Abu Dhabi National Energy Company PJSC
("TAQA")

REVIEW REPORT AND INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED
30 SEPTEMBER 2024 (UNAUDITED)

Deloitte.

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors
Abu Dhabi National Energy Company PJSC ("TAQA")
Abu Dhabi
United Arab Emirates

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Abu Dhabi National Energy Company PJSC ("the Company") ("TAQA") and its subsidiaries (together referred to as "the Group") as of 30 September 2024, and the related interim condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the nine month period then ended and other explanatory notes. Management is responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard (IAS) 34, "*Interim Financial Reporting*". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects in accordance with IAS 34, "*Interim Financial Reporting*".

Deloitte & Touche (M.E.)

Mohammad Khamees Al Tah
Registration No. 717
13 November 2024
Abu Dhabi
United Arab Emirates

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
Nine month period ended 30 September 2024 (Unaudited)

	Notes	*Three month period ended 30 September* **2024** **AED million**	*2023* *AED million*	*Nine month period ended 30 September* **2024** **AED million**	*2023* *AED million*
CONTINUING OPERATIONS					
REVENUES					
Revenue from generation of power and water	3.1	**3,232**	3,193	**9,292**	9,643
Revenue from transmission and distribution of power and water	3.2	**9,571**	7,704	**26,126**	23,273
Revenue from oil and gas	3.3	**1,150**	1,842	**4,501**	6,476
Revenue from water solutions	3.4	**610**	-	**1,823**	-
		14,563	12,739	**41,742**	39,392
COST OF SALES					
Operating expenses		**(8,791)**	(7,357)	**(24,194)**	(22,746)
Depreciation, depletion and amortisation		**(2,458)**	(2,262)	**(7,353)**	(6,756)
		(11,249)	(9,619)	**(31,547)**	(29,502)
GROSS PROFIT		**3,314**	3,120	**10,195**	9,890
General and administrative expenses		**(798)**	(565)	**(1,906)**	(1,583)
Finance costs		**(755)**	(734)	**(2,262)**	(2,170)
Net foreign exchange (loss) gain		**(123)**	65	**(56)**	40
Share of results of associates and joint ventures		**177**	(42)	**371**	157
Interest income		**103**	145	**401**	342
Gain on recognition of an investment	17	**-**	-	**-**	10,784
Dividend income from an investment		**314**	-	**612**	-
Other income		**93**	104	**313**	273
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS		**2,325**	2,093	**7,668**	17,733
Income tax expense	4	**(311)**	(360)	**(1,112)**	(2,379)
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS		**2,014**	1,733	**6,556**	15,354
DISCONTINUED OPERATIONS					
Profit (loss) after tax for the period from discontinued operations	18	**18**	(20)	**66**	19
PROFIT FOR THE PERIOD		**2,032**	1,713	**6,622**	15,373
Attributable to:					
Equity holders of the parent		**1,871**	1,621	**6,318**	15,238
Non-controlling interests		**161**	92	**304**	135
PROFIT FOR THE PERIOD		**2,032**	1,713	**6,622**	15,373

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
Nine month period ended 30 September 2024 (Unaudited) continued

		Three month period ended 30 September		***Nine month period ended 30 September***	
		2024	*2023*	***2024***	*2023*
	Notes	***AED million***	*AED million*	***AED million***	*AED million*
Basic and diluted earnings per share attributable to equity holders of the parent (AED) from continuing operations	5	**0.02**	0.01	**0.06**	0.14
Basic and diluted earnings per share attributable to equity holders of the parent (AED) from continuing operations and discontinued operations	5	**0.02**	0.01	**0.06**	0.14

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
Nine month period ended 30 September 2024 (Unaudited)

	Notes	***Three month period ended 30 September*** 2024 AED million	2023 AED million	***Nine month period ended 30 September*** 2024 AED million	2023 AED million
PROFIT FOR THE PERIOD		**2,032**	1,713	**6,622**	15,373
OTHER COMPREHENSIVE INCOME (LOSS)					
Items that may be reclassified to income statement in subsequent periods:					
Changes in fair values of derivative instruments in cash flow hedges net		**(497)**	423	**(137)**	616
Share of other comprehensive income of joint ventures and associates		**(351)**	160	**(451)**	173
Exchange differences arising on translation of overseas operations		**224**	(71)	**140**	(16)
		(624)	512	**(448)**	773
Items not to be reclassified to income statement in subsequent periods:					
Remeasurement gain on defined benefit plans		-	-	-	6
Changes in fair value of investments carried at fair value through OCI	17	**1,114**	1,535	**346**	2,571
		1,114	1,535	**346**	2,577
NET OTHER COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD		**490**	2,047	**(102)**	3,350
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**2,522**	3,760	**6,520**	18,723
Attributable to:					
Equity holders of the parent		**2,569**	3,492	**6,277**	18,344
Non-controlling interests		**(47)**	268	**243**	379
		2,522	3,760	**6,520**	18,723

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 September 2024 (Unaudited)

	Notes	*30 September 2024 AED million*	*(Audited) 31 December 2023 AED million*
ASSETS			
Non-current assets			
Property, plant and equipment	7	**134,230**	115,876
Operating financial assets		**7,271**	7,573
Intangible assets		**14,618**	15,597
Investments carried at fair value through other comprehensive income	17	**12,204**	11,858
Investment in and loans to associates and joint ventures		**11,873**	8,209
Deferred tax assets		**5,660**	6,098
Derivative financial instruments	14	**365**	354
Other assets		**1,056**	1,054
		187,277	166,619
Current assets			
Inventories		**3,203**	3,202
Amounts due from related parties	12	**5,678**	1,904
Operating financial assets		**1,187**	1,213
Accounts receivable and prepayments		**7,496**	5,927
Derivative financial instruments	14	**175**	229
Income tax prepaid		**877**	527
Cash and short term deposits	8	**7,111**	14,077
		25,727	27,079
Assets classified as held for sale	18	**-**	942
TOTAL ASSETS		**213,004**	194,640
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		**112,434**	112,434
Merger reserve	9	**(55,437)**	(56,443)
Statutory reserve	9	**4,077**	3,445
Retained earnings		**31,345**	18,168
Foreign currency translation reserve		**89**	(51)
Cumulative changes in fair value of derivatives in cash flow hedges		**3,469**	3,996
Cumulative changes in fair value of investments	17	**1,420**	1,074
		97,397	82,623
Non-controlling interests		**6,154**	6,361
Loans from non-controlling interest shareholders in subsidiaries		**107**	111
Total non-controlling interest, including loans		**6,261**	6,472
TOTAL EQUITY		**103,658**	89,095

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION continued

As at 30 September 2024 (Unaudited)

	Notes	***30 September 2024 AED million***	*(Audited) 31 December 2023 AED million*
Non-current liabilities			
Interest bearing loans and borrowings	10	**54,133**	55,442
Deferred tax liabilities		**2,330**	2,417
Asset retirement obligations		**12,335**	13,471
Derivative financial instruments	14	**373**	342
Other liabilities		**3,078**	2,547
		72,249	74,219
Current liabilities			
Accounts payable, accruals and other liabilities		**23,559**	19,205
Interest bearing loans and borrowings	10	**6,472**	6,211
Amounts due to related parties	12	**5,592**	4,588
Bank overdrafts	8	**4**	3
Income tax payable		**1,254**	906
Derivative financial instruments	14	**216**	67
		37,097	30,980
Liabilities directly associated with assets classified as held for sale	18	**-**	346
TOTAL LIABILITIES		**109,346**	105,545
TOTAL EQUITY AND LIABILITIES		**213,004**	194,640

To the best of our knowledge, the financial information included in these interim condensed consolidated financial statements fairly presents in all material respects the financial condition, results of operation and cash flows of the Group as of, and for, the periods presented therein. The interim condensed consolidated financial statements were approved by the Board of Directors on 13 November 2024 and signed on its behalf by:

CHAIRMAN OF THE BOARD OF DIRECTORS

CHAIRMAN OF THE AUDIT COMMITTEE

GROUP CHIEF EXECUTIVE OFFICER & MANAGING DIRECTOR

CHIEF FINANCIAL OFFICER

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
Nine month period ended 30 September 2024 (Unaudited)

	Attributable to equity holders of the parent										
	Share capital AED million	*Merger reserve AED million*	*Statutory reserves AED million*	*Retained earnings AED million*	*Foreign currency translation reserve AED million*	*Cumulative changes in fair value of derivatives AED million*	*Cumulative changes in fair value of investments AED million*	***Total AED million***	*Non-controlling interests AED million*	*Loans from non-controlling interest shareholders in subsidiaries AED million*	***Total equity AED million***
Balance at 1 January 2023 (audited)	112,434	(56,443)	1,780	9,002	(117)	3,871	-	70,527	7,297	165	77,989
Profit for the period	-	-	-	15,238	-	-	-	15,238	135	-	15,373
Other comprehensive income for the period	-	-	-	6	(16)	545	2,571	3,106	244	-	3,350
Total comprehensive income for the period	-	-	-	15,244	(16)	545	2,571	18,344	379	-	18,723
Dividends (note 16)	-	-	-	(5,176)	-	-	-	(5,176)	(679)	-	(5,855)
Transfer to reserves	-	-	1,524	(1,524)	-	-	-	-	-	-	-
Group ownership modification	-	-	-	85	-	-	-	85	(269)	-	(184)
Repayment of loans	-	-	-	-	-	-	-	-	-	(42)	(42)
Balance at 30 September 2023 (unaudited)	112,434	(56,443)	3,304	17,631	(133)	4,416	2,571	83,780	6,728	123	90,631
Balance at 1 January 2024 (audited)	112,434	(56,443)	3,445	18,168	(51)	3,996	1,074	82,623	6,361	111	89,095
Profit for the period	-	-	-	6,318	-	-	-	6,318	304	-	6,622
Other comprehensive (loss) income for the period	-	-	-	-	140	(527)	346	(41)	(61)	-	(102)
Total comprehensive income (loss) for the period	-	-	-	6,318	140	(527)	346	6,277	243	-	6,520
Dividends (note 16)	-	-	-	(3,823)	-	-	-	(3,823)	(493)	-	(4,316)
Transfer to reserves	-	-	632	(632)	-	-	-	-	-	-	-
Share capital reduction	-	-	-	-	-	-	-	-	(184)	-	(184)
Repayment of loans	-	-	-	-	-	-	-	-	-	(4)	(4)
Disposal of an entity (note 18)	-	1,006	-	(1,006)	-	-	-	-	-	-	-
Transfer of entities under common control (note 19)	-	-	-	12,320	-	-	-	12,320	227	-	12,547
Balance at 30 September 2024 (unaudited)	**112,434**	**(55,437)**	**4,077**	**31,345**	**89**	**3,469**	**1,420**	**97,397**	**6,154**	**107**	**103,658**

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
Nine month period ended 30 September 2024 (Unaudited)

	Notes	*30 September 2024 AED million*	*30 September 2023 AED million*
OPERATING ACTIVITIES			
Profit before tax from continuing operations		**7,668**	17,733
Profit before tax from discontinued operations		**66**	19
		7,734	17,752
Adjustments for:			
Depreciation, depletion and amortisation		**7,394**	6,787
Finance costs		**2,262**	2,171
Share of results of associates and joint ventures		**(371)**	(157)
Interest income		**(401)**	(342)
Gain on recognition of an investment	17	**-**	(10,784)
Dividend income from an investment		**(612)**	-
Other movements		**368**	283
Revenue from operating financial assets		**(1,072)**	(1,080)
		7,568	(3,122)
Working capital changes:			
Inventories		**20**	40
Accounts receivables and prepayments		**367**	59
Amounts due from related parties		**(2,694)**	(639)
Amounts due to related parties		**(3)**	(23)
Accounts payable, accruals and other liabilities		**(1,211)**	(47)
Income tax paid		**(732)**	(959)
Asset retirement obligation payments		**(1,177)**	(690)
Cash received from operating financial assets		**1,438**	1,541
		(3,992)	(718)
Net cash generated from operating activities		**11,310**	13,912
INVESTING ACTIVITIES			
Transfer of entities under common control - cash and cash equivalents in acquired entities	19	**463**	-
Consideration paid for an acquired entity	19	**(862)**	-
Purchases of property, plant and equipment	7	**(5,385)**	(3,111)
Advances to associates and joint ventures	12	**(3,638)**	(529)
Purchase of shares in a subsidiary		**-**	(204)
Interest received		**401**	342
Dividend received from an investment		**612**	-
Other movements		**(38)**	(188)
Net cash used in investing activities		**(8,447)**	(3,690)

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS continued
Nine month period ended 30 September 2024 (Unaudited)

	Notes	***30 September 2024 AED million***	*30 September 2023 AED million*
FINANCING ACTIVITIES			
Repayments of interest bearing loans and borrowings	10	**(5,645)**	(11,525)
Receipts of interest bearing loans and borrowings	10	**3,360**	11,999
Repayments of Islamic loans	10	**-**	(92)
Payments of lease liabilities	10	**(147)**	(141)
Interest paid		**(2,073)**	(2,119)
Dividend paid to non-controlling interest shareholders		**(527)**	(788)
Dividend paid to shareholders		**(3,823)**	(5,176)
Repayment of loans to non-controlling interest shareholders		**(4)**	(42)
Payment of share capital reduction to non-controlling interest shareholders		**(184)**	-
Amounts due to related parties	19	**(879)**	-
Net cash used in financing activities		**(9,922)**	(7,884)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		**(7,059)**	2,338
Net foreign exchange difference		**49**	(110)
Restricted cash movement		**3**	34
Cash and cash equivalents at 1 January		**13,878**	10,123
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	8	**6,871**	12,385

Significant non-cash transactions:

In the period ended 30 September 2024, assets with a value of AED 411 million and AED 274 million were respectively transferred to TAQA Transmission (formally Abu Dhabi Transmission & Despatch Company PJSC) and TAQA Distribution (formally Abu Dhabi Distribution Company PJSC AED 220 million and Al Ain Distribution Company PJSC AED 54 million). These amounts have not been reflected in the 'Purchases of property, plant and equipment' in the interim condensed consolidated statement of cash flows as they were transferred at nil cost to the companies, however the amounts have been recorded within 'Property, plant and equipment' on the interim condensed consolidated statement of financial position.

In the period ended 30 September 2023, assets with a value of AED 753 million were transferred to TAQA Transmission (formally Abu Dhabi Transmission & Despatch Company PJSC). As the assets were transferred at nil cost to the company there were no transactions to reflect in the interim condensed consolidated statement of cash flows, however the amount had been recorded within 'Property, plant and equipment' on the interim condensed consolidated statement of financial position.

In the period ended 30 September 2023, an equity investment with a fair value of AED 10,784 million at initial recognition was transferred to Abu Dhabi National Energy Company PJSC (TAQA). This represents a 5% holding of the total issued share capital of ADNOC Gas plc, an entity listed on the Abu Dhabi Securities Exchange (ADX). This amount had not been reflected in the interim condensed consolidated statement of cash flows, however the amount was recorded on the interim condensed consolidated statement of financial position. Further details are provided in note 17.

1 CORPORATE INFORMATION

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

TAQA is a subsidiary of Abu Dhabi Power Corporation ("ADPC") and is listed on the Abu Dhabi Securities Exchange. ADPC's ownership represents 90.0% of the entire issued share capital of TAQA. Of the remainder, 5.1% is held by Norm Commercial Investments – One Person Company and 4.9% by other shareholders including the public. ADPC is a 100% owned by Abu Dhabi Developmental Holding Company ("ADQ").

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

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

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial statements for the nine months period ended 30 September 2024 have been prepared in accordance with International Accounting Standard IAS 34, *Interim Financial Reporting.*

The interim condensed consolidated financial statements have been presented in United Arab Emirates Dirhams ("AED"), which is the functional currency of the Company and presentation currency of the Group. All values are rounded to the nearest million (AED million) except where otherwise indicated.

The interim condensed consolidated financial statements do not include all information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2023. In addition, results for the nine months ended 30 September 2024 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024.

As at 30 September 2024, retained earnings of the Group are AED 31,345 million (31 December 2023: AED 18,168 million). As at 30 September 2024, the current liabilities of the Group exceed its current assets by AED 11,370 million (31 December 2023: by AED 3,901 million). The Group has sufficient short to medium term liquidity to meet ongoing commitments and upcoming debt repayments in the ordinary course of business. Therefore it is concluded that there are sufficient resources available to support the going concern assumption being appropriate for the preparation of the interim condensed consolidated financial statements for the nine month period ended 30 September 2024.

On 9 December 2022, the UAE Ministry of Finance released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (Corporate Tax Law or the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime has become effective for accounting periods beginning on or after 1 June 2023. The Cabinet of Ministers Decision No. 116 of 2022 (widely accepted to be effective from 16 January 2023) specified the threshold of taxable income to which the 0% UAE CT rate would apply, and above which the 9% UAE CT rate would apply. It is widely considered that this would constitute 'substantive enactment' of the UAE CT Law for the purposes of IAS 12, the objective of which is to prescribe the basis for accounting for Income Taxes.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES continued

2.1 BASIS OF PREPARATION continued

Current taxes should be measured at the amount expected to be paid to or recovered from the tax authorities by reference to tax rates and laws that have been enacted or substantively enacted, by the end of the any reporting period. Since no taxes were expected to be paid to or recovered from the tax authorities for the periods ended prior to 31 December 2023, no current tax was accounted for in the financial periods ended before 31 December 2023. Since the Group is expected to pay tax in accordance with the provision of the UAE CT Law on its operational results with effect from 1 January 2024, current taxes have been accounted for in the consolidated financial statements for the period beginning from 1 January 2024.

Deferred taxes should be measured by reference to the tax rates and laws, as enacted, or substantively enacted, by the end of the reporting period, that are expected to apply in the periods in which the assets and liabilities to which the deferred tax relates are realized or settled. As the UAE CT Law was 'substantively enacted' as at 31 December 2023 for the purposes of IAS 12, the Group considered the application of IAS 12 and any requirements for the measurement and recognition of deferred taxes (if any) for the financial periods ended post 1 June 2023. Based on an assessment conducted by the Group's management, of the potential impact of the UAE CT Law on the balance sheet, the Group considered that taxable temporary differences arise in respect of Purchase Price Allocation (PPA) adjustments carried on the Group's consolidated balance sheet and relating to corporate transaction in prior accounting periods. The Group has assessed a potential deferred tax liability in the amount of AED 1,198 million and relating to the PPA attributable to UAE-based Group entities. No other potential deferred tax assets or liabilities have been identified at 31 December 2023.

On 15 March 2024, the UAE Ministry of Finance released a Consultation document on implementation of the OECD Base Erosion and Profit Shifting (BEPS) Pillar II (Minimum tax), which sets out a top-up tax liability calculated based on the principles in the Pillar II model rules. The Consultation was open for comments until 10 April 2024. Given that the Group operates in multiple jurisdictions and meets the Pillar II revenue threshold, TAQA would be in scope of the OECD BEPS Pillar II model rules. Accordingly, the Group has performed an initial impact assessment of its potential exposure to Pillar II top up taxes based on historic results and forecasted projections for 2024. Based on the assessment performed, the Group does not expect any impact of Pillar II top up tax as of 30 September 2024. The Group will continue to monitor any further announcements and perform further assessment to ensure compliance with the regulations.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES continued

2.2 MATERIAL ACCOUNTING POLICIES

The Group has consistently applied the accounting policies as applied by the Group in the annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of the following new standards and interpretations effective as of 1 January 2024 which have not caused any material impact on the Group's interim condensed consolidated financial statements and one amendment noted below.

- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16) (effective from 1 January 2024).
- Non-current Liabilities with Covenants (Amendments to IAS 1) (effective from 1 January 2024).
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7) (effective from 1 January 2024).
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1) (effective from 1 January 2024).

The Group has not early adopted the following standards, interpretations or amendments that have been issued but not yet effective. These are not expected to have any material impact on the Group's consolidated financial statements.

- Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (effective date not yet decided).
- Lack of Exchangeability (Amendments to IAS 21) (effective from 1 January 2025).
- Amendments to the SASB standards to enhance their international applicability (effective from 1 January 2025).
- IFRS 18 Presentation and Disclosures in Financial Statements (effective from 1 January 2027).
- IFRS 19 Presentation without Public Accountability: Disclosures (effective from 1 January 2027).
- IFRS S1 General requirements for Disclosure of Sustainability-related Financial Information (effective date not yet decided by the regulator in the United Arab Emirates).
- IFRS S2 Climate-related Disclosures (effective date not yet decided by the regulator in the United Arab Emirates).

The accounting policy for business combination under common control has been amended in the period ended 30 September 2024. Acquisition of a controlling interest in entities that are under common control of the Shareholder which lack commercial substance and are based on a decision by the Shareholder are accounted for in accordance with the pooling of interest method of accounting using predecessor values method. The consolidated financial statements of the combined entities are presented as if the business had been combined from the date when the combining entities were first brought under common control without restating and presenting the prior period. The assets and liabilities are accounted for at carrying amounts previously recorded in the books of the transferor. The components of equity of the acquired entities are added to the same components within the Group's equity. Any transaction cost paid for acquisition is recognised directly in equity.

Acquisition of a controlling interest in entities that are under common control of the Shareholder which have commercial substance are recorded using the acquisition method.

The critical judgements and estimates used in the preparation of these interim condensed consolidated financial statements are consistent with those used in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023.

3 REVENUE

3.1 Revenue from generation of power and water

	Three month period ended 30 September		*Nine month period ended 30 September*	
	2024	*2023*	***2024***	*2023*
	AED million	*AED million*	***AED million***	*AED million*
Operating lease revenue	**1,557**	1,490	**4,473**	4,440
Revenue from operating financial assets	**405**	324	**1,072**	1,080
Energy payments and other related revenue	**490**	447	**1,376**	1,282
Fuel revenue*	**638**	932	**1,955**	2,529
Other revenue	**142**	-	**416**	312
	3,232	3,193	**9,292**	9,643

*Fuel revenue represents reimbursements from the offtakers of the power and water subsidiaries for fuel consumed in power generation in accordance with the terms of the power and water purchase agreements and the power purchase agreements.

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

3.2 Revenue from transmission and distribution of power and water

	Three month period ended 30 September		*Nine month period ended 30 September*	
	2024	*2023*	***2024***	*2023*
	AED million	*AED million*	***AED million***	*AED million*
TUOS charges for unlicensed activities	**289**	260	**804**	813
Revenue from supply and distribution of power and water	**4,747**	4,509	**11,338**	10,801
Distribution connection and meter installation fees	**83**	69	**213**	213
Water coupons	**25**	22	**67**	59
Other operating revenue	**4,427**	2,844	**13,704**	11,387
	9,571	7,704	**26,126**	23,273

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

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

3 REVENUE continued

3.3 Revenue from oil and gas

	Three month period ended 30 September		*Nine month period ended 30 September*	
	2024	*2023*	***2024***	*2023*
	AED million	*AED million*	***AED million***	*AED million*
Gross oil and gas revenue	**1,055**	1,593	**3,924**	5,680
Less: royalties	**(62)**	(82)	**(200)**	(256)
	993	1,511	**3,724**	5,424
Gas storage revenue	**131**	289	**536**	809
Net processing income	**29**	26	**123**	134
Other revenue	**23**	16	**254**	260
	1,176	1,842	**4,637**	6,627
Oil and gas net revenue in discontinued operations (note 18)	**(26)**	-	**(136)**	(151)
	1,150	1,842	**4,501**	6,476

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

3.4 Revenue from water solutions

	Three month period ended 30 September		*Nine month period ended 30 September*	
	2024	*2023*	***2024***	*2023*
	AED million	*AED million*	***AED million***	*AED million*
Sewerage services	**610**	-	**1,823**	-

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

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

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

Revenue from sewerage services commenced with TAQA Water Solutions (formerly Sustainable Water Solutions Holding Company (SWS Holding)) being transferred under the common control of the Company (note 19).

4 INCOME TAX

	Three month period ended 30 September		Nine month period ended 30 September	
	2024	2023	**2024**	2023
	AED million	AED million	**AED million**	AED million
Current income tax:				
Current income tax charge	**212**	242	**804**	958
Deferred income tax:				
Relating to origination and reversal of temporary differences	**99**	118	**308**	223
Relating to enactment of UAE corporate income tax*	-	-	-	1,198
Income tax expense	**311**	360	**1,112**	2,379

*The deferred income tax expense for the period ended 30 September 2023 of AED 1,198 million related to the initial recognition of a deferred tax liability in respect of Purchase Price Allocation (PPA) adjustments carried on the Group's interim condensed consolidated statement of financial position and attributable to certain UAE-based Group entities. While the PPA adjustments related to a corporate transaction completed in prior accounting periods, the deferred tax liability arises due to the introduction of the UAE CT Law in the UAE, and on the basis that the UAE-based entities to which those PPA adjustments are attributed should be subject to UAE CT in the future.

Tax for the nine month period is charged at 15% (30 September 2023: 41%), representing the best estimate of the average annual effective tax rate expected for the full year, applied to the pre-tax income of the nine month period.

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

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

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

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

	Three month period ended 30 September		Nine month period ended 30 September	
	2024	2023	**2024**	2023
Profit for the period attributable to equity holders of the parent from continuing and discontinued operations (*AED million*)	**1,871**	1,621	**6,318**	15,238
Weighted average number of ordinary shares issued (million)	**112,434**	112,434	**112,434**	112,434
Basic earnings per share (AED)	**0.02**	0.01	**0.06**	0.14

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

6 OPERATING SEGMENT INFORMATION

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

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

- Power and Water Generation Segment
- Power and Water Transmission & Distribution Segment
- Oil and Gas Segment
- Water Solutions Segment (note 19)

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

Power and Water Transmission & Distribution Segment
This segment is engaged in transmission and distribution of water and electricity from the generation and desalination plants in the UAE.

Oil and Gas Segment
This segment is engaged in Upstream and Midstream oil and gas activities in Canada and Netherlands and Upstream oil and gas activities in United Kingdom and Kurdistan, Iraq.

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

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

Power and Water Generation – UAE Power and Water Generation – Others	Generation
Power and Water Transmission & Distribution – UAE	Transmission & Distribution
Oil and Gas – North America Oil and Gas – Europe Oil and Gas – Iraq	Oil & Gas
Water Solutions – UAE	Water Solutions

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

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

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

6 OPERATING SEGMENT INFORMATION continued

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

	Transmission & Distribution AED million	*Generation AED million*	*Water Solutions AED million*	*Oil & Gas AED million*	*Adjustments, eliminations & unallocated AED million*	*Consolidated AED million*
Period ended 30 September 2024 (unaudited):						
Revenue from external customers	**26,126**	**9,292**	**1,823**	**4,501**	**-**	**41,742**
Operating expenses	**(18,271)**	**(3,308)**	**(512)**	**(2,110)**	**7**	**(24,194)**
Depreciation, depletion, and amortisation	**(2,714)**	**(3,371)**	**(660)**	**(621)**	**13**	**(7,353)**
Gross profit	**5,141**	**2,613**	**651**	**1,770**	**20**	**10,195**
General and administrative expenses	**(978)**	**(303)**	**(73)**	**(156)**	**(396)**	**(1,906)**
Finance costs	**(2)**	**(1,189)**	**(93)**	**(333)**	**(645)**	**(2,262)**
Net foreign exchange gains (losses)	**-**	**11**	**-**	**16**	**(83)**	**(56)**
Share of results of associates and joint ventures	**-**	**366**	**-**	**-**	**5**	**371**
Other income	**177**	**150**	**1**	**13**	**(28)**	**313**
Dividend income from an investment	**-**	**-**	**-**	**-**	**612**	**612**
Interest income	**134**	**146**	**13**	**100**	**8**	**401**
Income tax expense	**(252)**	**(291)**	**(44)**	**(504)**	**(21)**	**(1,112)**
Profit from discontinued operations	**-**	**-**	**-**	**66**	**-**	**66**
Profit for the period	**4,220**	**1,503**	**455**	**972**	**(528)**	**6,622**
Non-controlling interests	**-**	**(274)**	**(30)**	**-**	**-**	**(304)**
Profit for the period Attributable to equity holders of the parent	**4,220**	**1,229**	**425**	**972**	**(528)**	**6,318**

	Transmission & Distribution AED million	*Generation AED million*	*Water Solutions AED million*	*Oil & Gas AED million*	*Adjustments, eliminations & unallocated AED million*	*Consolidated AED million*
Period ended 30 September 2023 (unaudited):						
Revenue from external customers	23,273	9,643	-	6,476	-	39,392
Operating expenses	(15,858)	(3,918)	-	(2,990)	20	(22,746)
Depreciation, depletion, and amortisation	(2,755)	(3,370)	-	(652)	21	(6,756)
Gross profit	4,660	2,355	-	2,834	41	9,890
General and administrative expenses	(927)	(273)	-	(130)	(253)	(1,583)
Finance costs	(2)	(1,219)	-	(320)	(629)	(2,170)
Net foreign exchange gains	-	6	-	10	24	40
Share of results of associates and joint ventures	-	149	-	-	8	157
Other income	126	134	-	33	(20)	273
Interest income	106	170	-	171	(105)	342
Gain on recognition of an investment	-	-	-	-	10,784	10,784
Income tax (expense) credit	(1,036)	(338)	-	(1,261)	256	(2,379)
Profit from discontinued operations	-	-	-	19	-	19
Profit for the period	2,927	984	-	1,356	10,106	15,373
Non-controlling interests	-	(135)	-	-	-	(135)
Profit for the period Attributable to equity holders of the parent	2,927	849	-	1,356	10,106	15,238

6 OPERATING SEGMENT INFORMATION continued

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

	Transmission & Distribution AED million	*Generation AED million*	*Water Solutions AED million*	*Oil & Gas AED million*	*Adjustments, eliminations & unallocated AED million*	*Consolidated AED million*
At 30 September 2024 (unaudited)						
Property, plant and equipment	**83,562**	**26,675**	**18,407**	**5,610**	**(24)**	**134,230**
Operating financial assets	-	**8,458**	-	-	-	**8,458**
Investment in associates, joint ventures and related balances	**797**	**10,768**	-	-	**308**	**11,873**
Intangible assets	**4,755**	**9,781**	-	**82**	-	**14,618**
Investments carried at FVOCI	-	-	-	-	**12,204**	**12,204**
Deferred tax assets	-	**71**	-	**5,496**	**93**	**5,660**
Other assets	**8,253**	**9,433**	**1,608**	**2,260**	**4,407**	**25,961**
Segmental assets	**97,367**	**65,186**	**20,015**	**13,448**	**16,988**	**213,004**
Segmental liabilities	**20,176**	**35,737**	**6,590**	**15,271**	**31,572**	**109,346**

	Transmission & Distribution AED million	*Generation AED million*	*Water Solutions AED million*	*Oil & Gas AED million*	*Adjustments, eliminations & unallocated AED million*	*Consolidated AED million*
At 31 December 2023 (audited)						
Property, plant and equipment	82,913	28,075	-	4,905	(17)	115,876
Operating financial assets	-	8,786	-	-	-	8,786
Investment in associates, joint ventures and related balances	797	7,109	-	-	303	8,209
Intangible assets	4,755	10,710	-	132	-	15,597
Investments carried at FVOCI	-	-	-	-	11,858	11,858
Deferred tax assets	-	-	-	5,996	102	6,098
Other assets	4,995	9,092	-	1,726	11,461	27,274
Assets classified as held for sale	-	-	-	942	-	942
Segmental assets	93,460	63,772	-	13,701	23,707	194,640
Liabilities directly associated with assets Classified as held for sale	-	-	-	346	-	346
Segmental liabilities	20,403	36,776	-	16,385	31,981	105,545

7 PROPERTY, PLANT AND EQUIPMENT

During the nine month period ended 30 September 2024, the Group incurred capital expenditure of AED 5,252 million (30 September 2023: AED 3,036 million) and a depreciation and depletion charge of AED 6,527 million (30 September 2023: AED 5,915 million).

8 CASH AND CASH EQUIVALENTS

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

	At 30 September 2024 (Unaudited) AED million	*At 31 December 2023 (Audited) AED million*	*At 30 September 2023 (Unaudited) AED million*
Cash in hand and at banks	**4,333**	3,671	4,894
Short term deposits	**2,778**	10,449	7,722
Cash at banks and on hand classified as held for sale (note 18)	**-**	(43)	-
Total cash and short term deposits	**7,111**	14,077	12,616
Restricted cash	**(236)**	(239)	(228)
Bank overdrafts	**(4)**	(3)	(3)
Cash at banks and on hand classified as held for sale (note 18)	**-**	43	-
Net cash and cash equivalents	**6,871**	13,878	12,385

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

At 30 September 2024, the Group had available undrawn committed borrowing facilities of AED 11,139 million (31 December 2023: AED 13,584 million and 30 September 2023: AED 13,604 million) in respect of which all conditions precedent have been met.

9 OTHER EQUITY

	At 30 September 2024 (Unaudited) AED million	*At 31 December 2023 (Audited) AED million*
Statutory reserve *(i)*	**4,077**	3,445
Merger reserve *(ii)*	**(55,437)**	(56,443)

(i) Statutory reserve

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

9 OTHER EQUITY continued

(ii) Merger reserve

On 1 July 2020, the Company completed a transaction whereby ADPC contributed the majority of its power and water generation, transmission and distribution assets to TAQA. In this transaction, TAQA Transmission (formerly Abu Dhabi Transmission & Despatch Company PJSC (TransCo)) was determined to be the accounting acquirer (or legal acquiree) given its relative size within the combining entities and TAQA was determined to be the legal acquirer (or the accounting acquiree) which resulted in a reverse acquisition. In accordance with IFRS 3 and per the principles of reverse acquisition, the equity structure appearing in these consolidated financial statements reflects the capital structure (number of shares) of the legal acquirer (TAQA), including the shares issued by TAQA to ADPC to effect the business combination. This resulted in the creation of a 'Merger reserve' as at 1 July 2020, being the difference between the capital structure of the legal acquirer (TAQA) and the capital structure of the accounting acquirer (TransCo).

10 INTEREST BEARING LOANS AND BORROWINGS AND ISLAMIC LOANS

	30 September 2024 AED million	*30 September 2023 AED million*
The Group had the following loan receipts / repayments during the period:		
Repayments:		
Interest bearing loans and borrowings	**(5,645)**	(11,525)
Islamic loans	**-**	(92)
Receipts:		
Interest bearing loans and borrowings	**3,360**	11,999

2024

On 2 May 2024, the Group's AED 705 million bond (EUR 180 million) matured and was repaid in full.

On 6 May 2024, the Group's AED 2,754 million bond (US $750 million) matured and was repaid in full.

On 23 September 2024, the Group utilised AED 2,387 million (US $650 million) of its revolving credit facility. Amounts borrowed carry interest of SOFR plus a margin.

2023

On 12 January 2023, the Group's AED 3,631 million bond (US $989 million) matured and was repaid in full.

On 6 March 2023, the Group utilised AED 2,754 million (US $750 million) of its revolving credit facility. Amounts borrowed carry interest of SOFR plus a margin.

On 18 April 2023, the Group issued an aggregate AED 5,509 million (US $1,500 million) in 5 year and 10 year dual tranch senior unsecured notes. The 10 year notes at AED 3,673 million (US $1,000 million) were issued with a coupon rate of 4.696% per annum and are a green bond issuance. The 5 year notes at AED 1,836 million (US $500 million) were issued as conventional bonds at a coupon rate of 4.375% per annum.

On 26 May 2023, Jorf Lasfar Energy Company 5&6 S.A drew down a bridge loan of AED 1,224 million (MAD 3,300 million) in order to repay the maturing senior loan on 31 May 2023. The bridge loan has since been repaid and long term debt issued. Long term debt of AED 2,350 million (MAD 6,600 million) was issued with a maturity of 19 years. The debt carries a floating interest rate and incorporates a cap and collar arrangement designed to mitigate exposure to interest rate risk. The initial interest rate, which is fixed annually within defined interest rate boundaries, is set at 4.75% per annum.

10 INTEREST BEARING LOANS AND BORROWINGS AND ISLAMIC LOANS continued

Changes in liabilities arising from financing activities

	1 January 2024 AED million	***Cash flows (note i) AED million***	***Other (note ii) AED million***	***30 September 2024 AED million***
2024				
Current:				
Interest bearing loans and borrowings	**6,211**	**(5,645)**	**5,906**	**6,472**
Lease liabilities	**230**	**(147)**	**204**	**287**
	6,441	**(5,792)**	**6,110**	**6,759**
Non-current:				
Interest bearing loans and borrowings	**55,442**	**3,360**	**(4,669)**	**54,133**
Lease liabilities	**265**	**-**	**(40)**	**225**
	55,707	**3,360**	**(4,709)**	**54,358**
	62,148	**(2,432)**	**1,401**	**61,117**

	1 January 2023 AED million	*Cash flows (note i) AED million*	*Other (note ii) AED million*	*30 September 2023 AED million*
2023				
Interest bearing loans and borrowings	11,129	(5,936)	823	6,016
Islamic loans	92	(92)	-	-
Lease liabilities	125	(141)	256	240
	11,346	(6,169)	1,079	6,256
Non-current:				
Interest bearing loans and borrowings	50,484	6,410	(1,167)	55,727
Lease liabilities	443	-	(181)	262
	50,927	6,410	(1,348)	55,989
	62,273	241	(269)	62,245

(i) The cash flows relates to the net movements in interest bearing loans and borrowings and Islamic loans as detailed in the cash flow statement.

(ii) This includes reclassifications between non-current and current, prepaid finance cost accruals and payments, foreign exchange differences and fair value adjustments. In the period ended 30 September 2024 it includes interest bearing loans and borrowings from the transfer under common control of TAQA Water Solutions (formerly Sustainable Water Solutions Holding Company (SWS Holding)) (note 19).

11 SEASONALITY OF OPERATIONS

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

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

12 RELATED PARTY TRANSACTIONS

The Group enters into transactions with companies and entities that fall within the definition of a related party. Related parties, as defined in International Accounting Standard 24: Related Party Disclosures, include associate companies, major shareholders, directors and other key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties. The following table provides a summary of other significant related party transactions included in the interim condensed consolidated statement of profit or loss during the nine month period:

	Three month period ended 30 September		***Nine month period ended 30 September***	
	2024 (Unaudited)	*2023*	***2024 (Unaudited)***	*2023*
	AED million	*AED million*	***AED million***	*AED million*
Emirates Water and Electricity Company (EWEC):				
TUOS and connection charges for unlicensed activity	**289**	260	**804**	813
Revenue from electricity and water	**2,198**	2,059	**6,209**	6,003
Energy costs	**(41)**	(33)	**(113)**	(108)
Electricity and water bulk supply tariff	**(6,319)**	(4,709)	**(16,460)**	(14,362)
	(3,873)	(2,423)	**(9,560)**	(7,654)
Other operating revenue	**5,037**	2,844	**15,527**	11,387
Other transactions				
Massar vehicle leasing	**(6)**	(5)	**(18)**	(18)
License fees to DoE	**(2)**	(22)	**(75)**	(78)
Charges for provision of IT support services	**(7)**	(2)	**(20)**	(26)
Finance costs	**-**	-	**(3)**	(5)
Interest income	**20**	11	**50**	26

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

12 RELATED PARTY TRANSACTIONS continued

Balances with related parties

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

	At 30 September 2024 (Unaudited) AED million	*At 31 December 2023 (Audited) AED million*
Non-current asset		
Advance and loans to associates and joint ventures*	**6,670**	2,876
Current assets		
Bank balances with UAE government banks	**3,552**	8,177
Amounts due from Emirates Water and Electricity Company (EWEC)	**1,970**	1,578
Amounts due from Abu Dhabi Power Corporation (ADPC)	**171**	161
Amounts due from other related parties	**3,537**	165
	5,678	1,904
Non-current liabilities		
Loan from Abu Dhabi Power Corporation (ADPC)	**15**	17
Bank loans with government owned bank	**125**	125
	140	142
Current liabilities		
Amounts due to Emirates Water and Electricity Company (EWEC)	**4,462**	2,724
Amounts due to Abu Dhabi Power Corporation (ADPC)	**993**	126
Amounts due to Department of Energy (DoE)	**103**	-
Amounts due to other related parties	**34**	1,738
	5,592	4,588
Available undrawn bank facilities with UAE government banks	**382**	470

*During the period ended 30 September 2024, TAQA provided shareholder loans of AED 3,790 million to Abu Dhabi Future Energy Company PJSC (Masdar). The loans have no set repayment date and bears no interest. The proceeds of the loans will be used in connection with investments approved in accordance with the Borrower's delegation of authority. A similar shareholder loan was provided in period ended 30 September 2023 to Masdar of AED 687 million.

During the period ended 30 September 2024, TAQA Water Solutions (formerly Sustainable Water Solutions Holding Company (SWS Holding)) was transferred under the common control of the Company (note 19) and classified as a related party transaction.

12 RELATED PARTY TRANSACTIONS continued

Compensation of key management personnel

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

	Three month period ended 30 September		***Nine month period ended 30 September***	
	2024 (Unaudited)	*2023*	***2024 (Unaudited)***	*2023*
	AED million	*AED million*	***AED million***	*AED million*
Short term benefits	**11**	9	**34**	29
Long term benefits	**5**	5	**14**	14
	16	14	**48**	43

13 COMMITMENTS AND CONTINGENCIES

(i) Capital expenditure commitments

The authorised contracted capital expenditure contracted for at 30 September 2024 but not provided for amounted to AED 9,827 million (31 December 2023: AED 5,185 million).

(ii) Other commitments
As at the reporting date TAQA North has entered into contractual commitments, mainly pipeline usage, under which they are committed to spend AED 707 million (31 December 2023: AED 756 million).

The Group's associates and joint ventures have capital commitments of AED 1,388 million as at 30 September 2024 (31 December 2023: AED 930 million).

(iii) Contingencies

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

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

b) TAQA Offshore B.V., alongside other oil and gas companies and the government of the Netherlands in a cross industry initiative has put in place security for offshore oil and gas infrastructure decommissioning. TAQA Offshore B.V. has formally committed to the Government initiative and a legal Netherlands trust arrangement has been set up, and a bank guarantee secured, to effect the provision of security by TAQA Offshore B.V.

13 COMMITMENTS AND CONTINGENCIES continued

(iii) Contingencies continued

c) The Group has various claims lodged by contractors and consultants relating to its ongoing and completed projects, arising from extension of time and work performed but not paid. The Group is in negotiations with these contractors and consultants regarding the resolution of these claims. At this stage management believes it is not possible to determine a reliable estimate of the range of potential claims.

d) The Group has a number of letters of credit and guarantees issued on behalf of the generation companies in relation to debt service reserve accounts.

14 FINANCIAL INSTRUMENTS

14.1 Hedging Activities

	30 September 2024 (Unaudited)			*31 December 2023 (Audited)*		
	Notional amount AED million	***Fair value Current AED million***	***Fair value Non-current AED million***	*Notional amount AED million*	*Fair value Current AED million*	*Fair value Non-current AED million*
Cash flow hedges						
Liabilities						
Interest rate swaps - hedged	**11,529**	**216**	**344**	9,975	57	307
Forward foreign exchange contracts	**163**	**-**	**29**	486	10	35
		216	**373**		67	342
Assets						
Interest rate swaps- hedged	**7,064**	**64**	**292**	8,631	138	316
Forward foreign exchange contracts	**2,747**	**105**	**73**	1,613	49	38
Future and forward contracts		**6**	**-**		42	-
		175	**365**		229	354

14.2 Fair Values

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

	Carrying amount		*Fair value*	
	30 Sept 2024 AED million	*31 Dec 2023 AED million*	***30 Sept 2024 AED million***	*31 Dec 2023 AED million*
Operating financial assets (note i)	**8,458**	8,786	**8,630**	8,898
Interest bearing loans and borrowings (note ii)	**36,073**	40,067	**31,958**	35,089

(i) The fair value of operating financial assets is estimated by discounting the expected future cash flows using appropriate interest rates for assets with similar terms, credit risk and remaining maturities.

(ii) Interest bearing loans and borrowings relates to the Abu Dhabi National Energy Company Global Medium Term notes, Abu Dhabi National Energy Company bond and other subsidiaries' bonds. The fair value of the interest bearing loans and borrowings is based on price quotations at the reporting date.

14 FINANCIAL INSTRUMENTS continued

14.3 Fair Values hierarchy

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

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

	Fair value AED million	*Carrying value AED million*	*Fair value hierarchy*
At 30 September 2024			
Financial assets measured at fair value			
Interest rate swaps- hedged	**356**	**356**	**Level 2**
Forward foreign exchange contracts	**178**	**178**	**Level 2**
Future and forward contracts	**6**	**6**	**Level 2**
Listed equity investments	**12,204**	**12,204**	**Level 1**
Financial assets disclosed at fair value			
Operating financial assets	**8,630**	**8,458**	**Level 3**
Financial liabilities measured at fair value			
Interest rate swaps – hedged	**560**	**560**	**Level 2**
Forward foreign exchange contracts	**29**	**29**	**Level 2**
Financial liabilities disclosed at fair value			
Interest bearing loans and borrowings	**31,958**	**36,073**	**Level 1**
At 31 December 2023			
Financial assets measured at fair value			
Interest rate swaps- hedged	454	454	Level 2
Forward foreign exchange contracts	87	87	Level 2
Future and forward contracts	42	42	Level 2
Listed equity investments	11,858	11,858	Level 1
Financial assets disclosed at fair value			
Operating financial assets	8,898	8,786	Level 3
Financial liabilities measured at fair value			
Interest rate swaps – hedged	364	364	Level 2
Forward foreign exchange contracts	45	45	Level 2
Financial liabilities disclosed at fair value			
Interest bearing loans and borrowings	35,089	40,067	Level 1

14 FINANCIAL INSTRUMENTS continued

14.3 Fair Values hierarchy continued

During the period ended 30 September 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.

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

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

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

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

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

15 SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

These interim condensed consolidated financial statements include the following major operating subsidiaries, joint ventures and associates and their effective ownership as at 30 September 2024 are listed below:

Subsidiaries	*Effective ownership %*	*Country of incorporation*	*Principal activities*
FOREIGN SUBSIDIARIES			
TAQA Bratani Limited	100%	UK	Oil & gas production
TAQA North Limited	100%	Canada	Oil & gas production
TAQA Energy B.V	100%	Netherlands	Gas storage, oil & gas production
TAQA Morocco	86%	Morocco	Power generation
Jorf Lasfar Energy Company 5&6 S.A	91%	Morocco	Power generation
Takoradi International Company	90%	Cayman Islands	Power generation
TAQA Neyveli Power Company Private Limited	100%	India	Power generation
DOMESTIC SUBSIDARIES			
TAQA Transmission (formerly Abu Dhabi Transmission and Despatch Company PJSC (TransCo))	100%	UAE	Transmission of water and electricity in the region of Abu Dhabi and the surrounding areas.
TAQA Distribution (formerly Abu Dhabi Distribution Company PJSC (ADDC))	100%	UAE	Distribution of water and electricity in the region of Abu Dhabi, Al Ain, and the surrounding areas.
TAQA Distribution (formerly Al Ain Distribution Company PJSC (AADC))	100%	UAE	
Mirfa International Power and Water Company PJSC (MIPCO)	60%	UAE	Generation of electricity and the production of desalinated water
Gulf Total Tractebel Power Company PJSC (GTTPC)	60%	UAE	
Sweihan PV Power Company PJSC	60%	UAE	
Shuweihat Asia Power Company PJSC (SAPCO)	60%	UAE	
Arabian Power Company PJSC (APC)	60%	UAE	
Shuweihat CMS International Power Company PJSC (SCIPCO)	60%	UAE	
Taweelah Asia Power Company PJSC (TAPCO)	70%	UAE	
Emirates CMS Power Company PJSC (ECPC)	60%	UAE	
Emirates Semb Corp Water and Power Company PJSC (ESWPC)	60%	UAE	
Fujairah Asia Power Company PJSC (FAPCO)	60%	UAE	
Ruwais Power Company PJSC (RPC)	60%	UAE	
Taweelah Shared Facilities Company LLC	60%	UAE	Operating & maintenance
Shuweihat Shared Facilities Company LLC	52%	UAE	Operating & maintenance
Abu Dhabi Sustainable Water Solutions Company PJSC	100%	UAE	Water solutions
Al Wathba Veolia Besix Waste Water Company PJSC	60%	UAE	
Al Etihad Biwater Waste Water Company PJSC	60%	UAE	
ASSOCIATES			
Massar Solutions PJSC	49%	UAE	Lease management
Abu Dhabi Offshore Power Infra Limited LLC	30%	UAE	Transmission of electricity
Jubail Energy Company LLC	25%	KSA	Generation of electricity
Mirfa Seawater Treatment and Supply Local Holding MSTS Company	50%	UAE	Seawater Treatment
Sohar Aluminium Company LLC	40%	Oman	Aluminium smelter
JOINT VENTURES			
LWP Lessee LLC	50%	USA	Wind power
Taweelah RO Holding Company LLC	33%	UAE	Production of desalinated water
Fujairah Energy Holding Company LLC	67%	UAE	Generation of electricity
Dhafrah Solar Energy Holding Company LLC	67%	UAE	Solar power
Tanajib Cogeneration Holding Company Limited	49%	UAE	Generation of electricity
Abu Dhabi Future Energy Company PJSC (Masdar)	43%	UAE	Renewable energy

During the period ended 30 September 2024, TAQA Water Solutions (formerly Sustainable Water Solutions Holding Company (SWS Holding)) was acquired. The major operating entities under TAQA Water Solutions include Al Wathba Veolia Besix Waste Water Company PJSC, Al Etihad Biwater Waste Water Company PJSC and Abu Dhabi Sustainable Water Solutions Company PJSC (note 19). In addition, the disposal of TAQA Atrush B.V was completed (note 18).

15 SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES continued

The Group announced a rebrand of its wholly owned operating subsidiaries as follows:
(i) Abu Dhabi Transmission and Despatch Company (TransCo) to become TAQA Transmission,
(ii) Sustainable Water Solutions Holding (SWS Holding) to become TAQA Water Solutions,
(iii) Abu Dhabi Distribution Company (ADDC) and Al Ain Distribution Company (AADC) will be brought under a single new brand, TAQA Distribution.

There were no other changes in the major operating subsidiaries, joint ventures, and associates.

During the year ended 31 December 2023, the Company acquired an additional 10% ownership stake in Taweelah Asia Power Company PJSC and a stake in Mirfa Seawater Treatment and Supply Local Holding MSTS Company. There were no other changes in the major operating subsidiaries, joint ventures, and associates.

16 DIVIDENDS

2024
At the General Assembly meeting in March 2024, the shareholder's approved a final and variable dividend of AED 2,249 million, being AED 0.02 per share for the year ended 31 December 2023. Both dividends were paid in the three month period ended 31 March 2024.

On 12 May 2024, the Board of Directors approved an interim dividend of AED 787 million, being AED 0.007 per share for the quarter ended 31 March 2024. The interim dividend was paid on 28 May 2024.

On 13 August 2024, the Board of Directors approved an interim dividend of AED 787 million, being AED 0.007 per share for the quarter ended 30 June 2024. The interim dividend was paid on 27 August 2024.

2023
At the General Assembly meeting in March 2023, the shareholder's approved a dividend of AED 1,350 million, being AED 0.01 per share for the year ended 31 December 2022. A special dividend was also approved by the shareholders of AED 2,363 million, being AED 0.02 per share. Both dividends were paid in the three month period ended 31 March 2023.

On 12 May 2023, the Board of Directors approved an interim dividend of AED 731 million, being AED 0.007 per share for the quarter ended 31 March 2023. The interim dividend was paid on 30 May 2023.

On 11 August 2023, the Board of Directors approved an interim dividend of AED 731 million, being AED 0.007 per share for the quarter ended 30 June 2023. The interim dividend was paid on 25 August 2023.

17 INVESTMENTS CARRIED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

On 15 February 2023, the Company received a 5% holding of the total issued share capital of ADNOC Gas plc for no consideration. ADNOC Gas plc is majority owned by the ADNOC group which in turn is wholly owned by the Abu Dhabi government. The fair value of the investment on initial recognition of AED 10,784 million was assessed based on the closing share price on the first day of trading on the Abu Dhabi Stock Exchange (ADX) of AED 2.81 per share and a corresponding gain was recognised in the interim condensed consolidated statement of profit or loss for the nine month period ended 30 September 2023. Based on the facts and circumstances of the transaction, management has concluded and is satisfied that the transfer of the shares is appropriately recognised in the interim condensed consolidated statement of profit or loss.

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

17 INVESTMENTS CARRIED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME continued

	At 30 September 2024 (Unaudited) AED million	*At 31 December 2023 (Audited) AED million*
Investments carried at fair value through other comprehensive income	**12,204**	11,858

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

	At 30 September 2024 (Unaudited) AED million	*At 31 December 2023 (Audited) AED million*
At 1 January	**11,858**	-
Additions during the period	**-**	10,784
Change in fair value	**346**	1,074
	12,204	11,858

18 DISCONTINUED OPERATIONS

On 22 January 2024, TAQA entered into definitive agreements with General Exploration Partners Inc. for the sale of its interest in Atrush oil field in the Kurdistan region of Iraq. On 7 August 2024, the Group formally completed the sale of the Atrush block. As at 31 December 2023, the assets in Iraq were classified as a disposal group held for sale and as a discontinued operation.

The assets contribution to the Group's results are presented below:

	Nine month period ended 30 September	
	2024 (unaudited) **AED million**	*2023 (unaudited) AED million*
Revenues	**136**	151
Costs	**(59)**	(106)
Gross profit	**77**	45
General and administrative expenses	**(11)**	(25)
Finance costs	**-**	(1)
Profit for the period from discontinued operations	**66**	19
Basic and diluted earnings per share attributable to equity holders of the parent (AED) from discontinued operations	**0.00**	0.00

18 DISCONTINUED OPERATIONS continued

The net cash flows incurred by the assets are as follows:

	Nine month period ended 30 September	
	2024	*2023*
	(unaudited)	*(unaudited)*
	AED million	*AED million*
Net cash (used in) generated from operations	**(45)**	56
Net cash generated (used in) investing activities	**8**	(65)
Net cash used in financing activities	**-**	(1)
Net decrease in cash and cash equivalents	**(37)**	**(10)**

19 TRANSFER OF ENTITIES UNDER COMMON CONTROL

On 4 September 2024, TAQA completed the acquisition of all outstanding shares of TAQA Water Solutions (formerly Sustainable Water Solutions Holding Company (SWS Holding)) for a consideration of AED 1,724 million. 50% of the consideration was paid at completion and the remining 50% to be paid one year after completion. TAQA Water Solutions made an additional payment of AED 523 million linked to net profits generated by Abu Dhabi Sewerage Services Company PJSC during the year ended 31 December 2023. TAQA Water Solutions was established in May 2023 with an aim to deliver sustainable water solutions through a focus on resource recovery and water circularity that will benefit industries and communities. TAQA Water Solutions owns Abu Dhabi Sustainable Water Solutions Company, the main entity behind all wastewater collection treatment, and reuse in the Emirate of Abu Dhabi. The acquisition date in the interim condensed consolidated financial statements is 1 January 2024, being the date the Group gained control over TAQA Water Solutions .

The acquisition is excluded from the scope of International Financial Reporting Standards 3 (IFRS 3) "Business Combinations" as it is a business combination of entities under common control, given that the Group and the acquired entities are ultimately controlled by the same party (ADQ) before and after the acquisition. The acquisition has been accounted for in the interim condensed consolidated financial statements using the pooling of interest method, which reflects the economic substance of the transaction.

The Group has elected to consolidate the assets and liabilities of acquired entities from the date of acquisition without restating and presenting the prior period. The components of equity of the transferred entity are added to retained earnings and non-controlling interests within the Group's equity.

From the date of acquisition, TAQA Water Solutions contributed AED 1,823 million of revenue and AED 425 million of profit to the Group.

19 TRANSFER OF ENTITIES UNDER COMMON CONTROL continued

Assets acquired and liabilities assumed:

The major classes of assets and liabilities of TAQA Water Solutions were as follows:

	At 1 January 2024 (Unaudited) AED million
Assets	
Property, plant and equipment	18,559
Other assets	73
Inventories	16
Amounts due from related parties	1,080
Cash and bank balances	463
Accounts receivable and prepayments	1,456
	21,647
Liabilities	
Interest bearing loans and borrowings	1,469
Other liabilities	60
Amounts due to related parties	501
Accounts payable, accruals and other liabilities	4,823
	6,853
Consideration payable (note 12)	(2,247)
Equity	12,547

Included in equity is AED 227 million of non-controlling interests at 1 January 2024.

20 RECLASSIFICATION OF PRIOR YEAR BALANCES

Certain comparative figures have been reclassified wherever necessary, as to conform to the presentation adopted in these interim condensed consolidated financial statements. These reclassifications do not materially change the presentation of the interim condensed consolidated financial statements.

21 EVENTS AFTER THE REPORTING DATE

On 13 November 2024, the Board of Directors proposed an interim dividend of AED 787 million, being AED 0.007 per share for the quarter ended 30 September 2024. The interim dividend is in accordance with the dividend policy approved by the shareholders on 15 March 2023.

On 9 October 2024, the Group issued an aggregate AED 6,427 million (US $1,750 million) in 7 year and long 12 year dual tranche senior unsecured notes. The long 12 year notes at AED 3,122 million (US $850 million) were issued with a coupon rate of 4.75% per annum and are a green bond issuance. The 7 year notes at AED 3,305 million (US $900 million) were issued as conventional bonds at a coupon rate of 4.375% per annum.