

**Abu Dhabi Future Energy
Company PJSC (Masdar)**

REVIEW REPORT AND INTERIM CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX-MONTHS PERIOD ENDED 30 JUNE 2025

**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS TO THE BOARD OF DIRECTORS OF**

ABU DHABI FUTURE ENERGY COMPANY PJSC (MASDAR)

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Abu Dhabi Future Energy Company PJSC (the “Company”) and its subsidiaries (together referred to as the “Group”, or collectively as, “Masdar”), comprising of the interim consolidated statement of financial position as at 30 June 2025, and the related interim consolidated statements of comprehensive income, changes in equity and cash flows for the three and six months period then ended and material accounting policy information. Management is responsible for the preparation and fair 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 the 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 consolidated financial statements are not prepared, in all material respects in accordance with IAS 34, “*Interim Financial Reporting*”.

For Ernst & Young



Walid J Nakfour
Registration No 5479

27 October 2025
Abu Dhabi, United Arab Emirates

Abu Dhabi Future Energy Company PJSC (Masdar)

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months and six months period ended 30 June 2025 (Unaudited)

		<i>Three months period ended 30 June</i>		<i>Six months period ended 30 June</i>	
		<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>Notes</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
Revenue	4	750,214	567,327	1,729,794	1,497,644
Direct costs	5	(448,648)	(333,811)	(1,007,458)	(975,797)
GROSS PROFIT		301,566	233,516	722,336	521,847
Income from government grants		43,851	11,069	86,563	37,978
Other income		54,330	118,622	62,853	128,356
General and administrative expenses	6	(272,270)	(145,423)	(538,611)	(327,976)
Project expenses		(47,173)	(23,627)	(130,110)	(65,777)
Share of results of equity-accounted investees, net	12	174,274	62,442	326,077	59,131
Fair value changes of financial assets carried at fair value through profit or loss		6,786	(539)	7,497	(338)
Fair value changes of derivatives	19	6,368	11,281	15,333	28,652
Finance income	7	66,123	32,643	110,970	48,535
Finance expense	7	(353,703)	(181,430)	(673,295)	(266,137)
Net foreign exchange gain		59,475	25,398	67,009	4,793
Profit before tax		39,627	143,952	56,622	169,064
Income tax	8	(26,549)	(40,322)	(7,858)	(58,113)
PROFIT FOR THE PERIOD		<u>13,078</u>	<u>103,630</u>	<u>48,764</u>	<u>110,951</u>
Attributable to:					
Equity holders of the parent		13,770	104,093	49,934	111,447
Non-controlling interest		(692)	(463)	(1,170)	(496)
PROFIT FOR THE PERIOD		<u>13,078</u>	<u>103,630</u>	<u>48,764</u>	<u>110,951</u>
Other comprehensive income (loss)					
<i>Items that may be reclassified subsequently to profit or loss</i>					
Foreign currency translation differences for foreign operations		1,225,957	(31,122)	1,898,677	(133,074)
Fair value changes of derivatives		(213,651)	40,545	(133,819)	98,628
Share of movement in other comprehensive income of equity-accounted investees		(4,337)	(76,232)	(27,304)	(66,084)
Other comprehensive income (loss) for the period, net of income tax		<u>1,007,969</u>	<u>(66,809)</u>	<u>1,737,554</u>	<u>(100,530)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>1,021,047</u>	<u>36,821</u>	<u>1,786,318</u>	<u>10,421</u>
Attributable to:					
Equity holders of the parent		1,065,147	37,284	1,787,488	10,917
Non-controlling interest		(44,100)	(463)	(1,170)	(496)
		<u>1,021,047</u>	<u>36,821</u>	<u>1,786,318</u>	<u>10,421</u>

The attached notes 1 to 24 form part of these interim condensed consolidated financial statements.

Abu Dhabi Future Energy Company PJSC (Masdar)

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025 (Unaudited)

		30 June 2025	(Audited) 31 December 2024
	<i>Notes</i>	<i>AED '000</i>	<i>AED '000</i>
ASSETS			
Non-current assets			
Property, plant and equipment	10	17,926,418	15,291,665
Right-of-use assets		521,774	475,539
Intangible assets and goodwill	11	6,418,412	5,936,396
Investments in associates and joint ventures	12	23,201,369	20,502,434
Operating financial assets		4,846,492	4,604,295
Finance lease receivables		45,122	47,096
Loans to related parties	13	2,615,124	2,306,953
Derivative financial assets	19	349,933	254,890
Other non-current financial assets		<u>268,770</u>	<u>98,371</u>
		56,193,414	49,517,639
Current assets			
Operating financial assets		445,908	305,719
Finance lease receivables		5,487	8,053
Loans to related parties	13	307,075	508,507
Due from related parties	13	407,019	302,341
Derivative financial assets	19	98,535	79,301
Trade and other receivables		2,280,683	2,334,904
Cash and cash equivalents	14	<u>6,535,602</u>	<u>6,733,595</u>
		10,080,309	10,272,420
Assets classified as held for sale	22	<u>100,060</u>	<u>-</u>
TOTAL ASSETS		<u>66,373,783</u>	<u>59,790,059</u>
EQUITY AND LIABILITIES			
Equity			
Share capital		8,000,000	8,000,000
Additional capital contribution	15	22,509,447	22,414,696
Reserves	16	1,813,262	75,549
Accumulated losses		<u>(2,643,190)</u>	<u>(2,696,548)</u>
Equity attributable to equity holders of the parent		29,679,519	27,793,697
Non-controlling interest	17	<u>(2,842)</u>	<u>1,213,916</u>
Total equity		<u>29,676,677</u>	<u>29,007,613</u>
Non-current liabilities			
Interest bearing loans and borrowings	18	26,105,462	20,814,783
Lease liabilities		533,980	480,350
Derivative financial liabilities	19	282,116	66,886
Deferred tax liabilities		2,255,730	1,803,926
Other non-current liabilities		<u>2,330,273</u>	<u>2,102,724</u>
		31,507,561	25,268,669
Current liabilities			
Interest bearing loans and borrowings	18	2,893,276	3,155,996
Due to related parties	13	54,124	89,533
Derivative financial liabilities	19	54,182	26,214
Lease liabilities		36,792	41,175
Trade and other payables		<u>2,151,171</u>	<u>2,200,859</u>
		5,189,545	5,513,777
Total liabilities		<u>36,697,106</u>	<u>30,782,446</u>
TOTAL EQUITY AND LIABILITIES		<u>66,373,783</u>	<u>59,790,059</u>

Chief Executive Officer

Chief Financial Officer

The attached notes 1 to 24 form part of these interim condensed consolidated financial statements.

Abu Dhabi Future Energy Company PJSC (Masdar)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months period ended 30 June 2025 (Unaudited)

	<i>Share capital AED '000</i>	<i>Additional capital contribution AED '000</i>	<i>Reserves AED '000</i>	<i>Accumulated losses AED '000</i>	<i>Total AED '000</i>	<i>Non- controlling interest AED '000</i>	<i>Total equity AED '000</i>
Balance on 1 January 2024	8,000,000	4,393,038	474,212	(3,059,912)	9,807,338	(2,015)	9,805,323
Profit for the period	-	-	-	111,447	111,447	(496)	110,951
Other comprehensive loss for the period	-	-	(100,530)	-	(100,530)	-	(100,530)
Total comprehensive income (loss) for the period	-	-	(100,530)	111,447	10,917	(496)	10,421
Contribution from shareholders (note 15)	-	2,571,450	-	-	2,571,450	-	2,571,450
Transfer to statutory reserve	-	-	11,145	(11,145)	-	-	-
Balance at 30 June 2024	<u>8,000,000</u>	<u>6,964,488</u>	<u>384,827</u>	<u>(2,959,610)</u>	<u>12,389,705</u>	<u>(2,511)</u>	<u>12,387,194</u>
Balance on 1 January 2025	8,000,000	22,414,696	75,549	(2,696,548)	27,793,697	1,213,916	29,007,613
Profit for the period	-	-	-	49,934	49,934	(1,170)	48,764
Other comprehensive income for the period	-	-	1,737,554	-	1,737,554	-	1,737,554
Total comprehensive income (loss) for the period	-	-	1,737,554	49,934	1,787,488	(1,170)	1,786,318
Contribution from shareholders (note 15)	-	94,751	-	-	94,751	-	94,751
Transfer to statutory reserve	-	-	4,993	(4,993)	-	-	-
Acquisition of non-controlling interest (note 17)	-	-	(4,834)	8,417	3,583	(1,215,588)	(1,212,005)
Balance at 30 June 2025	<u>8,000,000</u>	<u>22,509,447</u>	<u>1,813,262</u>	<u>(2,643,190)</u>	<u>29,679,519</u>	<u>(2,842)</u>	<u>29,676,677</u>

The attached notes 1 to 24 form part of these interim condensed consolidated financial statements.

Abu Dhabi Future Energy Company PJSC (Masdar)

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months period ended 30 June 2025 (Unaudited)

		30 June 2025 AED '000	30 June 2024 AED '000
	<i>Notes</i>		
OPERATING ACTIVITIES			
Profit before tax		56,622	169,064
Adjustments for:			
Depreciation of property, plant and equipment and right-of-use assets	5 & 6	398,906	74,239
Amortisation of intangible assets	5 & 6	34,303	1,585
Share of results of equity-accounted investees, net	12	(326,077)	(59,131)
Fair value changes of financial assets carried at fair value through profit or loss		(7,497)	338
Fair value changes of derivatives	19	(15,333)	(28,652)
Provision for expected credit losses on finance lease receivables, due from related parties and operating financial assets	6	4,392	32,181
Provision for employees' end of service benefits		6,511	3,828
Revenue from operating financial assets	4	(579,501)	(1,037,016)
Finance lease income	4	(1,759)	(2,366)
Dividend income		-	(97,535)
Finance income	7	(110,970)	(48,535)
Finance expense	7	673,295	266,137
Operating cash flows before changes in working capital		132,892	(725,863)
Working capital adjustments:			
Trade and other receivables		(127,053)	(405,842)
Due from related parties		(104,678)	(79,727)
Due to related parties		(35,409)	(41,890)
Trade and other payables		(102,586)	702,304
Cash received from operating financial assets		188,991	75,525
Cash received from financial lease receivables		6,299	4,129
Income tax paid		(38,098)	(16,684)
Employees' end of service benefit paid		(9,834)	(4,948)
Net cash used in operating activities		(89,476)	(492,996)
INVESTING ACTIVITIES			
Purchase of property, plant and equipment	10	(334,414)	(90,812)
Addition in intangibles		(56,598)	-
Acquisition of a subsidiary, net of cash acquired		(34,372)	-
Acquisition of non-controlling interest	17	(1,231,098)	-
Investment in associates and joint ventures	12	(1,587,933)	(2,445,576)
Investment in financial assets carried at fair value through profit or loss		(3,393)	(19,851)
Dividends received from investments in associates and joint ventures	12	258,203	141,597
Loans provided to related parties	13	(60,062)	(1,257,505)
Proceeds from loan to related parties		25,890	116,244
Finance income received		66,707	99,586
Net cash used in investing activities		(2,957,070)	(3,456,317)

Abu Dhabi Future Energy Company PJSC (Masdar)

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS continued

For the six months period ended 30 June 2025 (Unaudited)

		30 June 2025 AED '000	30 June 2024 AED '000
	<i>Notes</i>		
FINANCING ACTIVITIES			
Proceeds from borrowings	18	4,738,950	3,591,362
Repayment of loans and borrowings	18	(1,519,639)	(69,978)
Shareholder's contribution	15	94,751	2,571,450
Finance expense paid		(587,721)	(170,270)
Repayment of principal portion of lease liabilities		<u>(25,793)</u>	<u>(16,455)</u>
Net cash generated from financing activities		<u>2,700,548</u>	<u>5,906,109</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		<u>(345,998)</u>	<u>1,956,796</u>
Cash and cash equivalents on 1 January		6,733,595	2,479,634
Net foreign exchange difference		<u>148,005</u>	<u>(2,141)</u>
CASH AND CASH EQUIVALENTS AT 30 JUNE	14	<u>6,535,602</u>	<u>4,434,289</u>

The attached notes 1 to 24 form part of these interim condensed consolidated financial statements.

Abu Dhabi Future Energy Company PJSC (Masdar)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

1 GENERAL INFORMATION

Abu Dhabi Future Energy Company PJSC (Masdar) (the “Company”) is registered as a public joint stock company in the Emirate of Abu Dhabi. The Company was incorporated on 9 December 2007.

The ownership structure of the Company is as follows:

<i>Name of the shareholder</i>	<i>30 June 2025</i>	<i>31 December 2024</i>
Abu Dhabi National Energy Company PJSC (TAQA)	43%	43%
Mamoura Diversified Global Holding PJSC (MUBADALA)	33%	33%
Abu Dhabi National Oil Company PJSC (ADNOC)	24%	24%

These consolidated interim condensed financial statements include the financial performance and position of the Company and its subsidiaries (together, the “Group”) and the Group’s interest in its equity-accounted investees.

The principal activities of the Company and its subsidiaries (the “Group”) are to invest in or acquire participations in entities within UAE or abroad in the renewable energy, energy efficiency, carbon reduction, carbon capture and storage and other forms of sustainability related technologies and provision of services for the reduction of carbon emissions. The Company was formed for the purpose of implementing Masdar initiative.

The Masdar initiative has four primary objectives:

- to reduce the carbon footprint of Abu Dhabi;
- to enhance the Abu Dhabi brand in the new energy and sustainability markets;
- to foster the development of a knowledge-based economy in Abu Dhabi; and
- to be profitable.

The registered office of the Company is P.O. Box 54115, Abu Dhabi, United Arab Emirates. The Government of Abu Dhabi is the Ultimate Parent of the Company.

The interim condensed consolidated financial statements were approved by the Board of Directors and authorised for issue on 11 September 2025.

2 BASIS OF PREPARATION

2.1 Basis of preparation

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34, Interim Financial Reporting.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements prepared in accordance with IFRS Accounting Standards, and should be read in conjunction with the Group’s annual consolidated financial statements as at 31 December 2024. In addition, results for the six months period ended 30 June 2025 are not necessarily indicative of the results for the year ending 31 December 2025.

2.2 Basis of measurement

These interim condensed consolidated financial statements have been prepared on historical cost basis, except for investments in financial assets and derivative financial instruments (note 19) which are stated at fair value.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

2 BASIS OF PREPARATION continued

2.3 Functional and presentation currency

The interim condensed consolidated financial statements are presented in United Arab Emirates Dirham (AED), which is the presentation currency of the Group and the functional currency of the Company. All the values are rounded to the nearest thousand (AED '000) except when otherwise indicated.

2.4 Basis for consolidation

The interim condensed consolidated financial statements of the Group comprise the financial information of the Company and its subsidiaries. Control is achieved when the Group:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements; and/or
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income, and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest, and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

3 MATERIAL ACCOUNTING POLICY INFORMATION

3.1 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of new standards effective as of 1 January 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

- Amendments to IAS 21: Lack of Exchangeability

The amendments had no impact on the Group's interim condensed consolidated financial statements.

International Tax Reform-Pillar Two Model Rules - Amendments to IAS 12

The amendments to IAS 12 have been introduced in response to the OECD's BEPS Pillar Two rules and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception - the use of which is required to be disclosed - applied starting the year ended 31 December 2024. The remaining disclosure requirements apply for annual reporting periods beginning on or after 1 January 2023, but not for any interim periods ending on or before 31 December 2024.

Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions the Group operates in. The legislation became effective for the Group's financial year beginning 1 January 2025. The Group is in scope of the enacted or substantively enacted legislation and has performed an assessment of the Group's potential exposure to Pillar Two income taxes. Based on the assessment, the Pillar Two effective tax rates in most of the jurisdictions in which the Group operates are above 15%. However, there are a limited jurisdictions where the legislation has not been enacted or substantively enacted. The Group performed an assessment of its exposure to the Pillar Two legislation and noted immaterial exposure to Pillar Two income taxes in those jurisdictions.

IAS 12 is amended to add the exception to recognizing and disclosing information about deferred tax assets and liabilities that are related to tax law enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organization for Economic Co-operating and Development (the "Pillar Two legislation"). It is unclear if the Pillar Two Model Rules create additional temporary differences with regards to deferred tax remeasurement and the Group has applied the temporary exception as at 30 June 2025.

3.2 Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's interim condensed consolidated financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

- IFRS 18 Presentation and Disclosure in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures

The Group does not expect that the adoption of these new and amended standards and interpretations will have a material impact on its interim condensed consolidated financial statements, except for presentation and disclosure changes required by IFRS 18.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

3 MATERIAL ACCOUNTING POLICY INFORMATION continued

3.3 Significant accounting estimates and judgements

The preparation of the interim condensed consolidated financial statements in conformity with the International Financial Reporting Standards requires management to make judgment, estimates and assumptions that affect the application of accounting policies and reported amounts of financial assets and liabilities and the disclosure of contingent liabilities. These judgments, estimates and assumptions also affect the revenue, expenses and provisions as well as fair value changes. Actual results may differ from these estimates.

These judgments, estimates and assumptions may affect the reported amounts in subsequent financial years. Estimates and judgments are currently evaluated and are based on historical experience and other factors.

In preparing these interim condensed consolidated financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2024.

4 REVENUES

	<i>Six months period ended 30 June 2025 AED '000</i>	<i>Six months period ended 30 June 2024 AED '000</i>
Revenue from contracts with customers	1,728,035	1,495,278
Finance lease income	<u>1,759</u>	<u>2,366</u>
	<u>1,729,794</u>	<u>1,497,644</u>
Disaggregation of revenue from contracts with customers:		
Renewable power generation	1,069,735	204,530
Concession revenue (i)	579,501	1,037,016
Special projects	77,446	36,738
Trading income	-	71,322
Development fee income	<u>1,353</u>	<u>145,672</u>
	<u>1,728,035</u>	<u>1,495,278</u>
Geographical markets		
Uzbekistan	581,741	1,038,395
Greece	525,154	-
Spain	220,437	-
United Kingdom	193,727	206,012
Portugal	84,378	-
Poland	38,793	-
Azerbaijan	35,160	29,006
United Arab Emirates	34,373	214,986
Bulgaria	7,193	-
Jordan	5,873	5,647
Serbia	<u>1,206</u>	<u>1,232</u>
	<u>1,728,035</u>	<u>1,495,278</u>

Abu Dhabi Future Energy Company PJSC (Masdar)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

4 REVENUES continued

	<i>Six months period ended 30 June 2025 AED '000</i>	<i>Six months period ended 30 June 2024 AED '000</i>
Timing of revenue recognition:		
Over time	579,501	1,037,016
At a point in time	<u>1,148,534</u>	<u>458,262</u>
	<u>1,728,035</u>	<u>1,495,278</u>
(i) Concession revenue		
Revenue from construction	417,499	937,890
Interest income from service concession	150,508	96,619
Revenue from operation	<u>11,494</u>	<u>2,507</u>
	<u>579,501</u>	<u>1,037,016</u>

5 DIRECT COSTS

	<i>Six months period ended 30 June 2025 AED '000</i>	<i>Six months period ended 30 June 2024 AED '000</i>
Service concession cost of sale – construction	408,607	867,718
Depreciation of property, plant and equipment	369,398	54,289
Operations and maintenance costs	176,054	42,514
Amortization of intangible assets	32,485	-
Depreciation of right-of-use assets	<u>20,914</u>	<u>11,276</u>
	<u>1,007,458</u>	<u>975,797</u>

6 GENERAL AND ADMINISTRATIVE EXPENSES

	<i>Six months period ended 30 June 2025 AED '000</i>	<i>Six months period ended 30 June 2024 AED '000</i>
Staff cost	344,073	190,828
Advertising, publicity, and events	98,243	53,585
Taxes and licenses	38,978	13,959
Depreciation of property, plant and equipment	5,200	5,450
Provision for expected credit losses (ECL)	4,392	32,181
Research and development expenses	3,561	3,190
Depreciation of right-of-use assets	3,394	3,224
Amortization of intangible assets	1,818	1,585
Others	<u>38,952</u>	<u>23,974</u>
	<u>538,611</u>	<u>327,976</u>

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7 FINANCE INCOME AND EXPENSES

7.1 Finance income

	<i>Six months period ended 30 June 2025 AED '000</i>	<i>Six months period ended 30 June 2024 AED '000</i>
Interest income from loans to related parties	62,530	27,989
Interest income from fixed deposits	<u>48,440</u>	<u>20,546</u>
	<u>110,970</u>	<u>48,535</u>

7.2 Finance expenses

	<i>Six months period ended 30 June 2025 AED '000</i>	<i>Six months period ended 30 June 2024 AED '000</i>
Interest expense on interest bearing loans and borrowings	602,768	225,645
Amortization of deferred finance cost	32,241	15,433
Bank charges	21,990	16,070
Interest expense on lease liabilities	12,011	6,888
Accretion expense of decommissioning liability	<u>4,285</u>	<u>2,101</u>
	<u>673,295</u>	<u>266,137</u>

8 TAXATION

The Group's subsidiaries in the United Arab Emirates, United Kingdom, Uzbekistan, Azerbaijan, Greece, Spain and other countries are subject to taxation. Income tax for the current year is provided on the basis of estimated taxable income computed by the Group using tax rates, enacted or substantially enacted at the reporting date, applicable in the respective countries in which the subsidiaries operate and any adjustment to tax in respect of previous years.

	<i>Six months period ended 30 June 2025 AED '000</i>	<i>Six months period ended 30 June 2024 AED '000</i>
Tax expense		
Current tax	68,983	45,676
Deferred tax	<u>(61,125)</u>	<u>12,437</u>
Total income tax expense recognised for the period	<u>7,858</u>	<u>58,113</u>

On 8 February 2025, The UAE Ministry of Finance has announced the issuance of Cabinet Decision No. 142 of 2024 on the introduction of the Top-up Tax for Multinational Enterprises, providing further details on the UAE Domestic Minimum Top-up Tax (UAE DMTT). The Group performed an assessment of its exposure to the Pillar Two legislation and noted immaterial top-up taxes for the period ended 30 June 2025.

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9 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 CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer of Masdar

For this purpose, the Group is currently organized as a single business unit of renewable power generation across different geographies and accordingly, the CODM reviews the results of operating activities of the Group as a single business segment.

The following tables present revenue and certain asset information relating to the Group based on geographical location.

	<i>United Arab Emirates AED '000</i>	<i>Europe AED '000</i>	<i>Central Asia AED '000</i>	<i>Indonesia AED '000</i>	<i>United States of America AED '000</i>	<i>Egypt AED '000</i>	<i>Others AED '000</i>	<i>Total AED '000</i>
30 June 2025								
Revenues	36,132	1,070,888	616,901	-	-	-	5,873	1,729,794
Non-current assets	3,295,426	35,694,551	5,641,727	1,529,706	8,357,966	797,304	258,031	55,574,711
30 June 2024								
Revenues	217,352	207,244	1,067,401	-	-	-	5,647	1,497,644
31 December 2024								
Non-current assets	3,320,933	29,928,169	5,277,198	1,491,330	8,126,720	791,512	228,516	49,164,378

Reconciliation of total non-current assets:

	30 June 2025 AED '000	31 December 2024 AED '000
Non-current assets allocated to geographical locations	55,574,711	49,164,378
Derivative financial assets	349,933	254,890
Other non-current financial assets	<u>268,770</u>	<u>98,371</u>
Total non-current assets	<u>56,193,414</u>	<u>49,517,639</u>

Other information

The Group has 3 major customer that contributed more than 10% towards the Group's revenue during the period ended 30 June, presented in the following table

	AED '000
30 June 2025	
Customer 1	579,501
Customer 2	303,119
Customer 3	196,734
30 June 2024	
Customer 1	1,037,016
Customer 2	206,012

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10 PROPERTY, PLANT AND EQUIPMENT

During the six months period ended 30 June 2025, the Group incurred capital expenditure of AED 334.4 million (30 June 2024: AED 90.8 million) and depreciation charges of AED 374.6 million (30 June 2024: AED 59.7 million). The Group reallocated AED 532.5 million of intangible assets and AED 201.1 million of deferred tax assets to property, plant and equipment as part of ongoing updates to the purchase price allocation with respect to acquisition of Terp Spanish Holdco, S.L.U. and Terna Energy.

11 INTANGIBLE ASSETS AND GOODWILL

During the six months period ended 30 June 2025, the Group recognized additions of AED 56.6 million (30 June 2024: nil) and amortization charges of AED 34.3 million (30 June 2024: AED 1.8 million). The Group reallocated AED 532.5 million to property, plant and equipment as part of ongoing updates to the purchase price allocation with respect to acquisition of Terp Spanish Holdco, S.L.U. and Terna Energy.

12 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

The Group's investments in associates and joint ventures are as follows:

	<i>30 June 2025 AED '000</i>	<i>(Audited) 31 December 2024 AED '000</i>
At the beginning of the period / year	20,502,434	7,581,930
Investments during the period/year (i)	1,587,933	13,242,134
Share of results of equity-accounted investees	326,077	520,098
Dividends received (ii)	(258,203)	(506,192)
Share of movement in hedging and other reserves	(27,304)	(56,501)
Reclassifications	11,076	187,298
Additions through acquisition of subsidiaries	-	1,722
Impairment (iii)	-	(230,000)
Investment classified as held for sale (note 22)	(100,060)	-
Foreign currency translation differences	<u>1,159,416</u>	<u>(238,055)</u>
At the end of the period / year	<u>23,201,369</u>	<u>20,502,434</u>

(i) During the period, the Group has made the following significant investments:

- Additional contribution in Dogger Bank South East Limited and Dogger Bank South West Limited, joint ventures amounting to AED 948 million.
- Additional contribution in Baltic Eagle GMBH, a joint venture amounting to AED 244 million.
- Additional contribution in Terra-Gen Power Holdings II LLC, a joint venture amounting to AED 151 million.

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As at 30 June 2025 (Unaudited)

12 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES continued

(ii) During the period, the Group received dividends from the following investments:

	<i>30 June</i> <i>2025</i> <i>AED '000</i>	<i>(Audited)</i> <i>31 December</i> <i>2024</i> <i>AED '000</i>
Dudgeon Offshore Wind UK Limited	67,860	145,939
MNE Trading Ltd	55,992	67,990
Amaala Trading Company Limited	42,234	-
Shams Power Company PJSC	39,331	57,507
Rocksprings Val Verde Wind LLC	26,112	23,051
Big Beau Holdco LLC	15,287	70,871
Blue Palm Holdings LLC	8,201	15,497
PT Pertamina Geothermal Energy TBK	-	66,449
Jordan Wind Power Company PJSC	-	26,082
Tesla Wind d.o.o.	-	30,745
Others	<u>3,186</u>	<u>2,061</u>
	<u>258,203</u>	<u>506,192</u>

(iii) No impairment losses were recognised during the period. During the year ended 31 December 2024, the Group recognised net impairment losses of AED 230 million with respect to its investments in Dumat Al Jandal Wind Energy Company LLC and Shuaa Energy 2 PJSC.

13 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties represent the Government of Abu Dhabi and related departments and institutions, associated companies, joint ventures, shareholders, directors and key management personnel of the Group, management entities engaged by the Group, and entities controlled, jointly controlled, or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management and mutually agreed with the related parties.

13.1 Loans to related parties

	<i>30 June</i> <i>2025</i> <i>AED '000</i>	<i>(Audited)</i> <i>31 December</i> <i>2024</i> <i>AED '000</i>
Gross receivables	3,007,369	2,902,868
Less: Provision for expected credit losses	<u>(85,170)</u>	<u>(87,408)</u>
	<u>2,922,199</u>	<u>2,815,460</u>

Loans to related parties are classified as follows:

	<i>30 June</i> <i>2025</i> <i>AED '000</i>	<i>(Audited)</i> <i>31 December</i> <i>2024</i> <i>AED '000</i>
Non-current	2,615,124	2,306,953
Current (i)	<u>307,075</u>	<u>508,507</u>
	<u>2,922,199</u>	<u>2,815,460</u>

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As at 30 June 2025 (Unaudited)

13 RELATED PARTY TRANSACTIONS AND BALANCES continued

13.1 Loans to related parties continued

- (i) Includes a loan balance of AED 110 million to Sharjah Waste to Energy Company LLC, a jointly controlled investment classified as held for sale (note 22).

During the period, the Group recognised a net reversal of expected credit loss provision of AED 2.2 million (Six months ended 30 June 2024: recognised expected credit loss provision of AED 23 million) with respect to related parties.

Movement in the loans to related parties balance was as follows:

	30 June 2025 AED '000	<i>(Audited)</i> 31 December 2024 AED '000
At 1 January	2,902,868	969,194
Addition	60,062	2,184,929
Interest income	62,530	150,669
Repayments	(44,157)	(203,040)
Conversion to investment in equity accounted investees (note 12)	(11,076)	(187,298)
Effect of movement in exchange rates	<u>37,142</u>	<u>(11,586)</u>
	<u>3,007,369</u>	<u>2,902,868</u>

13.2 Due from related parties

Due from related parties are classified as follows:

	30 June 2025 AED '000	<i>(Audited)</i> 31 December 2024 AED '000
Shareholder		
Abu Dhabi National Oil Company ("ADNOC")	<u>771</u>	<u>-</u>
Other related parties		
Abu Dhabi Fund for Development	42,467	-
MDC General Services Holding Company	1,508	807
Abu Dhabi Ports Company PJSC	2,062	-
Etihad Water and Electricity Company PJSC	653	-
Masdar City Service LLC	842	-
Department of Finance Government of Abu Dhabi	-	248
SP - Bab al Shams 1.2 MW	<u>8</u>	<u>8</u>
	<u>47,540</u>	<u>1,063</u>

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13 RELATED PARTY TRANSACTIONS AND BALANCES continued

13.2 Due from related parties continued

	<i>30 June</i> <i>2025</i> <i>AED '000</i>	<i>(Audited)</i> <i>31 December</i> <i>2024</i> <i>AED '000</i>
<i>Equity-accounted investees</i>		
Siraj Altaqa Alnazifa Company LLC (Sadawi)	174,449	-
Masdar Green Hydrogen LLC	83,633	138,829
Dudgeon Offshore Wind UK Limited	52,973	42,931
MW Energy Limited	17,827	9,667
Noor Midelt 1 Procurement Company DMCC	5,633	-
Amaala Sustainable Company for Energy	5,096	-
Shuaa Energy 2 PSC	1,815	2,433
Emirates Solar Power Company LLC	2,739	2,374
Infinity Power Holding BV	1,430	1,364
Sana Taibah Al Henakiyah LLC	541	2,284
Dumat Wind Contracting Company LLC.	180	3,708
MNE Trading Ltd	-	91,378
Baynouna Holdings B.V.	-	1,700
Shams Power Company PJSC	2	1,595
Others	<u>12,390</u>	<u>3,015</u>
	<u>358,708</u>	<u>301,278</u>
Total	<u>407,019</u>	<u>302,341</u>

13.3 Due to related parties

	<i>30 June</i> <i>2025</i> <i>AED '000</i>	<i>(Audited)</i> <i>31 December</i> <i>2024</i> <i>AED '000</i>
<i>Shareholders</i>		
Abu Dhabi National Oil Company (“ADNOC”)	337	-
Mamoura Diversified Global Holding PJSC	247	1,645
<i>Other related parties</i>		
Department of Finance of the Government of Abu Dhabi	47,538	74,709
Solution Plus	2,136	12,441
Renovables Valle Solar Fotovoltaica AIE	1,989	-
Others	<u>1,877</u>	<u>738</u>
	<u>54,124</u>	<u>89,533</u>

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13 RELATED PARTY TRANSACTIONS AND BALANCES continued

13.4 Other related party balances

	<i>30 June</i> 2025 <i>AED '000</i>	<i>(Audited)</i> <i>31 December</i> 2024 <i>AED '000</i>
Cash and bank balances	1,493,757	2,892,729
Project advances*	660,170	671,445

Cash and bank balances and restricted cash comprise call, current, and deposit accounts and term deposits with entity under common control.

* These represent funds received from the Government of Abu Dhabi for future energy services project developments, to be undertaken for the substantive benefit and title of these common control entities, in exchange for a fee.

13.5 Transactions with related parties

Significant transactions with related parties during the period were as follows:

	<i>Six months</i> <i>period ended</i> 30 June 2025 <i>AED '000</i>	<i>Six months</i> <i>period ended</i> 30 June 2024 <i>AED '000</i>
<i>Funds received from Shareholders</i>		
Mamoura Diversified Global Holding PJSC (MDGH)	-	848,579
Abu Dhabi National Energy Company PJSC (TAQA)	94,776	617,148
Abu Dhabi National Oil Company PJSC (ADNOC)	-	1,105,724
<i>Entities under common control</i>		
Recharge of costs from Solution Plus	9,779	8,628

Key management personnel compensation is as follows:

	<i>Six months</i> <i>period ended</i> 30 June 2025 <i>AED '000</i>	<i>Six months</i> <i>period ended</i> 30 June 2024 <i>AED '000</i>
Salaries	17,297	14,158
Other benefits – direct allowances	11,562	10,430
Other long-term incentives and benefits	1,667	953
Post-employment end of service benefits	2,103	1,925

UAE is a market dominated by entities directly or indirectly controlled by the Government of Abu Dhabi through its government authorities, agencies, affiliations and other organizations, collectively referred to as government-related entities. The Group, in the ordinary course of its business, carries out transactions with several government-related entities.

The Company has issued guarantees for and on behalf of its related parties. These guarantees are disclosed under commitments and contingencies in note 20.

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13 RELATED PARTY TRANSACTIONS AND BALANCES continued

13.5 Transactions with related parties continued

During the six months period ended 30 June 2025, the Group has not recorded any impairment of amounts owed by related parties (Six months period ended 30 June 2024: Nil). This assessment is undertaken each financial period through examining the financial position of the related parties and the market in which the related parties operate.

14 CASH AND CASH EQUIVALENTS

	<i>(Audited)</i>
	<i>30 June</i>
	<i>2025</i>
	<i>AED '000</i>
Cash at banks and on hand	3,040,340
Short-term deposits	<u>3,495,262</u>
	<u>6,535,602</u>
	<i>31 December</i>
	<i>2024</i>
	<i>AED '000</i>
	5,502,819
	<u>1,230,776</u>
	<u>6,733,595</u>

Short-term deposits are made for varying periods 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 at market rates.

Balances with banks are assessed to have a low credit risk of default since these banks are highly regulated by The central banks of the respective countries. 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, management of the Company have booked a nominal ECL provision recognised against cash and cash equivalents.

15 ADDITIONAL CAPITAL CONTRIBUTION

Additional capital contribution represents contributions received from the shareholders of the Group to fund the Group's acquisitions. This balance is interest free and there are no contractual repayment obligations. The Group received additional capital contributions of AED 95 million from shareholders for financing of investments during the period ended 30 June 2025 (30 June 2024: AED 2,571 million).

16 RESERVES

	<i>(Audited)</i>
	<i>30 June</i>
	<i>2025</i>
	<i>AED '000</i>
Investment reserve	246,321
Statutory reserve	287,692
Other reserve	<u>1,279,249</u>
	<u>1,813,262</u>
	<i>31 December</i>
	<i>2024</i>
	<i>AED '000</i>
	246,321
	282,699
	<u>(453,471)</u>
	<u>75,549</u>

Investment reserve

Investment reserve reflects funds received by the Group from Mubadala, the initial Shareholder and disbursed to Masdar Clean Tech Fund for investment purposes. An amount of AED 246,321 thousand (31 December 2024: AED 246,321 thousand) is held as a non-distributable capital reserve which is funded by the Government of Abu Dhabi.

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16 RESERVES continued

Statutory reserve

In accordance with UAE Federal Law No. (32) of 2021 and the Company's Articles of Association, the Company has established a statutory reserve, amounting to AED 287,692 thousand (31 December 2024: AED 282,699 thousand) by appropriation of 10% of profit for each year until the reserve equals 50% of the share capital. This reserve is not available for distribution except as stipulated by the law.

Other reserves

	<i>30 June 2025 AED '000</i>	<i>(Audited) 31 December 2024 AED '000</i>
Hedging reserve	411,820	418,547
Exchange rate fluctuation reserve	1,026,530	(867,313)
Fair value reserve	(125,210)	1,882
Other reserve	<u>(33,891)</u>	<u>(6,587)</u>
	<u>1,279,249</u>	<u>(453,471)</u>

17 NON-CONTROLLING INTEREST

During the period, the Group increased its ownership interest in Terna Energy from 87% at 31 December 2024 to 100% at 30 June 2025. The Group paid AED 1,231 million (EUR 322 million), as part of an all-cash mandatory tender offer ("MTO").

18 INTEREST BEARING LOANS AND BORROWINGS

	<i>30 June 2025 AED '000</i>	<i>(Audited) 31 December 2024 AED '000</i>
Revolving credit facilities	-	459,063
Green bonds	10,018,488	6,363,885
Term loans	<u>18,980,250</u>	<u>17,147,831</u>
	<u>28,998,738</u>	<u>23,970,779</u>

Interest bearing loans and borrowings are classified as follows:

Non-current	26,105,462	20,814,783
Current	<u>2,893,276</u>	<u>3,155,996</u>
	<u>28,998,738</u>	<u>23,970,779</u>

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18 INTEREST BEARING LOANS AND BORROWINGS continued

Movement in loans and borrowings is as follows:

	30 June 2025 AED '000	<i>(Audited)</i> 31 December 2024 AED '000
As the beginning of the period/year	23,970,779	6,386,675
Acquisition of subsidiaries	-	6,335,491
Drawdowns during the period	4,738,950	13,487,195
Repayments during the period	(1,519,639)	(1,946,362)
Amortisation of deferred finance costs	101,435	3,786
Foreign exchange fluctuations	<u>1,707,213</u>	<u>(296,006)</u>
At the end of the period/year	<u>28,998,738</u>	<u>23,970,779</u>

On 21 May 2025, the Company issued its third Green bond, under its Green Finance Framework, raising USD 1 billion. The bond was issued in two equal tranches of US\$500 million, with tenors of 5 and 10 years and coupons of 4.875% and 5.375% respectively.

During May 2025, the Group has also entered into pay-fixed, receive-fixed cross-currency interest rate swaps (CCIRS) against the bonds in issue. These instruments are designated as hedging instruments to mitigate the foreign currency translation risk arising from the Group's net investments in its European subsidiaries and associates. In accordance with the requirements of IFRS 9 and IFRIC 16, the cross-currency swaps have been accounted for as net investment hedges in the Group's consolidated financial statements

There has been a technical breach related to loan covenants associated with working capital loans secured from a consortium of lenders in prior periods. The breach of covenants is associated with a non-financial covenant requirement of signing operating and maintenance agreements and entry into the movables pledge for the underlying projects in Uzbekistan namely: Jizzakh, Samarkand, Sherabad, and Bukhara. Total loan balance associated with the respective projects amounting to AED 1,868 million has been reclassified from non-current to current at 30 June 2025 (31 December 2024: AED 1,728 million).

19 FINANCIAL INSTRUMENTS

19.1 Hedging activities

The Group is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are interest rate risk & commodity price risk.

(i) Derivatives not designated as hedging instruments

The Group has entered into various interest rate swaps associated with forecast debt (pre-hedge) denominated in USD. These are not designated as hedging instruments. During the period, there were no pre-hedge interest rate swaps entered into by the Group (Six months ended 30 June 2024: gain of AED 29 million on pre-hedge interest rate swaps) which was recognised in the consolidated statement of comprehensive income.

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

19 FINANCIAL INSTRUMENTS continued

19.1 Hedging activities continued

(ii) Derivatives designated as hedging instruments

The Group has entered into various interest rate swaps in order to reduce their exposure to interest rate fluctuations on variable interest-bearing borrowings for a notional amount that matches the outstanding interest bearing loans and borrowings. The derivative financial instruments were designated as cash flow hedge. The ineffective portion of derivatives designated as hedging instruments in effective hedge contracts amounting to a gain of AED 15 million (Six months ended 30 June 2024: nil) was recognised in the consolidated statement of comprehensive income.

	30 June		31 December	
	2025	2025	2024	2024
	Current	Non-current	Current	Non-current
	AED '000	AED '000	AED '000	AED '000
Cash flow hedges				
<i>Assets</i>				
Interest rate swap	53,207	331,864	73,304	254,890
Price derivatives	-	18,069	5,997	-
Cross currency swap	<u>45,328</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>98,535</u>	<u>349,933</u>	<u>79,301</u>	<u>254,890</u>
<i>Liabilities</i>				
Interest rate swap	19,929	101,983	25,635	65,305
Price derivatives	34,253	7,713	579	1,581
Cross currency swap	<u>-</u>	<u>172,420</u>	<u>-</u>	<u>-</u>
	<u>54,182</u>	<u>282,116</u>	<u>26,214</u>	<u>66,886</u>

19.2 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 bearing loans and borrowings. Set out below is a comparison of the carrying amounts and fair values of fixed interest bearing loans and borrowings:

	Fair value		Carrying value	
	30 June	31 December	30 June	31 December
	2025	2024	2025	2024
	AED'000	AED'000	AED'000	AED'000
Interest bearing loans and borrowing	<u>9,984,851</u>	<u>6,342,518</u>	<u>10,018,488</u>	<u>6,363,885</u>

Interest bearing loans and borrowings relates to the Masdar green bonds. The fair value of the interest bearing loans and borrowings is based on price quotations at the reporting date.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

19 FINANCIAL INSTRUMENTS

19.3 Fair value hierarchy

The following analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1 – quoted prices in active markets for assets and liabilities
- Level 2 – inputs other than quoted prices included within Level 1 are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs)

	<i>Fair value as at</i>		<i>Carrying value</i>		<i>Fair value hierarchy</i>
	<i>31 June 2025</i>	<i>31 December 2024</i>	<i>31 June 2025</i>	<i>31 December 2024</i>	
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	
Financial assets measured at fair value					
Derivative financial assets	448,468	334,191	448,468	334,191	Level 2
Financial assets carried at fair value through profit or loss					
Equity investment	96,180	82,970	96,180	82,970	Level 3
Financial assets carried at fair value through OCI					
Equity investment	16,505	15,401	16,505	15,401	Level 3
Financial liabilities measured at fair value					
Derivative financial liabilities	336,298	93,100	336,298	93,100	Level 2
Deferred consideration	745,197	727,425	742,961	727,425	Level 2
Financial liabilities disclosed at fair value					
Interest bearing loans and borrowings (Green Bond)	9,984,851	6,342,518	10,018,488	6,363,885	Level 1

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 included in the Level 2 category above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant observable inputs being the discount rate that reflects the credit risk of counterparties.

The fair values of the financial assets and financial liabilities included in the Level 3 category above have been determined based on net asset values whereas, the fair values of the deferred consideration have been determined based on DCF method

During the period ended 31 June 2025 and year ended 31 December 2024 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.

Abu Dhabi Future Energy Company PJSC (Masdar)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

20 COMMITMENTS AND CONTINGENCIES

Capital commitments

	<i>1 year or less AED '000</i>
30 June 2025 (unaudited)	
Capital commitments	<u>2,825,595</u>
Group's share in the commitments of its equity-accounted investees	<u>588,741</u>
Commitments towards financials investments	<u>59,530</u>
Group's share in the commitments of its joint operations	<u>1,971</u>
31 December 2024 (audited)	
Capital commitments	<u>3,529,352</u>
Group's share in the commitments of its equity-accounted investees	<u>362,220</u>
Commitments towards financials investments	<u>69,574</u>
Group's share in the commitments of its joint operations	<u>1,668</u>

Guarantees

As at 30 June 2025, the Group had issued corporate parent guarantees amounting to AED 6,560 million (31 December 2024: AED 671 million)

The Group has issued performance guarantees amounting to AED 3,337 million against various projects as at 30 June 2025 (31 December 2024: AED 3,025 million).

As at 30 June 2025, the banks have issued guarantees and letters of credit for the Group under various uncommitted trade finance facilities amounting to AED 2,584 million (31 December 2024: AED 3,531 million).

21 SEASONALITY OF OPERATIONS

Interim results fluctuates due to the seasonal energy production differences in various geographical locations of the Group's solar and wind plants. Summer season is generally expected to generate more energy in the solar plants operated by the Group. Wind plants also follows seasonality of wind speeds. Timing of peak revenue generation varies in each region depending on the seasons of the year. However, certain expenses of the Group remain more evenly distributed throughout the fiscal year, such as depreciation, interest expenses and other fixed operations and maintenance costs. As a result, interim operational profits are not indicative of operational profits on an annual basis. This information is provided to allow for a better understanding of the results.

22 ASSETS CLASSIFIED AS HELD FOR SALE

On 19 May 2025, the Board of Directors approved a plan to divest the Group's equity interest in Sharjah Waste to Energy Company LLC, a jointly controlled entity engaged in waste management activities, subject to customary closing conditions. The decision to divest was part of the Group's strategic initiative to focus on its core renewable energy business and optimize resource allocation.

As of 30 June 2025, the investment is carried at a book value of AED 100 million, with a shareholder loan of AED 110 million included under loans to related parties (note 13).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

23 EVENTS AFTER REPORTING DATE

In July 2025, the Group entered into an agreement with Iberdrola to co-invest in the 1.4GW East Anglia THREE offshore wind farm in the United Kingdom, one of the largest offshore wind transactions of the decade. Under the terms of the agreement, each party will hold a 50% equity interest and share co-governance of the asset, which is expected to play a significant role in advancing Europe's offshore wind development targets. All conditions precedent have been satisfied, and the transaction is expected to close shortly.

24 COMPARATIVE INFORMATION

Certain comparative figures have been reclassified, wherever necessary, to confirm to the presentation adopted in the current period interim condensed consolidated financial statements. Such reclassification has no impact on previously reported profit or equity of the Group.

Consolidated statement of financial position as at 31 December 2024

	<i>Previously reported amount AED '000</i>	<i>Reclassification AED '000</i>	<i>Reclassified amount AED '000</i>
Current assets			
Trade and other receivables	2,217,245	117,659	2,334,904
Due from related parties	420,000	(117,659)	302,341
Non-current liabilities			
Lease liabilities	507,383	(27,033)	480,350
Other non-current liabilities	1,497,995	604,729	2,102,724
Current liabilities			
Lease liabilities	14,142	27,033	41,175
Trade and other payables	2,805,588	(604,729)	2,200,859
Consolidated statement of comprehensive income as of 30 June 2024			
Revenue	1,262,447	235,197	1,497,644
Finance income	145,154	(96,619)	48,535
Other income	266,934	(138,578)	128,356
General and administrative expenses	(292,605)	(35,371)	(327,976)
Fair value changes of financial assets carried at fair value through profit or loss	-	(338)	(338)
Other operating expenses	(35,709)	35,709	-
Finance expense	(261,344)	(4,793)	(266,137)
Net foreign exchange gain	-	4,793	4,793