

Abu Dhabi Future Energy Company PJSC (Masdar)

REVIEW REPORT AND INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

**AS AT AND FOR THE THREE MONTHS AND SIX-MONTHS
PERIOD ENDED 30 JUNE 2026**



Ernst & Young Middle East
(Abu Dhabi Branch)
P.O. Box 136
Nation Towers, Tower 2, Floor 27
Corniche Road West
Emirate of Abu Dhabi
United Arab Emirates

Tel: +971 2 417 4400
+971 2 627 7522
Fax: +971 2 627 3383
abudhabi@ae.ey.com
ey.com

CL No. 1001276

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE SHAREHOLDERS 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") as at 30 June 2026, comprising of the interim consolidated statement of financial position as at 30 June 2026, and the related interim consolidated statements of comprehensive income for the three month and six month periods then ended and the related interim consolidated statements of changes in equity and cash flows for the six month period then ended and explanatory notes. 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 condensed consolidated financial statements are not prepared, in all material respects in accordance with IAS 34, *"Interim Financial Reporting"*.

For Ernst & Young

Ahmad Al Dali
Registration No 5548

1 October 2026
Abu Dhabi, United Arab Emirates

Abu Dhabi Future Energy Company PJSC (Masdar)

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For three months and six months periods ended 30 June 2026 (Unaudited)

	Notes	Three months period ended 30 June		Six months period ended 30 June	
		2026 AED'000	2025 AED'000	2026 AED'000	2025 AED'000
Revenue	4	1,950,353	750,214	3,425,719	1,729,794
Direct costs	5	(1,612,212)	(448,648)	(2,288,576)	(1,007,458)
Gross profit		338,141	301,566	1,137,143	722,336
Income from government grants		12,269	43,851	65,857	86,563
Other income		37,972	54,330	65,717	62,853
General and administrative expenses	6	(269,966)	(280,530)	(631,431)	(577,394)
Project expenses		(48,645)	(38,913)	(76,107)	(91,327)
Share of results of equity-accounted investees, net	12	328,639	174,274	523,673	326,077
Change in fair value of financial assets carried at fair value through profit or loss		1,548	6,786	(18,822)	7,497
Fair value changes of derivatives	18	4,627	6,368	3,663	15,333
Finance income	7	74,527	66,123	143,530	110,970
Finance expense	7	(364,398)	(353,703)	(695,012)	(673,295)
Net foreign exchange gain (loss)		406	59,475	(21,624)	67,009
Profit before tax		115,120	39,627	496,587	56,622
Income tax	8	(54,825)	(26,549)	(172,822)	(7,858)
PROFIT FOR THE PERIOD		60,295	13,078	323,765	48,764
Attributable to:					
Equity holders of the Company		60,401	13,770	324,599	49,934
Non-controlling interest		(106)	(692)	(834)	(1,170)
PROFIT FOR THE PERIOD		60,295	13,078	323,765	48,764
Other comprehensive income (loss)					
<i>Items that may be reclassified subsequently to profit or loss (net of tax)</i>					
Foreign currency translation differences for foreign operations		(32,603)	1,225,957	(496,117)	1,898,677
Changes in fair value of derivatives		(7,792)	(213,651)	163,704	(133,819)
Share of movement in other comprehensive income of equity-accounted investees	12	99,511	(4,337)	67,829	(27,304)
Other comprehensive income (loss) for the period, net of income tax		59,116	1,007,969	(264,584)	1,737,554
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		119,411	1,021,047	59,181	1,786,318
Attributable to:					
Equity holders of the parent		119,199	1,021,739	60,215	1,787,488
Non-controlling interest		212	(692)	(1,034)	(1,170)
		119,411	1,021,047	59,181	1,786,318

The attached notes 1 to 22 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 2026 (Unaudited)

			(Audited)
		30 June	31 December
		2026	2025
	Notes	AED '000	AED '000
ASSETS			
Non-current assets			
Property, plant and equipment	10	18,962,096	18,467,928
Right-of-use assets		785,342	812,839
Intangible assets and goodwill	11	9,280,103	6,254,958
Investments in associates and joint ventures	12	26,417,920	24,611,252
Operating financial assets		4,957,037	4,918,236
Finance lease receivables		44,917	46,881
Loans to related parties	13	3,438,414	3,413,759
Derivative financial assets	18	654,105	533,877
Other non-current financial assets		<u>279,468</u>	<u>328,054</u>
		<u>64,819,402</u>	<u>59,387,784</u>
Current assets			
Operating financial assets		549,058	549,157
Finance lease receivables		7,743	5,893
Loans to related parties	13	175,294	273,616
Due from related parties	13	350,088	191,882
Derivative financial assets	18	181,151	154,285
Trade and other receivables		4,753,329	2,229,049
Cash and bank balances	14	<u>8,131,550</u>	<u>7,699,904</u>
		<u>14,148,213</u>	<u>11,103,786</u>
TOTAL ASSETS		<u>78,967,615</u>	<u>70,491,570</u>
EQUITY AND LIABILITIES			
Equity			
Share capital		8,000,000	8,000,000
Additional capital contribution	15	26,064,977	23,931,256
Reserves	16	1,823,189	2,055,113
Accumulated losses		<u>(2,076,965)</u>	<u>(2,369,104)</u>
Equity attributable to equity holders of the parent		<u>33,811,201</u>	<u>31,617,265</u>
Non-controlling interest		<u>12,437</u>	<u>13,471</u>
Total equity		<u>33,823,638</u>	<u>31,630,736</u>
Non-current liabilities			
Loans and borrowings	17	28,822,886	26,872,581
Lease liabilities		759,369	790,435
Derivative financial liabilities	18	193,017	216,514
Deferred tax liabilities		2,244,504	2,318,373
Other non-current liabilities		<u>2,662,274</u>	<u>2,461,097</u>
		<u>34,682,050</u>	<u>32,659,000</u>
Current liabilities			
Loans and borrowings	17	4,849,395	3,033,258
Due to related parties	13	95,129	101,269
Derivative financial liabilities	18	19,170	22,271
Lease liabilities		94,144	83,993
Trade and other payables		<u>5,404,089</u>	<u>2,961,043</u>
		<u>10,461,927</u>	<u>6,201,834</u>
Total liabilities		<u>45,143,977</u>	<u>38,860,834</u>
TOTAL EQUITY AND LIABILITIES		<u>78,967,615</u>	<u>70,491,570</u>



Chairman of the Board of Directors



Chief Executive Officer

The attached notes 1 to 22 form part of these interim condensed consolidated financial statements.

Abu Dhabi Future Energy Company PJSC (Masdar)

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For six months period ended 30 June 2026 (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 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	-	-	(4,834)	8,417	3,583	(1,215,588)	(1,212,005)
Balance at 30 June 2025 (unaudited)	<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>
Balance on 1 January 2026	8,000,000	23,931,256	2,055,113	(2,369,104)	31,617,265	13,471	31,630,736
Profit for the period	-	-	-	324,599	324,599	(834)	323,765
Other comprehensive loss for the period	-	-	(264,384)	-	(264,384)	(200)	(264,584)
Total comprehensive income (loss) for the period	-	-	(264,384)	324,599	60,215	(1,034)	59,181
Transfer to statutory reserve	-	-	32,460	(32,460)	-	-	-
Contribution from shareholders (note 15)	-	2,133,721	-	-	2,133,721	-	2,133,721
Balance at 30 June 2026 (unaudited)	<u>8,000,000</u>	<u>26,064,977</u>	<u>1,823,189</u>	<u>(2,076,965)</u>	<u>33,811,201</u>	<u>12,437</u>	<u>33,823,638</u>

The attached notes 1 to 22 form part of these interim condensed consolidated financial statements.

Abu Dhabi Future Energy Company PJSC (Masdar)

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For six months period ended 30 June 2026 (Unaudited)

		30 June 2026 AED '000	30 June 2025 AED '000
	<i>Notes</i>		
OPERATING ACTIVITIES			
Profit before tax		496,587	56,622
Adjustments for:			
Depreciation of property, plant and equipment and right-of-use assets	5 & 6	404,394	371,655
Amortization of intangible assets	5 & 6	67,548	61,752
Write off of intangible assets		4,994	-
Share of results of equity-accounted investees, net	12	(523,673)	(326,077)
Changes in fair value of financial assets carried at fair value through profit or loss		18,822	(7,497)
Changes in fair value of derivatives	18	(3,663)	(15,333)
(Reversal of) provision for expected credit losses	6	(542)	4,392
Provision for employees' end of service benefits		7,901	6,511
Amortization of government grants		(4,750)	(7,818)
Amortization of contract liabilities		(17,170)	(17,230)
Revenue from operating financial assets		(272,440)	(579,501)
Finance lease income		(1,851)	(1,759)
Finance income	7	(143,530)	(110,970)
Finance expense	7	695,012	673,295
Operating cash flows before changes in working capital		727,639	108,042
Working capital adjustments:			
Trade and other receivables		(2,553,850)	216,444
Due from related parties		(47,380)	(104,678)
Due to related parties		(6,381)	(35,409)
Trade and other payables		2,312,954	(183,468)
Receipt of government grants		226,892	93,426
Cash settled on pre-hedge settlements		(4,488)	(8,135)
Cash received from operating financial assets		233,993	188,991
Cash received from financial lease receivables		1,965	6,299
Income tax paid		(94,398)	(38,098)
Employees' end of service benefit paid		(1,741)	(9,834)
Net cash from operating activities		795,205	233,580

Abu Dhabi Future Energy Company PJSC (Masdar)

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS continued

For the six months period ended 30 June 2026 (Unaudited)

		30 June 2026 AED '000	30 June 2025 AED '000
	<i>Notes</i>		
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(1,115,526)	(334,414)
Addition in intangibles		(2,969,140)	(56,598)
Acquisition of a subsidiary, net of cash acquired		-	(34,372)
Acquisition of non-controlling interest		-	(1,231,098)
Investment in associates and joint ventures	12	(1,909,563)	(1,587,933)
Investment in financial assets carried at fair value through profit or loss		(10,370)	(3,393)
Dividends received from investments in associates and joint ventures		310,747	258,203
(Investment in) proceeds from redemption of term deposits and restricted cash		(23,266)	448,897
Proceed from disposal of financial assets carried at fair value through profit or loss		22,400	-
Loans provided to related parties	13	(390,603)	(60,062)
Proceeds from loan to related parties	13	90,559	25,890
Finance income received		<u>50,512</u>	<u>66,707</u>
Net cash used in investing activities		<u>(5,944,250)</u>	<u>(2,508,173)</u>
FINANCING ACTIVITIES			
Proceeds from borrowings	17	4,682,820	4,738,950
Repayment of borrowings	17	(534,878)	(1,519,639)
Proceeds from loans from non-controlling interest		31,795	-
Shareholder's contribution		2,133,721	94,751
Finance expense paid		(664,834)	(587,721)
Repayment of lease liabilities		<u>(36,467)</u>	<u>(25,793)</u>
Net cash generated from financing activities		<u>5,612,157</u>	<u>2,700,548</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS			
		<u>463,112</u>	<u>425,955</u>
Cash and cash equivalents on 1 January		7,497,831	6,453,074
Net foreign exchange difference		<u>(54,732)</u>	<u>148,005</u>
CASH AND CASH EQUIVALENTS AT 30 JUNE	14	<u>7,906,211</u>	<u>7,027,034</u>

Significant non-cash transactions not included in the interim consolidated statement of cash flows are as follows:

Conversion of loans to related parties	460,641	11,076
Reclassification of deferred consideration	434,897	-

The attached notes 1 to 22 form part of these interim condensed consolidated financial statements.

Abu Dhabi Future Energy Company PJSC (Masdar)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2026 (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 2026</i>	<i>31 December 2025</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 interim condensed consolidated 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 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 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 Group has not made any social contributions during the three months and six months period ended 30 June 2026 (Three months and six months period ended 30 June 2025: nil).

The interim condensed consolidated financial statements were approved by the Board of Directors and authorised for issue on 4 September 2026.

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.

These 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 as issued by the International Accounting Standards Board (IASB), and should be read in conjunction with the Group’s annual consolidated financial statements as at and for the year ended 31 December 2025. In addition, results for the six months period ended 30 June 2026 are not necessarily indicative of the results for the year ending 31 December 2026.

2.2 Basis of measurement

These interim condensed consolidated financial statements have been prepared on historical cost basis, except for investments in financial assets carried at fair value through profit or loss, investments in financial assets carried at fair value through other comprehensive income (OCI) and derivative financial instruments which are stated at fair value.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 June 2026 (Unaudited)

2 BASIS OF PREPARATION continued

2.3 Functional and presentation currency

These interim condensed consolidated financial statements are presented in United Arab Emirates Dirham (AED), which is the Company's functional and the Group's presentation currency. The primary economic environment in which the Company operates is AED. Each entity in the Group determines its own functional currency. 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 is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- 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
30 June 2026 (Unaudited)

3 CHANGES TO THE GROUP'S ACCOUNTING POLICIES

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 as at and for the year ended 31 December 2025, except for the adoption of new standards effective as of 1 January 2026. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

- Amendments to IFRS 9 and IFRS 7: Classification and Measurement of Financial Instruments (Effective 1 January 2026)
- Annual Improvements to IFRS accounting Standards – Volume 11
- Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

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

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 (Effective 1 January 2027)
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (Effective 1 January 2027)
- IFRS 20 Regulatory Assets and Regulatory Liabilities (Effective 1 January 2029)
- Amendments to IFRS 9 and IFRS 7: Contracts Referencing Nature-dependent Electricity (Effective 1 January 2027)
- Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Deferred indefinitely)

Management is currently assessing the impact of adopting the above standards, amendments and interpretations on the Group's consolidated financial statements in the period of their initial application. The Group intends to adopt these standards, if applicable, when they become effective.

3.3 Significant accounting estimates and judgements

The preparation of these interim condensed consolidated financial statements in conformity with the IFRS Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of 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 reviewed on an ongoing basis 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 2025.

Geopolitical developments

Recent military conflict in the Middle East, including disruptions to regional energy infrastructure and shipping routes, has contributed to volatility in global energy and commodity markets. Management has assessed the impact of these developments on the Group's operations for the period ended 30 June 2026 and financial position as at 30 June 2026 and concluded that there has been no material adverse impact on the Group's financial performance, or cash flows during the period or financial position at the reporting date. The situation remains evolving, and the effects of the conflict on humanity and businesses continue to develop, giving rise to potential risks and uncertainties in future periods. The Group continues to closely monitor developments and regularly update its operational and financial contingency plans to respond to any potential implications as conditions evolve.

Abu Dhabi Future Energy Company PJSC (Masdar)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2026 (Unaudited)

4 REVENUES

	<i>Three months period ended 30 June</i>		<i>Six months period ended 30 June</i>	
	<i>2026</i>	<i>2025</i>	<i>2026</i>	<i>2025</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
Revenue from contracts with customers	1,949,309	749,385	3,423,647	1,728,035
Finance lease income	934	618	1,851	1,548
Others	110	211	221	211
	<u>1,950,353</u>	<u>750,214</u>	<u>3,425,719</u>	<u>1,729,794</u>
Revenue from contracts with customers:				
Concession revenue (i)	1,395,630	201,809	2,105,050	578,804
Renewable power generation	516,166	512,983	1,232,943	1,100,017
Special projects	27,411	34,593	47,573	47,861
Trading income	10,102	-	35,451	-
Development fee income	-	-	2,630	1,353
	<u>1,949,309</u>	<u>749,385</u>	<u>3,423,647</u>	<u>1,728,035</u>
Geographical markets:				
United Arab Emirates	1,312,579	26,692	1,902,150	34,373
Greece	274,214	245,784	655,607	525,154
Uzbekistan	116,951	204,115	277,873	581,741
United Kingdom	104,186	98,780	247,807	193,727
Spain	77,927	119,044	194,701	252,305
Portugal	23,545	9,313	67,767	52,511
Azerbaijan	17,594	21,560	29,409	35,160
Poland	15,367	17,608	32,969	38,793
Bulgaria	3,004	2,945	7,797	7,193
Jordan	3,023	2,958	5,948	5,873
Serbia	919	586	1,619	1,205
	<u>1,949,309</u>	<u>749,385</u>	<u>3,423,647</u>	<u>1,728,035</u>
Timing of revenue recognition:				
Over time	1,395,630	201,809	2,105,050	578,804
At a point in time	553,679	547,576	1,318,597	1,149,231
	<u>1,949,309</u>	<u>749,385</u>	<u>3,423,647</u>	<u>1,728,035</u>

(i) Concession revenue

	<i>Three months period ended 30 June</i>		<i>Six months period ended 30 June</i>	
	<i>2026</i>	<i>2025</i>	<i>2026</i>	<i>2025</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
Revenue from construction	1,291,474	116,527	1,893,475	416,802
Interest income from service concession	83,063	77,700	165,289	150,508
Revenue from operation	21,093	7,582	46,286	11,494
	<u>1,395,630</u>	<u>201,809</u>	<u>2,105,050</u>	<u>578,804</u>

Abu Dhabi Future Energy Company PJSC (Masdar)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2026 (Unaudited)

5 DIRECT COSTS

	<i>Three months period ended 30 June</i>		<i>Six months period ended 30 June</i>	
	<i>2026</i>	<i>2025</i>	<i>2026</i>	<i>2025</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
Service concession cost of sale – construction	1,266,428	112,528	1,595,720	397,436
Depreciation of property, plant and equipment	174,056	186,689	340,928	342,398
Operations and maintenance costs	104,647	82,981	212,694	176,054
Amortization of intangible assets	32,104	46,916	64,710	59,485
Service concession cost of sale – operations	20,680	7,336	45,379	11,171
Depreciation of right-of-use assets	14,297	12,198	29,145	20,914
	<u>1,612,212</u>	<u>448,648</u>	<u>2,288,576</u>	<u>1,007,458</u>

6 GENERAL AND ADMINISTRATIVE EXPENSES

	<i>Three months period ended 30 June</i>		<i>Six months period ended 30 June</i>	
	<i>2026</i>	<i>2025</i>	<i>2026</i>	<i>2025</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
Staff cost	173,216	162,144	365,560	328,299
Advertising, publicity, and events	32,169	45,022	102,488	97,309
Professional services	16,865	3,474	28,806	6,980
Depreciation of property, plant and equipment	17,513	1,973	26,468	4,752
Travel expenses	7,452	7,276	14,418	17,940
Taxes and licenses	(16,073)	15,403	11,935	40,934
Communication and technology expenses	9,888	5,218	11,052	8,573
Depreciation of right-of-use assets	3,662	1,215	7,853	3,591
Research and development expenses	4,808	2,733	5,641	3,259
Amortization of intangible assets	1,455	635	2,838	2,267
Provision for (Reversal of) expected credit losses (ECL)	257	173	(542)	4,392
Others	18,754	35,264	54,914	59,098
	<u>269,966</u>	<u>280,530</u>	<u>631,431</u>	<u>577,394</u>

Abu Dhabi Future Energy Company PJSC (Masdar)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2026 (Unaudited)

7 FINANCE INCOME AND EXPENSES

7.1 Finance income

	<i>Three months period ended</i> <i>30 June</i>		<i>Six months period ended</i> <i>30 June</i>	
	<i>2026</i>	<i>2025</i>	<i>2026</i>	<i>2025</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
Interest income from loans to related parties (note 13.1)	48,446	31,617	93,018	62,530
Interest income from term deposits	26,081	34,506	50,512	48,440
	<u>74,527</u>	<u>66,123</u>	<u>143,530</u>	<u>110,970</u>

7.2 Finance costs

	<i>Three months period ended</i> <i>30 June</i>		<i>Six months period ended</i> <i>30 June</i>	
	<i>2026</i>	<i>2025</i>	<i>2026</i>	<i>2025</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
Interest expense on interest bearing loans and borrowings	323,468	316,346	647,362	602,768
Amortization of deferred finance cost	18,003	2,472	35,566	10,458
(Reversal of) unwinding of deferred consideration	5,590	12,604	(28,269)	21,783
Bank charges	7,742	13,531	17,472	21,990
Interest expense on lease liabilities	8,055	5,706	16,888	12,011
Accretion of decommissioning liability	1,540	3,044	5,933	4,285
	<u>364,398</u>	<u>353,703</u>	<u>695,012</u>	<u>673,295</u>

8 INCOME TAX

Income tax for the period is recognised 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 Group operate and any adjustment to tax in respect of previous years.

	<i>Three months period ended</i> <i>30 June</i>		<i>Six months period ended</i> <i>30 June</i>	
	<i>2026</i>	<i>2025</i>	<i>2026</i>	<i>2025</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
Income tax expense	80,198	45,174	205,150	68,983
Deferred tax benefit	(25,373)	(18,625)	(32,328)	(61,125)
	<u>54,825</u>	<u>26,549</u>	<u>172,822</u>	<u>7,858</u>

Abu Dhabi Future Energy Company PJSC (Masdar)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2026 (Unaudited)

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 and 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 2026 (Unaudited)								
Revenues	1,904,222	1,208,267	307,282	-	-	-	5,948	3,425,719
Non-current assets	4,770,591	38,611,790	7,050,986	1,551,142	8,846,160	1,328,226	1,715,934	63,885,829
30 June 2025 (Unaudited)								
Revenues	36,132	1,070,888	616,901	-	-	-	5,873	1,729,794
31 December 2025 (Audited)								
Non-current assets	2,027,231	37,667,114	5,780,886	1,509,984	8,808,964	1,123,662	1,608,012	58,525,853
Reconciliation of total non-current assets:					(Unaudited)		(Audited)	
					30 June		31 December	
					2026		2025	
					AED '000		AED '000	
Non-current assets allocated to geographical locations					63,885,829		58,525,853	
Derivative financial assets					654,105		533,877	
Other non-current financial assets					<u>279,468</u>		<u>328,054</u>	
Total non-current assets					<u>64,819,402</u>		<u>59,387,784</u>	

Other information

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

	AED '000
30 June 2026	
Customer 1	1,832,610
Customer 2	187,227
Customer 3	157,491
30 June 2025	
Customer 1	579,501
Customer 2	303,119
Customer 3	196,734

10 PROPERTY, PLANT AND EQUIPMENT

During the six month period ended 30 June 2026, the Group incurred capital expenditure of AED 1,281.6 million (30 June 2025: AED 334.4 million) and a depreciation charge of AED 367.4 million (30 June 2025: AED 347.2 million).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 June 2026 (Unaudited)

11 INTANGIBLE ASSETS AND GOODWILL

During the six-month period ended 30 June 2026, the Group recognised intangible assets of AED 3,266.1 million (30 June 2025: AED 56.6 million) and incurred amortization charges of AED 67.5 million (30 June 2025: AED 61.8 million).

Intangible assets include an amount of AED 1,349.4 million paid as advance to Engineering, Procurement and Construction (EPC) contractors in relation to the Round-the-Clock (RTC) Battery Energy Storage Project.

The Group has received certain advances from customers and also paid the related advances to suppliers for development and construction management services provided for the construction of power plants. These advances are recorded in trade and other payables and trade and other receivables, respectively, and are presented on a gross basis as they arise from separate contractual arrangements and do not satisfy the offsetting requirements of the applicable accounting standards.

The Group performs its annual impairment test as at 31 December and when circumstances indicate that the carrying value may be impaired. The Group's impairment test for goodwill is based on value-in-use calculations. The key assumptions used to determine the recoverable amount were disclosed in the annual consolidated financial statements for the year ended 31 December 2025. Financial performance subsequent to the year-end has been favourable than the forecasts applied in the 31 December 2025 assessment, with no impairment indicators noted as at 30 June 2026.

12 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

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

	<i>(Unaudited)</i> 30 June 2026 AED '000	<i>(Audited)</i> 31 December 2025 AED '000
At the beginning of the period/year	24,611,252	20,502,434
Investments during the period/year (i)	1,909,563	3,449,411
Additions through acquisition of subsidiaries	-	7,733
Disposal of investment	-	(102,410)
Share of results of equity-accounted investees	523,673	680,001
Dividends (ii)	(420,994)	(950,789)
Share of movement in hedging and other reserves	67,829	(111,573)
Conversion of loans to related parties (note 13.1)	460,641	44,432
Adjustment of deferred consideration (iii)	(434,897)	-
Movement in foreign exchange reserves	<u>(299,147)</u>	<u>1,092,013</u>
At the end of the period/year	<u>26,417,920</u>	<u>24,611,252</u>

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

- Additional contribution in a Joint Venture, Dogger Bank South East Limited and Dogger Bank South West Limited amounting to AED 967 million (31 December 2025: AED 1,060 million).
- Additional contribution in East Anglia Three Holdings Limited, a joint venture amounting to AED 866 million (31 December 2025: AED 249 million).
- Additional contribution in Infinity Power Holdings BV, a joint venture amounting to AED 43 million (31 December 2025: AED 84 million).

Abu Dhabi Future Energy Company PJSC (Masdar)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2026 (Unaudited)

12 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES continued

(ii) During the period/year, the Group recognised dividends from the following investments:

	<i>(Unaudited)</i> 30 June 2026 AED '000	<i>(Audited)</i> 31 December 2025 AED '000
Enel Green Power España Solar 1 S.L.	183,593	287,617
Dudgeon Offshore Wind UK Limited	117,368	160,462
Shams Power Company PJSC	39,332	65,553
Hywind Scotland Limited	24,499	-
Energize O&M Company LLC	17,628	4,441
Rocksprings Val Verde Wind LLC	11,526	39,300
Jordan Wind Power Company PJSC	11,017	20,939
Big Beau Holdco LLC	10,558	27,985
Enel Green Power España Solar 2 S.L.	3,684	-
Blue Palm Holdings LLC	1,223	26,597
Amaala Trading Company	-	170,771
PT Pertamina Geothermal Energy TBK	-	73,770
MNE Trading Ltd	-	55,992
Others	<u>566</u>	<u>17,362</u>
	<u>420,994</u>	<u>950,789</u>

(iii) On acquisition of Dogger Bank South East Limited and Dogger Bank South West Limited (DBS projects) in 2023, the Group paid upfront consideration of GBP 70 million and agreed a deferred consideration of GBP 131.4 million payable at final investment decision (FID). During the period, the consideration structure was amended and a contingent consideration mechanism was introduced, under which (i) the upfront consideration is refundable if the Company secure Contracts for Difference (CfDs) from the UK Government for the development of the Dogger Bank South (DBS) offshore wind farms, (ii) the deferred consideration is postponed to commercial operation date (COD), and (iii) an amount of up to GBP 201.4 million of contingent consideration payable at COD based on actual construction costs relative to the FID budget. Accordingly, the carrying value of the equity-accounted investment at 30 June 2026 has been adjusted to reflect the revised consideration mechanism.

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>(Unaudited)</i> 30 June 2026 AED '000	<i>(Audited)</i> 31 December 2025 AED '000
Gross receivables	3,645,880	3,719,834
Less: Provision for expected credit losses	<u>(32,172)</u>	<u>(32,459)</u>
	<u>3,613,708</u>	<u>3,687,375</u>

Abu Dhabi Future Energy Company PJSC (Masdar)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2026 (Unaudited)

13 RELATED PARTY TRANSACTIONS AND BALANCES continued

13.1 Loans to related parties continued

Loans to related parties are classified as follows:

	<i>(Unaudited)</i> 30 June 2026 AED '000	<i>(Audited)</i> 31 December 2025 AED '000
Non-current	3,438,414	3,413,759
Current	<u>175,294</u>	<u>273,616</u>
	<u>3,613,708</u>	<u>3,687,375</u>

During the period, the Group recognised a reversal of expected credit loss provision of AED 0.3 million (Period ended 30 June 2025: recognised expected credit loss provision of AED 2.2 million) with respect to receivable from related parties.

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

	<i>(Unaudited)</i> 30 June 2026 AED '000	<i>(Audited)</i> 31 December 2025 AED '000
At the beginning of the period/year	3,719,834	2,902,868
Addition	390,603	893,418
Interest (note 7.1)	93,018	186,303
Receipts	(90,559)	(138,846)
Conversion to investment in equity accounted investees (i)	(460,641)	(44,432)
Reclassified to equity accounted investments on disposal	-	(117,342)
Effect of movement in exchange rates	<u>(6,375)</u>	<u>37,865</u>
At the end of the period/year	<u>3,645,880</u>	<u>3,719,834</u>

- (i) This represents AED 460.6 million of shareholder loan to Infinity Power Holdings BV converted into equity during the period ended 30 June 2026.

Loans to related parties are unsecured and have been provided at mutually agreed interest rates benchmarked to prevailing market rates.

Abu Dhabi Future Energy Company PJSC (Masdar)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2026 (Unaudited)

13 RELATED PARTY TRANSACTIONS AND BALANCES continued

13.2 Due from related parties

Due from related parties are classified as follows:

	<i>(Unaudited)</i> 30 June 2026 <i>AED '000</i>	<i>(Audited)</i> 31 December 2025 <i>AED '000</i>
<i>Shareholders</i>		
Abu Dhabi National Oil Company PJSC	630	-
Mamoura Diversified Global Holding PJSC	<u>244</u>	<u>244</u>
	<u>874</u>	<u>244</u>
<i>Other related parties</i>		
Abu Dhabi Ports Company PJSC	2,062	-
Business Management Solutions L.L.C	703	-
Emirates Water and Electricity Company PJSC	105	-
Masdar City Service L.L.C.	<u>150</u>	<u>150</u>
	<u>3,020</u>	<u>150</u>
<i>Equity-accounted investees</i>		
Masdar Green Hydrogen L.L.C.	138,830	67,117
Dudgeon Offshore Wind UK limited	110,247	83,107
Amaala Sustainable Company for Energy	48,126	-
Dhafra PV2 Energy Company L.L.C.	10,582	10,582
Solar 600 Power Company	9,622	-
Emirates Solar Power Company L.L.C.	6,938	2,857
Sana Taibah Al Henakiyah L.L.C.	5,689	-
Shuaa Energy 4 PSC	4,428	1,319
Nour Ibri Solar Power SAOC	1,672	-
Khazna Solar PV Project Company - L.L.C.	1,095	-
Siraj Altaqa Alnazifa Company L.L.C.	-	15,004
Dumat Al Jandal Wind Energy Company L.L.C.	1,092	1,092
Others	<u>7,873</u>	<u>10,410</u>
	<u>346,194</u>	<u>191,488</u>
Total	<u>350,088</u>	<u>191,882</u>

Abu Dhabi Future Energy Company PJSC (Masdar)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2026 (Unaudited)

13 RELATED PARTY TRANSACTIONS AND BALANCES continued

13.3 Due to related parties

	<i>(Unaudited)</i> 30 June 2026 AED '000	<i>(Audited)</i> 31 December 2025 AED '000
Shareholder		
Mamoura Diversified Global Holding PJSC	247	247
Other related parties		
Department of Finance of the Government of Abu Dhabi	73,417	78,215
Emirates Solar Power Co. L.L.C.	19,336	19,603
Business Management Solutions L.L.C.	<u>2,129</u>	<u>3,204</u>
	<u>95,129</u>	<u>101,269</u>

13.4 Other related party balances

	<i>(Unaudited)</i> 30 June 2026 AED '000	<i>(Audited)</i> 31 December 2025 AED '000
Cash and bank balances	4,866,903	4,256,499
Project advances*	815,790	794,613
Finance lease receivables	52,660	52,774

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 2026 AED '000	<i>Six months</i> <i>period ended</i> 30 June 2025 AED '000
Entities under common control		
Recharge of costs from Business Management Solutions L.L.C.	3,400	9,779
Finance lease income from Abu Dhabi Ports Company PJSC	1,851	1,548
Interest income from loans to related parties	93,018	62,530
Funds received from Shareholders		
Mamoura Diversified Global Holding PJSC (MDGH)	704,128	-
Abu Dhabi National Energy Company PJSC (TAQA)	917,501	94,751
Abu Dhabi National Oil Company PJSC (ADNOC)	512,092	-

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 June 2026 (Unaudited)

13 RELATED PARTY TRANSACTIONS AND BALANCES continued

13.5 Transactions with related parties continued

Key management personnel compensation is as follows:

	<i>Six months period ended 30 June 2026 AED '000</i>	<i>Six months period ended 30 June 2025 AED '000</i>
Salaries	18,666	17,297
Other benefits – direct allowances	14,072	11,562
Other long-term incentives and benefits	1,926	1,667
Post-employment end of service benefits	2,491	2,103

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 19.

During the six months period ended 30 June 2026, the Group has not recognised any expected credit loss provision on dues from related parties other than the expected credit losses recognised with respect to loans to related parties (30 June 2025: nil). This assessment is undertaken each financial period through examining the financial position of the related parties and the market which the related parties operate.

14 CASH AND CASH EQUIVALENTS

	<i>(Unaudited) 30 June 2026 AED '000</i>	<i>(Audited) 31 December 2025 AED '000</i>
Cash at banks and on hand	5,441,583	5,263,755
Term deposits	<u>2,689,967</u>	<u>2,436,149</u>
	8,131,550	7,699,904
Less: Restricted cash	(162,409)	(202,073)
Less: Term deposits (more than 90 days)	<u>(62,930)</u>	<u>-</u>
Cash and cash equivalents	<u>7,906,211</u>	<u>7,497,831</u>

Term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group are treated as cash and cash equivalents. They 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 Central Bank 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.

Abu Dhabi Future Energy Company PJSC (Masdar)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2026 (Unaudited)

15 ADDITIONAL CAPITAL CONTRIBUTION

Additional capital contribution represents contributions received from the shareholders of the Company to fund the Group's acquisitions. This balance is interest-free and there are no contractual repayment obligations. The Company received additional capital contributions of AED 2,134 million from shareholders for financing of investments during the period ended 30 June 2026 (30 June 2025: AED 95 million).

16 RESERVES

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 350,606 thousand (31 December 2025: AED 318,146 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>(Unaudited)</i> 30 June 2026 AED '000	<i>(Audited)</i> 31 December 2025 AED '000
Hedging reserve	669,491	437,758
Foreign exchange translation reserve	535,249	1,031,366
Others	<u>267,843</u>	<u>267,843</u>
	<u>1,472,583</u>	<u>1,736,967</u>

17 LOANS AND BORROWINGS

	<i>(Unaudited)</i> 30 June 2026 AED '000	<i>(Audited)</i> 31 December 2025 AED '000
<i>Interest bearing loans and borrowings</i>		
Revolving credit facilities	221,399	183,781
Green bonds	10,025,290	10,019,098
Term loans	<u>23,309,812</u>	<u>19,702,960</u>
	33,556,501	29,905,839
<i>Islamic financing facilities</i>		
Islamic financing facility	<u>115,780</u>	<u>-</u>
	<u>33,672,281</u>	<u>29,905,839</u>
Loans and borrowings are classified as follows:		
Current	4,849,395	3,033,258
Non-current:	<u>28,822,886</u>	<u>26,872,581</u>
	<u>33,672,281</u>	<u>29,905,839</u>

Abu Dhabi Future Energy Company PJSC (Masdar)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2026 (Unaudited)

17 LOANS AND BORROWINGS continued

Movement in loans and borrowings is as follows:

	<i>(Unaudited)</i> 30 June 2026 AED '000	<i>(Audited)</i> 31 December 2025 AED '000
At the beginning of the period/year	29,905,839	23,970,779
Drawdowns during the period/year	4,682,820	6,167,402
Repayments during the period/year	(534,878)	(2,017,639)
Amortisation of deferred finance costs	35,566	54,713
Foreign exchange fluctuations	<u>(417,066)</u>	<u>1,730,584</u>
At the end of the period/year	<u>33,672,281</u>	<u>29,905,839</u>

Green Bond

The Company has issued direct, unconditional and unsecured green bonds under a Euro Medium Term Note (EMTN) programme which are listed on the London Stock Exchange's International Securities Market (ISM), with a secondary listing on the Abu Dhabi Securities Exchange (ADX).

Solar 24 Seven 2 - L.L.C - S.P.C (Solar 24 Seven 2)

During the period, the Group, through Solar 24 Seven 2, entered into financing arrangements for a greenfield project in Abu Dhabi through a combination of senior commercial term debt of USD 2.9 billion (AED 10.7 billion), a revolving VAT facility of USD 140 million (AED 514 million) and a Shariah-compliant Islamic financing facility of USD 170 million (AED 625 million). The senior syndicated commercial facility bears interest at SOFR plus a margin and is repayable between 2028 and 2030. The VAT facility is revolving in nature and is repayable upon receipt of VAT refunds. The Islamic financing facility carries interest at market rates and is repayable with a 100% bullet payment in December 2030. The Group has drawn USD 645 million (AED 2,371 million) from these facilities during the period. During the period, the Group capitalised borrowing costs of AED 31.7 million from these specific facilities with respect to Solar 24 Seven 2 plant.

During 2025, there was a technical breach related to loan covenants associated with term loans secured from a consortium of lenders. 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 Azerbaijan namely: Area 60 and Bilasuvar. Total loan balance associated with the respective projects amounting to AED 880 million is reclassified from non-current to current at 30 June 2026 (31 December 2025: AED 512 million).

As at 30 June 2026, borrowings with recourse to Abu Dhabi Future Energy Company amounted to AED 12,342 million (31 December 2025: AED 10,878 million), comprising green bonds of AED 10,025 million (31 December 2025: AED 10,019 million), outstanding drawdowns under the bridge facility of AED 2,097 million for Solar 24 Seven projects (31 December 2025: AED 551 million), and an equity bridge loan at Nur Navoi Holdco RSC of AED 220 million (31 December 2025: Nur Navoi Holdco RSC of AED 220 million and South Jeddah Noor PV Energy Company of AED 88 million).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 June 2026 (Unaudited)

18 FINANCIAL INSTRUMENTS

18.1 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, the Group recognised a gain of AED 3.5 million with respect to pre-hedge interest rate swaps entered into by the Group (Six months ended 30 June 2025: Nil).

	<i>(Unaudited)</i> 30 June 2026		<i>(Audited)</i> 31 December 2025	
	<i>Current</i>	<i>Non-current</i>	<i>Current</i>	<i>Non-current</i>
	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
Cash flow hedges				
<i>Assets</i>				
Interest rate swap	673	-	-	-
Price derivatives	<u>917</u>	<u>-</u>	<u>338</u>	<u>-</u>
	<u>1,590</u>	<u>-</u>	<u>338</u>	<u>-</u>
<i>Liabilities</i>				
Interest rate swaps	-	-	2,135	-
Price derivatives	<u>-</u>	<u>-</u>	<u>87</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>2,222</u>	<u>-</u>

(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 Group has also entered into pay-fixed, receive-fixed cross-currency interest rate swaps against the bonds in issue and price derivatives forward contracts to manage the exposure to commodity price risk. 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 0.2 million (Six months ended 30 June 2025: gain of AED 15 million) was recognised in the interim consolidated statement of comprehensive income.

	<i>(Unaudited)</i> 30 June 2026		<i>(Audited)</i> 31 December 2025	
	<i>Current</i>	<i>Non-current</i>	<i>Current</i>	<i>Non-current</i>
	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
Cash flow hedges				
<i>Assets</i>				
Interest rate swaps	121,994	557,608	91,244	444,481
Cross currency swaps	55,923	-	53,502	-
Price derivatives	<u>1,644</u>	<u>96,497</u>	<u>9,201</u>	<u>89,396</u>
	<u>179,561</u>	<u>654,105</u>	<u>153,947</u>	<u>533,877</u>
<i>Liabilities</i>				
Interest rate swaps	1,983	113,481	12,563	74,910
Cross currency swaps	-	76,762	-	137,770
Price derivatives	<u>17,187</u>	<u>2,774</u>	<u>7,486</u>	<u>3,834</u>
	<u>19,170</u>	<u>193,017</u>	<u>20,049</u>	<u>216,514</u>

Abu Dhabi Future Energy Company PJSC (Masdar)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2026 (Unaudited)

18 FINANCIAL INSTRUMENTS continued

18.2 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 2026 AED'000 (Unaudited)	31 December 2025 AED'000 (Audited)	30 June 2026 AED'000 (Unaudited)	31 December 2025 AED'000 (Audited)
Interest bearing loans and borrowing (Green bonds)	10,100,367	10,186,965	10,025,290	10,019,098

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.

18.3 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)

	Fair value as at		Carrying value		Fair value hierarchy
	30 June 2026 (Unaudited) AED'000	31 December 2025 (Audited) AED'000	30 June 2026 (Unaudited) AED'000	31 December 2025 (Audited) AED'000	
Financial assets measured at fair value					
Derivative financial assets	835,256	688,162	835,256	688,162	Level 2
Financial assets carried at fair value through profit or loss					
Equity investment	103,333	140,886	103,333	140,886	Level 3
Financial assets carried at fair value through OCI					
Equity investment	19,192	19,830	19,192	19,830	Level 3
Financial liabilities measured at fair value					
Derivative financial liabilities	212,187	238,785	212,187	238,785	Level 2
Deferred and contingent consideration	726,386	895,604	726,386	895,604	Level 3
Financial liabilities measured at amortised cost and disclosed at fair value					
Green bonds	10,100,367	10,186,965	10,025,290	10,019,098	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 six months period ended 30 June 2026 and year ended 31 December 2025 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 30 June 2026 (Unaudited)

19 COMMITMENTS AND CONTINGENCIES

Capital commitments

AED '000

30 June 2026 (unaudited)

Capital commitments	<u>9,681,625</u>
Group's share in the commitments of its equity-accounted investees	<u>33,737</u>
Commitments towards financial investments	<u>66,358</u>
Group's share in the commitments of its joint operations	<u>1,031</u>

31 December 2025 (audited)

Capital commitments	<u>3,242,159</u>
Group's share in the commitments of its equity-accounted investees	<u>75,042</u>
Commitments towards financial investments	<u>70,706</u>
Group's share in the commitments of its joint operations	<u>1,039</u>

Guarantees

As at 30 June 2026, the Group had issued corporate guarantees amounting to AED 5,108 million (31 December 2025: AED 4,932 million) with respect to various corporate commitments, including a AED 312 million (31 December 2025: AED 312 million) guarantee in respect of a USD-denominated equity bridge loan facility at Nur Navoi Solar Holding for the purposes of funding its equity commitments on the Nur Navoi Solar project. In March 2026, the Group repaid a USD-denominated equity bridge facility at South Jeddah Noor PV Energy Company and the corresponding guarantee of AED 104 million (31 December 2025: AED 104 million) was retired.

As at 30 June 2026, the banks have issued guarantees and letters of credit for the Group under various uncommitted trade finance facilities and other facilities amounting to AED 10,512 million (31 December 2025: AED 8,469 million).

20 SEASONALITY OF OPERATIONS

Interim results fluctuate 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 follow 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.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 June 2026 (Unaudited)

21 EVENTS AFTER REPORTING DATE

- (i) In July 2026, the Group achieved financial closing for the North Site of the world's first gigascale Round-the-Clock (RTC) renewable energy project in Abu Dhabi. The North Site represents a total investment of approximately AED 9.2 billion (USD 2.5 billion), supported by financing of approximately AED 7.7 billion (USD 2.1 billion). The overall project, comprising both the North and South Sites, includes a 5.2GW solar PV plant integrated with a 19GWh battery energy storage system (BESS) and represents a total investment of approximately AED 22.4 billion (USD 6.1 billion). This event has been assessed as a non-adjusting subsequent event and, accordingly, no adjustments have been made to these interim condensed consolidated financial statements.
- (ii) On 19 February 2026, Pantenergía S.L., a subsidiary of Terp Spanish Holdco S.L.U. entered into a Share Purchase Agreement for the sale of 60% of the voting equity interests in certain subsidiaries. The transaction is conditional upon satisfaction of conditions precedent, including approval from Directorate-General for Energy and Geology (DGEG) and reorganization of debts. The Group received approval from DGEG regarding the change of control on 23 July 2026 and the requirements over the reorganization of debts were waived by lenders on 29 July 2026. Accordingly, the transaction was completed on 1 August 2026. This event has been assessed as a non-adjusting subsequent event and, accordingly, no adjustments have been made to these interim condensed consolidated financial statements.

22 COMPARATIVE INFORMATION

Certain comparative figures have been reclassified, wherever necessary, these changes have been made to improve the quality of information presented and to conform with the presentation adopted in the current period including presentation of commitments and contingencies. Such reclassification has no impact on previously reported profit or equity of the Group.

Consolidated statement of comprehensive income for the period ended 30 June 2025

	<i>Previously reported amount AED '000</i>	<i>Reclassification AED '000</i>	<i>Reclassified amount AED '000</i>
General and administrative expenses	538,611	38,783	577,394
Project expenses	130,110	(38,783)	91,327