ADQ is wholly owned by Abu Dhabi Developmental Holding Group PJSC effectively from 19 April 2024 and ultimately owned by the Government of Abu Dhabi (the “Ultimate parent”).

TAQA is a diversified utilities and energy company with power and water generation, transmission and distribution, and sustainable water solutions assets in the UAE. TAQA operates internationally across the energy value chain from upstream and midstream oil and gas through to power generation.

TAQA’s registered head office is at 25th Floor, Al Maqam Tower, Abu Dhabi Global Market Square, PO Box 55224, Abu Dhabi, United Arab Emirates.

On 24 August 2025, TAQA announced that it has signed an agreement to acquire a 100% interest in GS Inima, a global leader in water treatment and water desalination, from GS Engineering & Construction. The transaction is still subject to completion of necessary transaction requirements, including obtaining relevant third party and regulatory approvals, expected to take several months.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial statements for the three months period ended 31 March 2026 have been prepared in accordance with International Accounting Standard IAS 34, *Interim Financial Reporting*.

The interim condensed consolidated financial statements have been presented in United Arab Emirates Dirhams (AED). All values are rounded to the nearest million (AED million) except where otherwise indicated.

The interim condensed consolidated financial statements do not include all information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2025. In addition, results for the three months period ended 31 March 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026.

As at 31 March 2026, retained earnings of the Group are AED 32,508 million (31 December 2025: AED 33,100 million). As at 31 March 2026, the current liabilities of the Group exceed its current assets by AED 12,254 million (31 December 2025: by AED 16,434 million). The Group has sufficient short to medium term liquidity through the Group’s undrawn committed borrowing facilities (note 8) to meet ongoing commitments and therefore it is concluded that adequate support is available to evidence that the going concern assumption is appropriate for the preparation of the interim condensed consolidated financial statements for the three month period ended 31 March 2026.

On 11 February 2025, the Ministry of Finance of the UAE released Cabinet Decision No. 142 of 2024 on the Imposition of Top-Up Tax on Multinational Enterprises, introducing a Domestic Minimum Top-Up Tax (DMTT) on multinational enterprises (MNEs). Accordingly effective from fiscal years starting on or after 1 January 2025, the DMTT imposes a top-up tax on low-taxed UAE entities, ensuring a minimum effective tax rate of 15% in the UAE. Furthermore, on 18 August 2025, the UAEs DMTT was officially listed by the OECD on its Central Record of Legislation with Transitional Qualified Status, thereby achieving recognition as a Qualified Domestic Minimum Top-up Tax (QDMTT).

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

31 March 2026 (Unaudited)

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES continued

2.1 BASIS OF PREPARATION continued

The Group is headquartered in the UAE and is within the scope of the OECD BEPS Pillar Two Global Anti-Base Erosion Model Rules (GloBE Rules). For 2026, the Group is expecting to compute the GloBE Rules from the UAE. The Group has performed an assessment of its potential exposure to Pillar II income taxes in these countries and has considered the relief provided in the OECD guidance such as the Transitional Country by Country Reporting Safe Harbour (TCSH). The Group expects to meet the TCSH relief in majority of the relevant jurisdictions or could mitigate any significant exposure through a full top-up tax computation for Pillar Two income taxes in 2026. The Group continues to monitor the legislative activity and potential impact of Pillar II on its future financial performance.

On 28 February 2026, geopolitical tensions and military activity involving the United States of America, Iran and Israel escalated across the broader Middle East region. These developments have increased uncertainty in the regional operating environment, including potential risks relating to airspace restrictions, maritime security, logistics, insurance costs, supply chains and general market sentiment.

Management has assessed the impact of these developments up to the date of approval of these interim condensed consolidated financial statements. Based on information currently available, there has been no material disruption to the Group’s operations in the United Arab Emirates, and no material impact has been identified on the Group’s financial position, financial performance, or cash flows. Given the evolving nature of the situation, the ultimate financial impact, if any, cannot be reliably estimated at this stage.

The Group continues to maintain adequate liquidity, diversified funding sources and risk management procedures to respond to changes in the operating environment. Management will continue to monitor developments closely and assess any impact on the Group’s operations, assets, liabilities and future cash flows. Accordingly, the interim condensed consolidated financial statements have been prepared on a going concern basis.

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2026 (Unaudited)

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES continued

2.2 MATERIAL ACCOUNTING POLICY INFORMATION

The Group has consistently applied the accounting policies as applied by the Group in the annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following new standards and interpretations effective as of 1 January 2026 which have not caused any material impact on the Group’s interim condensed consolidated financial statements.

- Annual improvements to IFRS Accounting Standards- Volume 11 (effective from 1 January 2026).
- Amendments IFRS 9 and IFRS 7 classification and measurement of financial instruments (effective from 1 January 2026).

The Group has not early adopted the following standards, interpretations or amendments that have been issued but not yet effective. Management are in the process of assessing the impact of these standards, interpretations and amendments, however these are not expected to have any material impact on the Group’s consolidated financial statements.

- Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (effective date not yet decided).
- IFRS 18 Presentation and Disclosures in Financial Statements (effective from 1 January 2027).
- IFRS 19 Presentation without Public Accountability: Disclosures (effective from 1 January 2027).
- IFRS S1 General requirements for Disclosure of Sustainability-related Financial Information (effective date not yet decided by the regulator in the United Arab Emirates).
- IFRS S2 Climate-related Disclosures (effective date not yet decided by the regulator in the United Arab Emirates).

The critical judgements and estimates used in the preparation of these interim condensed consolidated financial statements are consistent with those used in the preparation of the Group’s annual financial statements for the year ended 31 December 2025.

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2026 (Unaudited)

3 REVENUE

3.1 Revenue from generation of power and water

	<i>31 March</i>	
	<i>2026</i>	<i>2025</i>
	<i>AED million</i>	<i>AED million</i>
Operating lease revenue	1,219	1,364
Revenue from operating financial assets	916	1,037
Energy payments and other related revenue	430	438
Other revenue	149	99
	<u>2,714</u>	<u>2,938</u>
Generation revenue in discontinued operations (note 18)	-	(93)
	<u>2,714</u>	<u>2,845</u>

All revenue from generation of power and water is recognised at a point in time, with the exception of revenue from operating financial assets and development fee revenue within “other revenue” which is recognised over time.

3.2 Revenue from transmission and distribution of power and water

	<i>31 March</i>	
	<i>2026</i>	<i>2025</i>
	<i>AED million</i>	<i>AED million</i>
Transmission use of system (TUOS) charges for unlicensed activities	310	265
Revenue from supply and distribution of power and water	3,699	3,235
Distribution connection and meter installation fees	67	73
Water coupons	37	25
Other operating revenue	5,263	5,541
	<u>9,376</u>	<u>9,139</u>

Other operating revenue for sales of water and electricity is calculated as the difference between its Maximum Allowed Revenue (“MAR”) determined in its Regulatory Control Framework (issued by the DoE) and revenue relating to supply and distribution of water and electricity from its customers. Accordingly, the Group recognised this revenue relating to supply and distribution of water and electricity based on those rights and rewards that are confirmed during the period. The computation of MAR is subject to Regulatory Control Mechanisms provided by DoE which are amended over the years and revenue is subject to judgements, interpretations and assumptions in respect of notified items, allowable deductions, performance incentives and correction factors.

All revenue from transmission and distribution of power and water is recognised at a point in time.

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2026 (Unaudited)

3 REVENUE (continued)

3.3 Revenue from oil and gas

	<i>31 March</i>	
	<i>2026</i>	<i>2025</i>
	<i>AED million</i>	<i>AED million</i>
Gross oil and gas revenue	880	1,335
Less: royalties	(66)	(59)
	<u>814</u>	<u>1,276</u>
Gas storage revenue	99	129
Net processing income	79	59
Other revenue	-	25
	<u>992</u>	<u>1,489</u>

All revenue from oil and gas recognised at a point in time, with the exception of gas storage revenue which is recognised over time.

3.4 Revenue from water solutions

	<i>31 March</i>	
	<i>2026</i>	<i>2025</i>
	<i>AED million</i>	<i>AED million</i>
Sewerage services	<u>648</u>	<u>636</u>

Revenue is subject to Maximum Allowed Revenue (“MAR”) for sewerage services, calculated in accordance with the formula as defined in the License and Regulatory Control mechanisms document (issued by the DoE).

The computation of MAR is subject to Regulatory Control Mechanisms provided by DoE which are amended over the years and revenue is subject to judgements, interpretations and assumptions in respect of notified items, allowable deductions, performance incentives and correction factors

All revenue for sewerages services is recognised at a point in time.

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2026 (Unaudited)

4 INCOME TAX

	<i>31 March</i>	
	<i>2026</i>	<i>2025</i>
	<i>AED million</i>	<i>AED million</i>
<i>Current income tax:</i>		
Current income tax charge	208	5
<i>Deferred income tax:</i>		
Relating to origination and reversal of temporary differences	197	181
<i>Other tax related expenses:</i>		
Pillar II income taxes	-	-
	405	186
Income tax expense in discontinued operations (note 18)	-	(7)
Income tax expense	405	179

Tax for the three month period is charged at 16% (31 March 2025: 9%), representing the best estimate of the average annual effective tax rate expected for the full year, applied to the pre-tax income of the three month period.

5 BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT

Basic earnings per share amounts are calculated by dividing earnings for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the earnings attributable to ordinary shareholders of the parent by the weighted average number of ordinary shares outstanding during the period, adjusted for the effects of dilutive instruments.

The following reflects the profit and share data used in the earnings per share computations:

	<i>31 March</i>	
	<i>2026</i>	<i>2025</i>
	<i>AED million</i>	<i>AED million</i>
Profit for the period attributable to equity holders of the parent from continuing and discontinued operations (<i>AED million</i>)	2,091	2,083
Weighted average number of ordinary shares issued (million)	112,434	112,434
Basic earnings per share (AED)	0.02	0.02

No figure for diluted earnings per share has been presented as the Group has not issued any instruments which would have an impact on earnings per share when exercised.

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2026 (Unaudited)

6 OPERATING SEGMENT INFORMATION

Operating segments are components that engage in business activities that may earn revenues or incur expenses, whose operating results are regularly reviewed by the chief operating decision maker (CODM), and for which discrete financial information is available. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Group Chief Executive Officer and Managing Director of TAQA.

For this purpose, the Group is organised into business units based on their geography, products and services, and has five reportable operating segments as follows:

- Generation Segment
- Transmission Segment
- Distribution Segment
- Oil and Gas Segment
- Water Solutions Segment

During 2025, following a change in internal reporting, the Group revised its segment structure. Transmission and Distribution (“T&D”), previously reported as a single segment, are now presented as two separate reportable segments. Comparative information for 2025 has been restated accordingly with no impact on the Group’s consolidated profit, total assets, or total liabilities.

Generation Segment

This segment is engaged in generation of electricity and production of desalinated water for supply in UAE and generation of electricity in Morocco, India, Ghana, and Saudi Arabia. It also includes investments in joint ventures and associates which hold a number of assets focused in renewable energy and sustainable development in various countries.

Transmission Segment

This segment is engaged in transmission of water and electricity from the generation and desalination plants mainly in the UAE.

Distribution Segment

This segment is engaged in distribution of water and electricity from the generation and desalination plants in the UAE.

Oil and Gas Segment

This segment is engaged in Upstream and Midstream oil and gas activities in Canada and Netherlands and Upstream oil and gas activities in United Kingdom.

Water Solutions Segment

This segment is engaged in overseeing the operation and maintenance of waste water facilities, as well as managing water collection, treatment, supply, and sewerage services in the UAE.

Several operating segments have been aggregated to form the above reportable operating segments which are provided below:

Generation – UAE	}	Generation
Generation – Others		
Transmission – mainly UAE	—	Transmission
Distribution – UAE	—	Distribution
Oil and Gas – Canada	}	Oil & Gas
Oil and Gas – Europe		
Water Solutions – UAE	—	Water Solutions

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2026 (Unaudited)

6 OPERATING SEGMENT INFORMATION continued

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on ‘profit or loss for the period’ as detailed in the following table. Interest bearing loans and borrowings and Islamic loans except for the subsidiaries with project financing arrangements are managed on a group basis and are not allocated to operating segments.

The majority of the Group’s revenues, profits, and assets relate to its operations in the United Arab Emirates.

Investment in certain associates with activities other than the reportable operating segments and investments carried at fair value through other comprehensive income are managed on a group basis and are therefore not allocated to operating segments.

The following table presents revenue and profit information for the Group’s operating segments:

	<i>Generation AED million</i>	<i>Transmission AED million</i>	<i>Distribution AED million</i>	<i>Water Solutions AED million</i>	<i>Oil & Gas AED million</i>	<i>Adjustments, eliminations & unallocated AED million</i>	<i>Consolidated AED million</i>
Period ended 31 March 2026 (unaudited):							
Revenue from external customers	2,714	323	9,053	648	992	-	13,730
Revenue intra-group	37	1,391	40	35	-	(1,503)	-
Revenue total	2,751	1,714	9,093	683	992	(1,503)	13,730
Operating expenses	(1,056)	(254)	(7,852)	(226)	(348)	1,503	(8,233)
Depreciation, depletion, and amortisation	(1,008)	(402)	(492)	(183)	(209)	(3)	(2,297)
Gross profit	687	1,058	749	274	435	(3)	3,200
Net impairment losses on financial and contract assets	-	-	2	-	15	-	17
General and administrative expenses	(115)	(87)	(151)	(39)	(44)	(46)	(482)
Finance costs	(357)	(14)	(1)	(24)	(93)	(295)	(784)
Net foreign exchange (losses) gains	(5)	-	-	-	6	16	17
Share of results of associates and joint ventures	216	16	-	-	-	3	235
Other income	19	26	19	-	1	12	77
Interest income	80	16	21	6	20	(33)	110
Dividend income from an investment	-	-	-	-	-	165	165
Income tax expense	(114)	(70)	(45)	(17)	(140)	(19)	(405)
Profit for the period	411	945	594	200	200	(200)	2,150
Non-controlling interests	(51)	-	-	(8)	-	-	(59)
Profit for the period Attributable to equity holders of the parent	360	945	594	192	200	(200)	2,091

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2026 (Unaudited)

6 OPERATING SEGMENT INFORMATION continued

	<i>Generation AED million</i>	<i>Transmission AED million</i>	<i>Distribution AED million</i>	<i>Water Solutions AED million</i>	<i>Oil & Gas AED million</i>	<i>Adjustments, eliminations & unallocated AED million</i>	<i>Consolidated AED million</i>
Period ended 31 March 2025 (unaudited):							
Revenue from external customers	2,845	274	8,865	636	1,489	-	14,109
Revenue intra-group	40	1,303	40	29	-	(1,412)	-
Revenue total	2,885	1,577	8,905	665	1,489	(1,412)	14,109
Operating expenses	(1,136)	(190)	(7,705)	(233)	(891)	1,432	(8,723)
Depreciation, depletion, and amortisation	(1,052)	(392)	(476)	(182)	(184)	(2)	(2,288)
Gross profit	697	995	724	250	414	18	3,098
Net impairment losses on financial and contract assets	(2)	-	6	-	1	-	5
General and administrative expenses	(108)	(94)	(179)	(36)	(47)	(34)	(498)
Finance costs	(362)	(5)	(1)	(27)	(59)	(280)	(734)
Net foreign exchange gains (losses)	39	-	-	-	(4)	(39)	(4)
Share of results of associates and joint ventures	3	(6)	-	-	-	1	(2)
Other income	12	22	27	1	(2)	(14)	46
Interest income	68	15	11	5	86	(84)	101
Dividend income from an investment	-	-	-	-	-	313	313
Income tax expense	(52)	(42)	(25)	(18)	(42)	-	(179)
Profit after tax for the period from discontinued operations	6	-	-	-	-	-	6
Profit for the period	301	885	563	175	347	(119)	2,152
Non-controlling interests	(61)	-	-	(8)	-	-	(69)
Profit for the period Attributable to equity holders of the parent	240	885	563	167	347	(119)	2,083

The following table presents segment assets and liabilities of the Group’s operating segments:

	<i>Generation AED million</i>	<i>Transmission AED million</i>	<i>Distribution AED million</i>	<i>Water Solutions AED million</i>	<i>Oil & Gas AED million</i>	<i>Adjustments, eliminations & unallocated AED million</i>	<i>Consolidated AED million</i>
At 31 March 2026 (unaudited):							
Property, plant and equipment	26,522	48,436	43,956	19,680	5,192	(176)	143,610
Operating financial assets	7,202	-	-	-	-	-	7,202
Investment in associates, joint ventures and related balances	16,714	1,222	-	-	-	-	17,936
Intangible assets	7,152	276	4,894	-	106	-	12,428
Investments carried at FVOCI	-	-	-	-	-	12,280	12,280
Deferred tax assets	14	-	-	-	4,437	-	4,451
Other assets	10,164	1,145	4,589	576	1,888	10,846	29,208
Assets classified as held for sale	7	-	-	-	-	139	146
Segmental assets	67,775	51,079	53,439	20,256	11,623	23,089	227,261
Segmental liabilities	34,524	7,897	18,621	6,936	11,940	41,846	121,764

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2026 (Unaudited)

6 OPERATING SEGMENT INFORMATION continued

	<i>Generation</i> <i>AED million</i>	<i>Transmission</i> <i>AED million</i>	<i>Distribution</i> <i>AED million</i>	<i>Water</i> <i>Solutions</i> <i>AED million</i>	<i>Oil & Gas</i> <i>AED million</i>	<i>Adjustments,</i> <i>eliminations</i> <i>&</i> <i>unallocated</i> <i>AED million</i>	<i>Consolidated</i> <i>AED million</i>
<i>At 31 December 2025 (audited):</i>							
Property, plant and equipment	26,647	47,317	43,854	19,580	5,288	(175)	142,511
Operating financial assets	7,387	-	-	-	-	-	7,387
Investment in associates, joint ventures and related balances	16,773	1,215	-	-	-	-	17,988
Intangible assets	7,429	276	4,884	-	79	(1)	12,667
Investments carried at FVOCI	-	-	-	-	-	13,623	13,623
Deferred tax assets	13	-	-	-	4,638	-	4,651
Other assets	10,719	530	3,974	609	2,136	2,978	20,946
Assets classified as held for sale	6	-	-	-	-	136	142
Segmental assets	68,974	49,338	52,712	20,189	12,141	16,561	219,915
Segmental liabilities	35,186	7,063	15,566	6,923	12,372	35,143	112,253

7 PROPERTY, PLANT AND EQUIPMENT

During the three month period ended 31 March 2026, the Group’s additions excluding right-of-use assets amounted to AED 3,182 million (31 March 2025: AED 2,187 million) and a depreciation and depletion charge of AED 2,361 million (31 March 2025: AED 2,036 million). The Group’s additions include AED 28 million (31 March 2025: AED 37 million) to operating lease assets and AED 736 million (31 March 2025: AED 742 million) for depreciation in operating lease assets.

Property, plant and equipment with a carrying amount of AED 23,782 million (31 December 2025: AED 23,316 million) are pledged as security for the related loans.

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2026 (Unaudited)

8 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the interim condensed consolidated statement of cash flows comprise the following amounts:

	<i>At 31 March 2026 (Unaudited) AED million</i>	<i>At 31 December 2025 (Audited) AED million</i>	<i>At 31 March 2025 (Unaudited) AED million</i>
Cash in hand and at banks	3,921	3,799	4,237
Short term deposits	10,216	2,862	5,229
Total cash and short term deposits	14,137	6,661	9,466
Bank overdrafts	(5)	(1)	(5)
Net cash and cash equivalents	14,132	6,660	9,461

Short term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates. Bank overdrafts carry interest at floating rates and are secured by guarantees from certain shareholders of the subsidiaries.

At 31 March 2026, the Group had available undrawn committed borrowing facilities of AED 13,199 million (31 December 2025: AED 19,726 million and 31 March 2025: AED 13,406 million) in respect of which all conditions precedent have been met.

Cash and short term deposits are with banks rated BB+ to AA- (31 March 2025: BB+ to AA-) and assessed to have low credit risk of default. Accordingly, management of the Group estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12 month ECL. None of the balances with banks at the end of the reporting period are past due, and taking into account the historical default experience and the current credit ratings of the banks.

9 OTHER EQUITY

	<i>At 31 March 2026 (Unaudited) AED million</i>	<i>At 31 December 2025 (Audited) AED million</i>
Statutory reserve (i)	5,108	4,899
Merger reserve (ii)	(55,437)	(55,437)

(i) Statutory reserve

As required by the UAE Federal Law No. 32 of 2021 and Article 48 of the Articles of Association of TAQA, 10% of the profit for the year is transferred to a statutory reserve. The Company may resolve to discontinue such transfers when the reserve equals 50% of the share capital. The reserve is not available for distribution.

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2026 (Unaudited)

9 OTHER EQUITY continued

(ii) Merger reserve

On 1 July 2020, the Company completed a transaction whereby ADPC contributed the majority of its power and water generation, transmission and distribution assets to TAQA. In this transaction, TAQA Transmission (formerly Abu Dhabi Transmission & Despatch Company PJSC (TransCo)) was determined to be the accounting acquirer (or legal acquiree) given its relative size within the combining entities and TAQA was determined to be the legal acquirer (or the accounting acquiree) which resulted in a reverse acquisition and creation of a 'Merger reserve'

10 INTEREST BEARING LOANS AND BORROWINGS AND ISLAMIC LOANS

	<i>At 31 March 2026</i>	<i>At 31 March 2025</i>
	<i>AED million</i>	<i>AED million</i>
The Group had the following loan receipts / repayments during the period:		
<i>Repayments:</i>		
Interest bearing loans and borrowings	(900)	(768)
Islamic loans	(3)	-
	<hr/>	<hr/>
<i>Receipts:</i>		
Interest bearing loans and borrowings	6,950	310
Islamic loans	102	-
	<hr/> <hr/>	<hr/> <hr/>

In the period ended 31 March 2026, the Group utilised AED 4,650 million of the corporate term loan facility and it is now fully drawn (31 March 2025: nil). Amounts borrowed carry interest of EIBOR plus a margin.

In the period ended 31 March 2026, the Group utilised AED 1,836 million (USD \$500 million) of its revolving credit facility (31 March 2025: nil). Amounts borrowed carry interest of SOFR plus a margin.

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2026 (Unaudited)

10 INTEREST BEARING LOANS AND BORROWINGS AND ISLAMIC LOANS continued

Changes in liabilities arising from financing activities

	<i>1 January 2026 AED million</i>	<i>Cash flows (note i) AED million</i>	<i>Other (note ii) AED million</i>	<i>31 March 2026 AED million</i>
2026				
<i>Current:</i>				
Interest bearing loans and borrowings	6,176	(900)	855	6,131
Islamic loan	10	(3)	-	7
Accrued interest expense	566	(677)	768	657
Lease liabilities	304	(71)	50	283
	7,056	(1,651)	1,673	7,078
<i>Non-current:</i>				
Interest bearing loans and borrowings	57,879	6,950	(1,271)	63,558
Islamic loan	686	102	83	871
Lease liabilities	406	-	(35)	371
	58,971	7,052	(1,223)	64,800
	66,027	5,465	386	71,878
	<i>1 January 2025 AED million</i>	<i>Cash flows (note i) AED million</i>	<i>Other (note ii) AED million</i>	<i>31 March 2025 AED million</i>
2025				
<i>Current:</i>				
Interest bearing loans and borrowings	9,152	(768)	(2,434)	5,950
Accrued interest expense	575	(650)	709	634
Lease liabilities	291	(75)	102	318
	10,018	(1,493)	(1,623)	6,902
<i>Non-current:</i>				
Interest bearing loans and borrowings	54,972	310	2,489	57,771
Lease liabilities	280	-	429	709
	55,252	310	2,918	58,480
	65,270	(1,183)	1,295	65,382

- (i) The cash flows relates to the net movements in interest bearing loans and borrowings, Islamic loans and interest paid as detailed in the cash flow statement.
- (ii) This includes reclassifications between non-current and current, prepaid finance cost accruals and payments, foreign exchange differences, fair value adjustments and accrued interest expense. In the period ended 31 March 2025, a reclassification between current to non-current occurred as a result of the Fujairah Asisa Power Company PJSC breach of a loan covenant being rectified.

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2026 (Unaudited)

11 SEASONALITY OF OPERATIONS

Due to higher electricity demand in the summer period in the United Arab Emirates, higher revenues and operating profits are usually expected for the power and water generation domestic subsidiaries in the second and third quarters of the year compared to the first and fourth quarters of the year.

Due to high demand for natural gas in Canada and Europe in the winter period, higher revenues and operating profits are usually expected in the first and fourth quarters of the year compared to the second and third quarters of the year. Higher revenues and operating profits from European midstream operations are generated during the first and fourth quarters of the year.

12 RELATED PARTY TRANSACTIONS

The Group enters into transactions with companies and entities that fall within the definition of a related party. Related parties, as defined in International Accounting Standard 24: Related Party Disclosures, include associate companies, major shareholders, directors and other key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties.

The Group is a government-related entity as defined by IAS 24 Related Party Disclosures. Accordingly, the Group applies the disclosure exemption for transactions and outstanding balances with other government and government-related entities that arise in the normal course of business and are not individually significant. Only individually significant related-party transactions, or those necessary for an understanding of the financial statements, are disclosed. The nature of transactions with government and government-related entities that are not individually disclosed comprises distribution and sale of electricity and water, including routine operational and support services, infrastructure-related activities, connection and access services, and other ancillary services provided or received in the ordinary course of business. These transactions are conducted on terms consistent with applicable regulatory frameworks and established commercial practices.

The following table provides a summary of other significant related party transactions included in the interim condensed consolidated statement of profit or loss during the three month period:

	<i>At 31 March 2026 (Unaudited) AED million</i>	<i>At 31 March 2025 (Audited) AED million</i>
Emirates Water and Electricity Company:		
TUOS and connection charges for unlicensed activity	301	265
Revenue from electricity and water	1,765	1,894
Energy costs	(31)	(48)
Electricity and water bulk supply tariff *	<u>(5,863)</u>	<u>(5,874)</u>
	(3,828)	(3,763)
Other operating revenue	<u>5,911</u>	<u>6,177</u>
Other transactions		
Massar vehicle leasing	(7)	(6)
License fees to DoE	(30)	(30)
Charges for provision of IT support services	(8)	(6)
Finance costs	(60)	(2)
Interest income	13	20

Other operating revenue for sales of water and electricity and sewerage services is calculated as the difference between its Maximum Allowed Revenue (MAR) determined in its Regulatory Control Framework (issued by the DoE) and revenue relating to supply and distribution of water and electricity and sewerage services from its customers. Accordingly, the Group recognised this revenue based on those rights and rewards that are confirmed during the period.

* TAQA Distribution has a Bulk Supply Agreement with EWEC for the payment of charges levied under this Bulk Supply Tariff (“BST”) for the purchase of water and electricity. The tariff is regulated by the DoE.

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2026 (Unaudited)

12 RELATED PARTY TRANSACTIONS continued

Balances with related parties

Balances with related parties that are disclosed in the consolidated statement of financial position as follows:

	<i>At 31 March 2026 (Unaudited) AED million</i>	<i>At 31 December 2025 (Audited) AED million</i>
<i>Non-current asset</i>		
Advance and loans to associates and joint ventures*	12,210	12,350
<i>Current assets</i>		
Bank balances with UAE government banks	3,357	3,344
Amounts due from Emirates Water and Electricity Company (EWEC)	1,856	1,795
Amounts due from Abu Dhabi Power Corporation (ADPC)	191	190
Amounts due from other related parties	1,171	666
	3,218	2,651
<i>Non-current liabilities</i>		
Loan from Abu Dhabi Power Corporation (ADPC)	13	13
<i>Current liabilities</i>		
Amounts due to Emirates Water and Electricity Company (EWEC)	4,190	2,249
Amounts due to Abu Dhabi Power Corporation (ADPC)	107	107
Amounts due to Department of Energy (DoE)	45	100
Amounts due to other related parties	2,151	1,161
	6,493	3,617
Available undrawn bank facilities with UAE government banks	1,893	6,704

*During the year ended 31 December 2025, TAQA provided a shareholder loan of AED 651 million to Abu Dhabi Future Energy Company PJSC (Masdar). The loan has no set repayment date and bears no interest. The proceeds of the loan will be used in connection with investments approved in accordance with the Borrower’s delegation of authority.

Compensation of key management personnel

The remuneration of senior key management personnel of the Group during the three month period was as follows:

	<i>At 31 March 2026 (Unaudited) AED million</i>	<i>At 31 March 2025 (Audited) AED million</i>
Short term benefits	15	12
Long term benefits	6	4
	21	16

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2026 (Unaudited)

13 COMMITMENTS AND CONTINGENCIES

(i) Capital expenditure commitments

The authorised contracted capital expenditure contracted for at 31 March 2026 but not provided for amounted to AED 22,587 million (31 December 2025: AED 23,035 million).

(ii) Other commitments

As at the reporting date TAQA North has entered into contractual commitments, mainly pipeline usage, under which they are committed to spend AED 926 million (31 December 2025: AED 946 million).

The Group’s associates and joint ventures have capital commitments of AED 1,243 million as at 31 March 2026 (31 December 2025: AED 1,585 million).

(iii) Contingencies

- a) The Group has entered into decommissioning security agreements for a number of UK North Sea Assets acquired by it, pursuant to which it may be required to provide financial security to the former owners of the assets, either by means of (a) placing monies in trust or procuring the issuance of letters of credit in an amount equal to its share of the net decommissioning costs of the subject fields plus an allowance for uncertainty; or (b) procuring a guarantee from a holding company or affiliate which satisfies a minimum credit rating threshold; or (c) providing security in such other form as may be agreed by parties to the deeds.

In respect of certain other UK North Sea Assets TAQA is able to meet the security arrangements for decommissioning obligations by way of provision of a parent company guarantee, so long as TAQA continues in majority-ownership of the Government of Abu Dhabi.

- b) TAQA Offshore B.V., alongside other oil and gas companies and the government of the Netherlands in a cross industry initiative has put in place security for offshore oil and gas infrastructure decommissioning. TAQA Offshore B.V. has formally committed to the Government initiative and a legal Netherlands trust arrangement has been set up, and a bank guarantee secured, to effect the provision of security by TAQA Offshore B.V.
- c) The Group has various claims lodged by contractors and consultants relating to its ongoing and completed projects, arising from extension of time and work performed but not paid. The Group is in negotiations with these contractors and consultants regarding the resolution of these claims. At this stage management believes it is not possible to determine a reliable estimate of the range of potential claims.
- d) The Group has a number of letters of credit and guarantees issued on behalf of the generation companies in relation to debt service reserve accounts.

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2026 (Unaudited)

14 FINANCIAL INSTRUMENTS

14.1 Hedging Activities

	31 March 2026 (Unaudited)			31 December 2025 (Audited)		
	Notional amount AED million	Current AED million	Fair value Non-current AED million	Notional amount AED million	Current AED million	Fair value Non-current AED million
Cash flow hedges						
Liabilities						
Interest rate swaps- hedged	7,013	86	372	13,278	109	416
Forward foreign exchange contracts	694	16	13	-	-	-
		102	385		109	416
Assets						
Interest rate swaps- hedged	8,993	53	514	8,782	32	495
Forward foreign exchange contracts	1,080	30	19	1,096	34	23
		83	533		66	518

14.2 Fair Values

The fair values of the financial instruments of the Group are not materially different from their carrying values at the reporting date except for certain fixed interest borrowings and operating financial assets. Set out below is a comparison of the carrying amounts and fair values of fixed interest borrowings and operating financial assets:

	Carrying amount		Fair value	
	31 Mar 2026 AED million	31 Dec 2025 AED million	31 Mar 2026 AED million	31 Dec 2025 AED million
Operating financial assets (note i)	7,202	7,387	7,291	7,410
Interest bearing loans and borrowings (note ii)	39,212	39,368	35,028	36,455

- (i) The fair value of operating financial assets is estimated by discounting the expected future cash flows using appropriate interest rates for assets with similar terms, credit risk and remaining maturities.
- (ii) Interest bearing loans and borrowings relates to the Abu Dhabi National Energy Company Global Medium Term notes, Abu Dhabi National Energy Company bond and other subsidiaries’ bonds. The fair value of the interest bearing loans and borrowings is based on price quotations at the reporting date.

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2026 (Unaudited)

14 FINANCIAL INSTRUMENTS continued

14.3 Fair Values hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1:* Quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data. For level 3 valuations, the Group relies on discounted cash flow models based on management expectations.

	<i>Fair value AED million</i>	<i>Carrying value AED million</i>	<i>Fair value hierarchy</i>
At 31 March 2026			
Financial assets measured at fair value			
Interest rate swaps- hedged	567	567	Level 2
Forward foreign exchange contracts	49	49	Level 2
Listed equity investments	12,280	12,280	Level 1
Financial assets disclosed at fair value			
Operating financial assets	7,291	7,202	Level 3
Financial liabilities measured at fair value			
Interest rate swaps – hedged	458	458	Level 2
Forward foreign exchange contracts	29	29	Level 2
Financial liabilities disclosed at fair value			
Interest bearing loans and borrowings	35,028	39,212	Level 1
At 31 December 2025			
Financial assets measured at fair value			
Interest rate swaps- hedged	527	527	Level 2
Forward foreign exchange contracts	57	57	Level 2
Listed equity investments	13,623	13,623	Level 1
Financial assets disclosed at fair value			
Operating financial assets	7,410	7,387	Level 3
Financial liabilities measured at fair value			
Interest rate swaps – hedged	525	525	Level 2
Financial liabilities disclosed at fair value			
Interest bearing loans and borrowings	36,455	39,368	Level 1

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2026 (Unaudited)

14 FINANCIAL INSTRUMENTS continued

14.3 Fair Values hierarchy continued

During the period ended 31 March 2026 there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

The fair values of other financial instruments of the Group are not materially different from their carrying values at the reporting date.

Interest bearing loans and borrowings detailed above relates to the Group’s medium term notes and bonds portfolio. The company’s project related debt is excluded from this number as the fair value is not materially different from the carrying value at the reporting date.

Listed equity investments designated at fair value through OCI include shares held in ADNOC Gas plc. The Company holds a non-controlling interest (5%) and the investment is considered strategic in nature.

The fair values of the financial assets and financial liabilities measured at fair value included in the Level 1 category above, have been determined by market rates at the period end date.

The fair values of the financial assets and financial liabilities measured at fair value included in the Level 2 category above, have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis. The models incorporate various inputs including foreign exchange spot and forward rates, interest rate curves and forward rate curves of the underlying commodities.

For financial instruments where there is no active market, fair value is determined using valuation techniques. Such techniques may include using recent arm’s length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2026 (Unaudited)

15 SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

These interim condensed consolidated financial statements include the following major operating subsidiaries, joint ventures and associates and their effective ownership as at 31 March 2026 are listed below:

<i>Subsidiaries</i>	<i>Effective ownership %</i>	<i>Country of incorporation and operations</i>	<i>Principal activities</i>
FOREIGN SUBSIDIARIES			
TAQA Bratani Limited	100%	UK	Oil & gas production
TAQA North Limited	100%	Canada	Oil & gas production
TAQA Energy B.V	100%	Netherlands	Gas storage, oil & gas production
TAQA Morocco	86%	Morocco	Power generation
Jorf Lasfar Energy Company 5&6 S.A	91%	Morocco	Power generation
Takoradi International Company	90%	Cayman Islands/Ghana	Power generation
Transmission Investment Holding Limited (TI)	100%	UK	Utility investment platform
DOMESTIC SUBSIDIARIES			
TAQA Transmission (formerly Abu Dhabi Transmission and Despatch Company PJSC (TransCo))	100%	UAE	Transmission of water and electricity in the region of Abu Dhabi and the surrounding areas.
TAQA Distribution (formerly Abu Dhabi Distribution Company PJSC (ADDC))	100%	UAE	Distribution of water and electricity in the region of Abu Dhabi, Al Ain, and the surrounding areas.
TAQA Distribution (formerly Al Ain Distribution Company PJSC (AADC))	100%	UAE	
Mirfa International Power and Water Company PJSC (MIPCO)	60%	UAE	Generation of electricity and the production of desalinated water
Gulf Total Tractebel Power Company PJSC (GTTPC)	60%	UAE	
Sweihaan PV Power Company PJSC	60%	UAE	
Shuweihaat Asia Power Company PJSC (SAPCO)	60%	UAE	
Arabian Power Company PJSC (APC)	60%	UAE	
Shuweihaat CMS International Power Company PJSC (SCIPCO)	60%	UAE	
Taweelah Asia Power Company PJSC (TAPCO)	70%	UAE	
Emirates CMS Power Company PJSC (ECPC)	60%	UAE	
Emirates Semb Corp Water and Power Company PJSC (ESWPC)	60%	UAE	
Fujairah Asia Power Company PJSC (FAPCO)	60%	UAE	
Ruwais Power Company PJSC (RPC)	60%	UAE	Operating & maintenance
Taweelah Shared Facilities Company LLC	60%	UAE	
Shuweihaat Shared Facilities Company LLC	52%	UAE	Operating & maintenance
Abu Dhabi Sustainable Water Solutions Company PJSC	100%	UAE	Water solutions
Al Wathba Veolia Besix Waste Water Company PJSC	60%	UAE	
Al Etihad Biwater Waste Water Company PJSC	60%	UAE	
ASSOCIATES			
Massar Solutions PJSC	49%	UAE	Lease management
Abu Dhabi Offshore Power Transmission Company Limited LLC	30%	UAE	Transmission of electricity
Jubail Energy Company LLC	25%	KSA	Generation of electricity
Mirfa Seawater Treatment and Supply Company MSTs LLC	26%	UAE	Seawater Treatment
Sohar Aluminium Company LLC	40%	Oman	Aluminium smelter
JOINT VENTURES			
Taweelah RO Holding Company LLC	33%	UAE	Production of desalinated water
Fujairah Energy Holding Company LLC	67%	UAE	Generation of electricity
Dhafrah Solar Energy Holding Company LLC	67%	UAE	Solar power
Tanajib Cogeneration Holding Company Limited	49%	UAE	Generation of electricity
Abu Dhabi Future Energy Company PJSC (Masdar)	43%	UAE	Renewable energy

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2026 (Unaudited)

15 SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES continued

During the period ended 31 March 2026, there was no change in major operating subsidiaries, joint ventures, and associates.

During the year ended 31 December 2025, the Group rebranded effective 1 January 2025, its wholly owned operating subsidiaries as follows:

- (i) Abu Dhabi Transmission and Despatch Company (TransCo) became TAQA Transmission,
- (ii) Sustainable Water Solutions Holding (SWS Holding) became TAQA Water Solutions,
- (iii) Abu Dhabi Distribution Company (ADDC) and Al Ain Distribution Company (AADC) was brought under a single new brand, TAQA Distribution.

On 16 April 2025, the Group acquired 100% of Transmission Investment Holding Limited (TI), a leading UK based energy and utility investment platform. On 1 July 2025, the Group sold its 50% stake of LWP Lessee LLC, a wind farm in USA. In addition, the disposal of TAQA Neyveli Power Company Private Limited was completed. There were no other changes in the major operating subsidiaries, joint ventures, and associates. Additional joint ventures were added that involve projects under development and managing offshore UK transmission assets, and are not major to the group.

16 DIVIDENDS

2026

At the General Assembly meeting in March 2026, the shareholder’s approved a final and variable dividend of AED 2,474 million, being AED 0.022 per share for the year ended 31 December 2025. Both dividends were paid in the three month period ended 31 March 2026.

2025

At the General Assembly meeting in March 2025, the shareholder’s approved a final and variable dividend of AED 2,363 million, being AED 0.021 per share for the year ended 31 December 2024. Both dividends were paid in the three month period ended 31 March 2025.

17 INVESTMENTS CARRIED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The Company has a 5% holding of the total issued share capital of ADNOC Gas plc. ADNOC Gas plc is majority owned by the ADNOC group which in turn is wholly owned by the Abu Dhabi government.

At initial recognition, the Company made an irrevocable election to recognise the investment at fair value through other comprehensive income (FVOCI) and therefore subsequent gains or losses will be recognised within the interim statement of comprehensive income. FVOCI has been elected by the Group as this is a strategic investment and the shares are not held for trading. The impact on the interim condensed consolidated financials is as follows:

	<i>At 31 March 2026 (Unaudited) AED million</i>	<i>At 31 December 2025 (Audited) AED million</i>
Investments carried at fair value through other comprehensive income	12,280	13,623

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2026 (Unaudited)

17 INVESTMENTS CARRIED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME continued

The investments are recorded at fair value using the fair value techniques disclosed in note 14. Movement in investments in financial assets carried at fair value through other comprehensive income is as follows:

	<i>At 31 March 2026 (Unaudited) AED million</i>	<i>At 31 December 2025 (Audited) AED million</i>
At 1 January	13,623	13,469
Change in fair value	<u>(1,343)</u>	154
	<u>12,280</u>	<u>13,623</u>

18 DISCONTINUED OPERATIONS

On 30 October 2025, the Group completed the disposal of its 100% stake in TAQA Neyveli Power Company Private Limited (TAQA Neyveli) to MEIL Energy Private Limited, and affiliate of Megha Engineering & Infrastructures Limited (MEIL) for a cash consideration of INR 9.26 billion (approximately AED 385 million). As at 31 March 2026, the results and cashflows generated from TAQA Neyveli, were recognised within the Generation operating segment and classified as a discontinued operation.

Comparative amounts for discontinued operations in the consolidated statement of profit or loss for prior year are reclassified to reflect the classification in the consolidated statement of profit or loss for the current year.

Financial performance and cash flow information:

The financial performance and cash flow information presented below are for the period ended 31 March 2025.

	<i>31 March 2025 (Unaudited) AED million</i>
Revenues	93
Operating expenses	(78)
Depreciation, depletion and amortisation	(1)
Gross profit	<u>14</u>
General and administrative expenses	(3)
Interest income	2
Profit before tax from discontinued operations	<u>13</u>
Tax expense	(7)
Profit for the period from discontinued operations	<u><u>6</u></u>
Basic and diluted earnings per share attributable to equity holders of the parent (AED) from discontinued operations	<u><u>0.00</u></u>
Net cash generated from operations	37
Net cash generated from investing	6
Net cash used in financing activities	(1)
Net increase in cash generated by the discontinued operations	<u><u>42</u></u>

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 31 March 2026 (Unaudited)

19 ASSETS HELD FOR SALE

On 7 October 2025, TAQA entered into definitive agreements with Speed Holding Limited for the sale of its interest in Massar Solutions PJSC. The sale is expected to be completed in 2026, and is subject to obtaining applicable regulatory approvals. As at 31 March 2026, the assets in UAE contained within the adjustments, eliminations and unallocated segment were classified as a disposal group held for sale.

On 22 December 2025, TAQA entered into definitive agreements with National Power Company Holding for the sale of its interest in Jubail Energy Company LLC. The sale is expected to be completed in 2026, and is subject to obtaining applicable regulatory approvals. As at 31 March 2026, the assets in KSA contained within the generation segment were classified as a disposal group held for sale.

The major classes of assets held for sale are as follows:

	<i>At 31 March 2026 (Unaudited) AED million</i>	<i>At 31 December 2025 (Audited) AED million</i>
Investment in and loans to associates and joint ventures	<u>146</u>	142
Assets classified as held for sale	<u>146</u>	<u>142</u>

20 EVENTS AFTER THE REPORTING DATE

Dividends

On 14 May 2026, the Board of Directors proposed an interim dividend of AED 899 million, being AED 0.008 per share for the quarter ended 31 March 2026. The interim dividend is in accordance with the dividend policy approved by the shareholders on 12 March 2026.