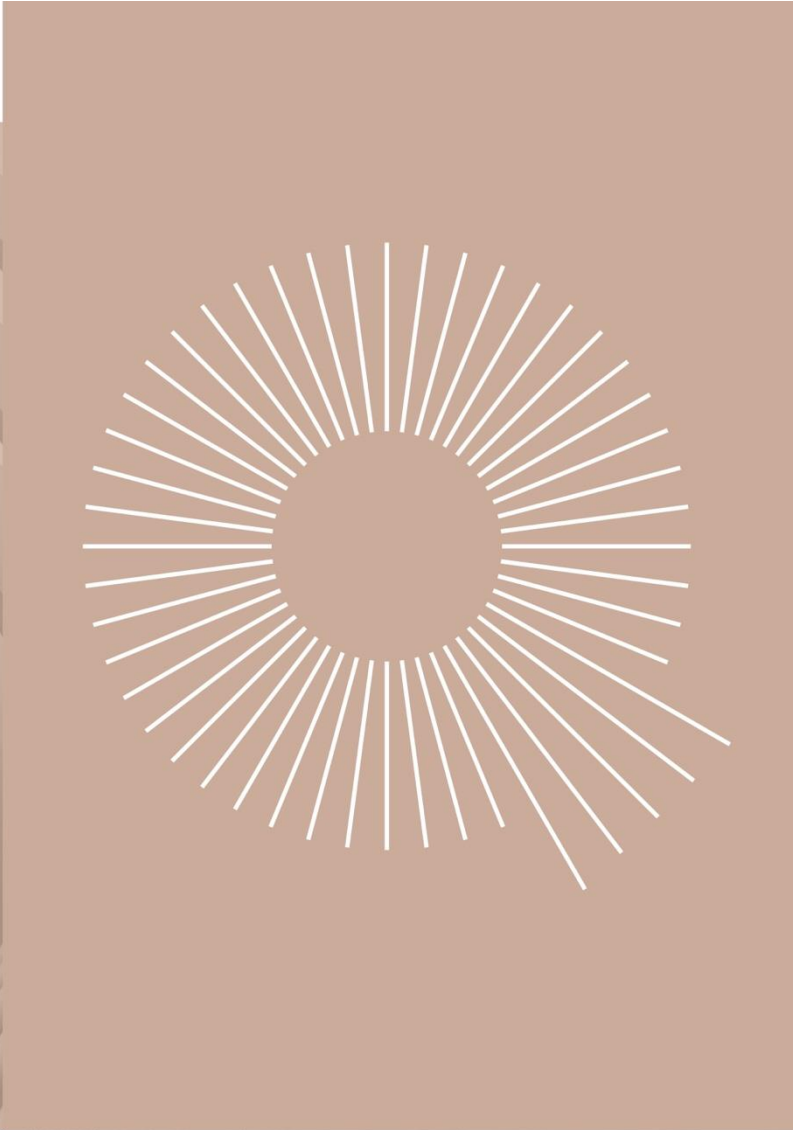




Q3 2025 MANAGEMENT'S DISCUSSION & ANALYSIS

For the period ended
30 September 2025



ABU DHABI NATIONAL ENERGY COMPANY PJSC (TAQA) MANAGEMENT'S DISCUSSION AND ANALYSIS

1. Health, Safety and Environment
2. Summary of Results
3. Results of Operations by Business
4. Capital Structure and Liquidity
5. Capital Expenditure

This document should be read in conjunction with TAQA's interim condensed consolidated financial statements for the period ended 30 September 2025 (Unaudited). Within the MD&A we use the terms "the Group", "we", and "our" to refer to TAQA.

1. Health, Safety and Environment (HSE)

		Period ended 30 September									
		<u>Transmission & Distribution</u>		<u>Generation ⁽¹⁾</u>		<u>Water Solutions</u>		<u>Oil & Gas ^(2,3)</u>		<u>Group Total ⁽³⁾</u>	
HSE Overview		2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Recordable injury rate (RIR) ⁽⁴⁾	(incident /1 million hrs)	0.20	0.14	0.82	-	0.09	0.43	1.76	1.15	0.41	0.33
Lost time injury (LTI)	Number	2	3	2	-	1	4	4	3	9	10
Fatalities	Number	3	1	-	-	-	-	-	-	3	1
Reportable spills	Number	-	-	-	-	-	-	10	8	10	8
Reportable spills	Volume (litres)	-	-	-	-	-	-	21,146	2,456	21,146	2,456

1) Refers to TAQA operated assets only.

2) Excludes discontinued operations.

3) Q3 2024 RIR was updated based on a revised manhour calculation.

4) RIR includes all recordable injuries (e.g., fatalities, lost time injury, restricted work injury and medical treatment injury)

"Safe" is our first value. We put safety above all else and HSE is a fundamental part of TAQA's business. A strict set of HSE rules, guidelines, and reporting tools ensure a high level of professionalism and adherence to regulations is enforced wherever we operate. All members of our workforce are empowered with the responsibility and authority to speak up and stop unsafe work.

Group RIR of 0.41 represents an increase from 0.33 from the same period of 2024. This increased Group RIR is due to an increased number of recordable injuries from 19 to 26, which included 3 fatalities and 9 lost time injuries year to date.

Regrettably, 2 separate fatal accidents and 1 further fatal accident occurred at our distribution company in January and August respectively. These 3 accidents related to driving and lifting operations, and, more recently, excavation activities. Each accident was subject to an independent investigation to establish root causes, identify lessons learnt and develop actions for implementation and improvement. Stand-downs were initiated across our operations to reinforce TAQA's commitment to safety and share learnings. An additional programme has been initiated to review project delivery independent of our distribution company to help ensure that we, and particularly our contractors, consistently maintain the highest levels of compliance with laws and regulations, and conformance with policies and standards.

10 reportable spills were recorded as of the end of Q3 2025 compared to the 8 recorded in the same period of the previous year. The total spill volume released was 21,146 litres, compared to 2,456 litres in the same period of 2024.

Transmission & Distribution (T&D)

T&D RIR of 0.20 represents an increase from 0.14 for the same period of 2024, due to an increase in recordable injuries from 5 to 8, which included 3 fatal accidents and 2 lost time injuries at our distribution company. The recent fatality in August and the two fatalities in January highlighted the continued need to maintain focus on our 12 Essential Safety Rules, especially for our contracted workforce.

Generation

Generation RIR of 0.82 represents an increase from 0 for the same period of 2024, due to an increase of recordable injuries from 0 to 3, which included 2 lost time injuries. Key focus areas for Generation include contractor management, safety leadership, process safety, crisis and emergency management, business continuity and safe systems of work.

Water Solutions

Water Solutions RIR of 0.09 represented a decrease from 0.43 for the same period of 2024, mainly due to a decrease of recordable injuries from 4 to 1. Continued integration activities include an independent HSSE assurance review conducted to identify further opportunities to align with TAQA's HSE management system and industry good practice. Key focus areas for Water Solutions include elevating HSE competencies, enhancing safety leadership expectations, and managing and engaging contractors.

Oil & Gas (O&G)

O&G RIR of 1.76 represents an increase from 1.15 for the same period of 2024, due to a combination of lower activity levels and an increase of recordable injuries from 10 to 14, which included 4 lost time injuries. Key focus areas for O&G include consistently embedding operational and process safety improvements during ongoing changes in the operational profile of our assets and associated activities across asset decommissioning, wells plug and abandonment, asset transfer, and asset development, especially activities delivered by our contracted workforce.

Corporate

The Corporate segment experienced no recordable injuries. Continuous improvement and learning across the Group remain key areas of focus, including reporting, safe systems of work and contractor management. Initiatives were launched to embed safe driving behaviours, strengthen consistent application of lifting safety standards, support workplace and personal health awareness and commitment, and enhance incident investigations, tools and training to upgrade our ability to capture and share lessons learned.

2. Summary of Results

		Three months ended		Nine months ended	
		30-Sep	30-Sep	30-Sep	30-Sep
(AED million, except where indicated)		2025	2024	2025	2024
Transmission network availability	%	99.3	99.0	98.9	98.7
Generation global commercial availability ⁽¹⁾	%	95.7	98.6	97.4	98.0
Water Solutions asset availability	%	96.0	94.3	94.9	95.7
Oil & Gas average production ⁽²⁾	mboe/d	88.6	96.9	91.7	102.2
Gross Revenues		14,417	14,474	42,660	41,448
EBITDA		5,820	5,454	16,035	16,911
Net Income ⁽³⁾		2,369	1,871	6,079	6,318
Capital expenditure ⁽⁴⁾		3,681	2,228	8,916	6,061
Free cash flow generation ⁽⁵⁾		300	(1,461)	7,307	2,863

		As at	
		30-Sep	31-Dec
(AED million)		2025	2024
Total debt		63,010	64,124
T&D Regulated Asset Value (RAV)		78,459	76,855
Water Solutions Regulated Asset Value (RAV)		18,239	17,804

(1) Represents weighted average for all power producing assets based on plant capacity.

(2) Includes working interest production from continuing operations in North America, UK, and Netherlands.

(3) Net income above is the share attributable to common shareholders of TAQA.

(4) Represents additions to Property, Plant, and Equipment, excluding right-of-use assets.

(5) Represents cash flows from operations less cash flows used in investing activities.

Operational Highlights for 9M:

- **Transmission network availability** for power and water reached 98.9%, marginally higher than 9M 2024.
- **Generation global commercial availability** marginally reduced to 97.4% from 98.0% in the previous period.
- **Water Solutions asset availability** reduced to 94.9% from 95.7% in the previous period, as remediation works continue following the exceptional weather event of April 2024.
- **Oil & Gas production** decreased to 91.7 mboe/d from 102.2 mboe/d in the prior period. This reduction is mainly due to the cessation of production in late 2024 of four UK assets as the UK transitions its focus towards safe and efficient decommissioning.

Financial Highlights for 9M:

- **Group revenues** increased 2.9% to AED 42.7 billion, mainly driven by higher pass-through revenue in Transmission & Distribution (T&D).
- **EBITDA** was AED 16.0 billion, a decrease of 5.2% compared to the prior period, primarily driven by reduced contributions from the Oil and Gas (O&G) business due to declining production.
- **Net income (TAQA Share)** was AED 6.1 billion, down 3.8% compared to the prior period.

- **Capital expenditure** increased by 47.1% to AED 8.9 billion, primarily driven by investment in the 1 GW Al Dhafra Gas Turbine project supporting Abu Dhabi's A.I. strategy, in addition to timing and phasing of project execution within T&D.
- **Free cash flow generation** amounted to AED 7.3 billion, up from AED 2.9 billion in Q3 2024, primarily reflecting working capital movements, mainly within the T&D segment.
- **Gross debt** was AED 63.0 billion, down from AED 64.1 billion at the end of 2024, primarily due to the repayment of an AED 2.8 billion bond, AED 2.3 billion in scheduled project loan repayments, partially offset by AED 2.7 billion of corporate term loan utilisation and AED 1.3 billion in project drawdowns and non-cash movements.

Strategic Highlights:

Advancing TAQA's international growth strategy through landmark transactions and strategic partnerships

- TAQA announced the signing of an agreement to acquire a 100% interest in GS Inima, a global leader in water treatment and water desalination, from GS Engineering & Construction. Valued at approximately USD 1.2 billion, the acquisition, the completion of which remains subject to various regulatory and other approvals, will bring GS Inima fully into TAQA's ownership and significantly accelerates the Group's international water growth strategy.
- TAQA, alongside partners JERA and AlBawani, reached financial close for the development of the Rumah 2 and Al Nairyah 2 independent power producer plants (IPPs) in the Kingdom of Saudi Arabia. With a combined capacity of approximately 3.6 GW, the plants represent an investment of around USD 4 billion, reinforcing TAQA's commitment to supporting the Kingdom's energy security.
- TAQA Transmission acquired UK-based Transmission Investment ("TI"), a leading operator of offshore transmission ("OFTO") assets connecting offshore wind farms to the UK grid. The acquisition of TI provides TAQA an attractive energy and utility investment platform to boost its international expansion plans.
- TAQA Morocco and Nareva signed three Memoranda of Understanding and associated agreements with the Government of Morocco and the Office National de l'Electricité et de l'Eau potable. The agreements cover the potential acquisition of an existing gas power plant, the development of new gas-fired and renewable power generation, seawater desalination and transmission infrastructure in the Kingdom of Morocco.
- TAQA and Mubadala jointly acquired the Talimarjan Power Complex in Uzbekistan, securing a 40% stake each in the 875 MW gas-fired plant via the newly formed Talimarjan Power Plant 1 LLC. Both also hold a 40% stake in Talimarjan Operations & Maintenance LLC, established to operate the plant.
- As of 1 July, TAQA completed the sale of its interest in the Lakefield wind project in the United States, further aligning the Group's portfolio with its growth strategy.

Supporting the UAE's AI ambitions:

- TAQA signed a 24-year Power Purchase Agreement (PPA) with EWEC for the development of the 1 GW Al Dhafra Thermal project in the UAE. TAQA's Generation business will fully own, operate and maintain the facility, strengthening its O&M capabilities and reinforcing its leadership in flexible, dispatchable generation.
- The project will support the recently announced EWEC and Masdar world-first 1 GW 'round-the-clock' solar PV and battery energy storage system initiative.
- TAQA Transmission will develop advanced power grid infrastructure to integrate the additional generation capacity, supporting growing power demand from emerging sectors, including artificial intelligence and digital infrastructure. These critical energy infrastructure projects will directly advance the UAE National Strategy for Artificial Intelligence 2031 and UAE Net Zero by 2050 initiative.

Accelerating global renewables growth through Masdar

- In one of the largest offshore wind transactions of the decade, Masdar and Iberdrola announced plans to co-invest in the 1.4 GW East Anglia THREE wind farm in the UK. Under the agreement, each company will hold a 50% stake in the asset. Project financing of approximately EUR 4.1 billion was secured to fund construction, contributing to the total estimated project cost of EUR 5.2 billion.
- Masdar, alongside GD Power and Korea Electric Power Corporation, reached financial close for the 2 GW Al Sadawi solar photovoltaic project in the Kingdom of Saudi Arabia. Once operational, the project will rank among the world's largest solar plants, the project supporting the Kingdom's energy transition and greenhouse gas emissions reduction targets.
- Masdar completed the sale of its interest in the Sharjah Waste-to-Energy plant to Tadweer Group. The transaction enables both parties to sharpen focus on core strategies, Masdar on scaling clean energy globally, and Tadweer on expanding its sustainable waste management footprint in the UAE and beyond.
- Masdar completed the acquisition of 100% of Greek clean energy leader Terna Energy, following a successful mandatory tender offer. Terna Energy has since been delisted from the Athens Stock Exchange.
- The UAE renewables leader issued its third green bond, raising USD 1 billion in two tranches (5- and 10-year tenors, at 4.875% and 5.375% coupons respectively). Proceeds will be directed exclusively to greenfield renewable energy projects under Masdar's Green Finance Framework.

Supporting the energy transition:

- TAQA and EWEC announced the signing of a PPA extension for the Shuweihat 1 (S1) power project. Under the terms of the PPA, the plant will be reconfigured from a cogeneration power and water desalination facility to a dedicated power plant, providing flexible reserve supply during peak power demand to support the increased integration of renewable and clean energy sources.

- In the Netherlands, Porthos assumed control of TAQA's P18-A gas production platform and its associated wells and gas fields under the Dutch North Sea. This development supports Europe's first CO² storage facility, with TAQA executing the work on behalf of Porthos.

Financing Growth:

- The Group secured an AED 8.5 billion corporate term loan facility, underscoring its commitment to maintaining a strong and flexible balance sheet while supporting its long-term growth strategy and capital planning.

3. Results of Operations by Business

Consolidated Income Statement	Period ended											
	<u>Transmission & Distribution</u>		<u>Generation</u>		<u>Water Solutions</u>		<u>Oil & Gas</u>		<u>Corp. & Elimination</u>		<u>Total</u>	
	30-Sep 2025	30-Sep 2024	30-Sep 2025	30-Sep 2024	30-Sep 2025	30-Sep 2024	30-Sep 2025	30-Sep 2024	30-Sep 2025	30-Sep 2024	30-Sep 2025	30-Sep 2024
(AED millions)												
Total revenues	28,502	26,126	9,049	8,998	1,883	1,823	3,226	4,501	-	-	42,660	41,448
Operating expenses	(20,599)	(18,271)	(3,362)	(3,121)	(621)	(512)	(1,604)	(2,110)	(15)	7	(26,201)	(24,007)
G&A expenses	(909)	(978)	(326)	(297)	(115)	(73)	(110)	(156)	(153)	(396)	(1,613)	(1,900)
Share of results of associates and JVs	(113)	-	238	366	-	-	-	-	10	5	135	371
Other income	103	177	102	148	45	1	(3)	13	126	(28)	373	311
FX gains / (losses)	(3)	-	118	9	-	-	40	16	(148)	(83)	7	(58)
Dividend income	-	-	-	-	-	-	-	-	642	612	642	612
Profit from discontinued operations	-	-	32	68	-	-	-	66	-	-	32	134
EBITDA	6,981	7,054	5,851	6,171	1,192	1,239	1,549	2,330	462	117	16,035	16,911
DD&A expenses	(2,635)	(2,714)	(3,158)	(3,367)	(547)	(660)	(605)	(621)	(12)	13	(6,957)	(7,349)
Finance costs	(19)	(2)	(1,014)	(1,188)	(74)	(93)	(232)	(333)	(917)	(645)	(2,256)	(2,261)
Interest income	124	134	52	145	12	13	6	9	52	99	246	400
Tax expense	(310)	(252)	(252)	(258)	(42)	(44)	22	(413)	(36)	(112)	(618)	(1,079)
Total profit / (loss)	4,141	4,220	1,479	1,503	541	455	740	972	(451)	(528)	6,450	6,622
Non-controlling interest	-	-	(345)	(274)	(26)	(30)	-	-	-	-	(371)	(304)
Net profit / (loss) (TAQA share)	4,141	4,220	1,134	1,229	515	425	740	972	(451)	(528)	6,079	6,318

Consolidated Balance Sheet	As at											
	<u>Transmission & Distribution</u>		<u>Generation</u>		<u>Water Solutions</u>		<u>Oil & Gas</u>		<u>Corp. & Elimination</u>		<u>Total</u>	
	30-Sep 2025	31-Dec 2024	30-Sep 2025	31-Dec 2024	30-Sep 2025	31-Dec 2024	30-Sep 2025	31-Dec 2024	30-Sep 2025	31-Dec 2024	30-Sep 2025	31-Dec 2024
(AED millions)												
Property, plant & equipment	88,045	84,740	26,484	26,318	19,288	18,569	5,386	5,347	(173)	(32)	139,030	134,942
Operating financial assets	-	-	7,446	7,821	-	-	-	-	-	-	7,446	7,821
Investment in and loans to associates & JVs	1,094	1,160	16,633	14,657	-	-	-	-	209	208	17,936	16,025
Intangible assets	5,306	4,755	8,547	9,473	-	1	64	68	1	-	13,918	14,297
Financial assets at FVOCI	-	-	-	-	-	-	-	-	13,585	13,469	13,585	13,469
Deferred tax assets	-	-	10	10	1	-	5,092	5,558	-	48	5,103	5,616
Other assets	4,926	6,150	10,537	9,801	807	632	2,253	1,876	3,711	6,184	22,234	24,643
Assets classified as held for sale	-	-	766	-	-	-	-	-	-	-	766	-
Total Assets	99,371	96,805	70,423	68,080	20,096	19,202	12,795	12,849	17,333	19,877	220,018	216,813
Liabilities classified as held for sale	-	-	429	-	-	-	-	-	-	-	429	-
Total Liabilities	24,245	19,654	34,273	35,636	6,918	6,531	13,408	14,412	33,658	35,756	112,502	111,989
Total Equity	75,126	77,151	36,150	32,444	13,178	12,671	(613)	(1,563)	(16,325)	(15,879)	107,516	104,824

Transmission & Distribution (T&D)

T&D reported a net profit (TAQA share) of AED 4,141 million, a decrease of AED 79 million compared to the prior period.

Revenue increased by AED 2,376 million to AED 28,502 million, largely due to higher bulk supply tariff (BST) pass-through costs. These BST-related costs also contributed to a corresponding increase in operating expenses, which rose by AED 2,328 million to 20,599 million.

Excluding the impact of BST, operating expenses were higher due to a greater allocation of staff costs to direct operations. This operational shift was also reflected in an AED 69 million reduction in general and administrative (G&A) expenses.

Depreciation, depletion and amortisation (DD&A) amounted to AED 2,635 million, a reduction of AED 79 million, reflecting a technical reassessment and extension of asset useful lives in the fourth quarter of 2024.

Generation

Generation reported a net profit (TAQA share) of AED 1,134 million, AED 95 million lower than the comparative period.

Revenue increased by AED 51 million to AED 9,049 million, remaining broadly in line with the comparative period. Operating expenses rose by AED 241 million to AED 3,362 million, mainly due to the timing of planned maintenance activities.

The share of results from associates and joint ventures amounted to AED 238 million, reflecting the performance of assets within the Group's equity portfolio. Other income declined by AED 46 million, largely due to the absence of a one-off gain of AED 77 million recorded in 2024.

Foreign exchange gains totaled AED 118 million, an increase of AED 109 million year-on-year, driven by the appreciation of the Moroccan Dirham.

In September 2025, TAQA entered into definitive agreements with MEIL Energy Private Limited, an affiliate of Megha Engineering & Infrastructures Limited (MEIL), for the sale of its entire 100% equity interest in TAQA Neyveli Power Private Limited ("TAQA Neyveli"). As a result, net income included profit from discontinued operations of AED 32 million, which is AED 36 million lower than the comparable period. On 30 October 2025, the Group formally completed the sale of TAQA Neyveli.

Depreciation, depletion and amortisation (DD&A) decreased by AED 209 million, primarily following a revision of the estimated useful life of the Shuweihat S1 power plant, in line with a 15-year extension agreement signed with Emirates Water and Electricity Company (EWEC).

Finance costs decreased by AED 174 million, primarily reflecting the scheduled repayment of term loans. This was partly offset by a reduction in interest income, which declined by AED 93 million due to lower interest rates and lower cash balances within the business.

Tax expense was AED 6 million lower compared to the prior period, mainly due to movements in deferred tax balances.

Water Solutions

Water Solutions reported a net profit (TAQA share) of AED 515 million, an increase of AED 90 million compared to the prior period.

Revenue increased to AED 1,883 million, up AED 60 million, reflecting the regulated nature of the business. This was offset by an AED 109 million rise in operating expenses, primarily linked to the continuing remedial efforts following the exceptional weather event of April 2024.

Depreciation, depletion and amortisation (DD&A) decreased following a technical reassessment and extension of asset useful lives.

Oil & Gas (O&G)

Oil & Gas (O&G) contributed a net profit of AED 740 million, a decrease of AED 232 million compared to the prior period, primarily reflecting reduced production volumes.

Revenue declined to AED 3,226 million, down AED 1,275 million year-on-year. Average realised oil prices decreased to USD 64.87/bbl from USD 71.23/bbl in Q3 2024, while average realised gas prices increased to USD 2.70/mmbtu from USD 2.62/mmbtu. Production volumes averaged 91.7 mboe/d, compared to 102.2 mboe/d in Q3 2024, reflecting the planned cessation of production (CoP) at several North Sea fields in line with TAQA UK's decommissioning programme. Four assets – Tern, Eider, North Cormorant and Cormorant Alpha – reached CoP in late 2024, marking the end of TAQA's hydrocarbon production in the Northern North Sea.

Operating expenses decreased to AED 1,604 million, a reduction of AED 506 million, mainly driven by lower repairs and maintenance costs and other operating expenses following the Northern North Sea cessations. General and administrative expenses fell by AED 46 million, reflecting higher cost recoveries from joint venture partners and cost rationalisation in UK operations.

Finance costs decreased by AED 101 million, primarily due to lower asset retirement obligation accretion, reflecting the reduced provision value as UK decommissioning progresses, and lower interest on lease liabilities. In addition, AED 62 million of petroleum revenue tax interest income was recognised in the first quarter of 2025.

O&G tax expense decreased by AED 435 million compared to the prior period, mainly due to lower profits driven by reduced oil prices and production in the UK, as well as the phasing of tax loss utilisation.

Corporate

General and administrative (G&A) expenses were AED 243 million lower primarily due to higher allocation of costs to the operating segments.

The strengthening of the Euro resulted in a foreign exchange loss of AED 148 million, driven by currency movements on Euro-denominated balances within the Group.

Finance costs increased by AED 272 million, largely driven by an increase in overall debt levels to support the Group's strategic initiatives.

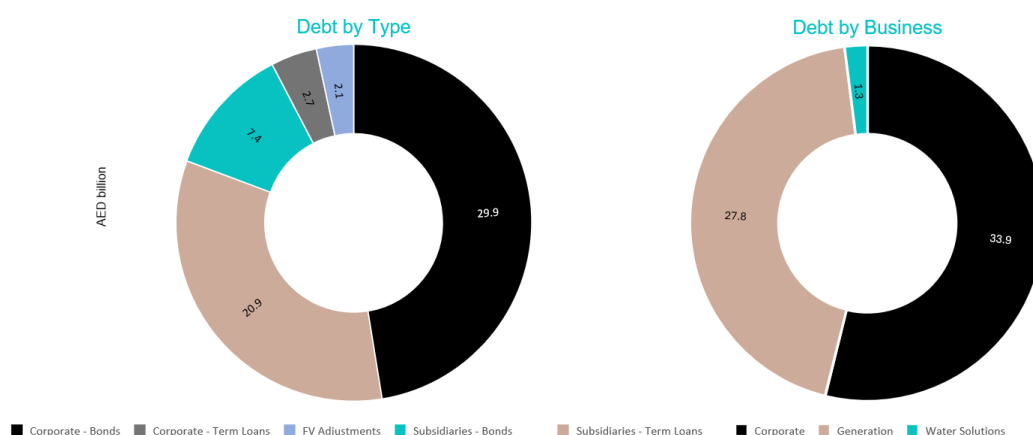
4. Capital Structure and Liquidity

<i>Consolidated Position</i> (AED million, except where indicated)	As at	
	30-Sep 2025	31-Dec 2024
Total assets	220,018	216,813
Total equity	107,516	104,824
Total debt	63,010	64,124
Net debt-to-capital ratio ⁽¹⁾	34%	35%
Unused portion of credit facilities	19,128	13,397
Net cash and cash equivalents	7,364	8,382
Total available liquidity	26,492	21,779

(1) 'Net debt' divided by 'Total equity' plus 'Net debt' where 'Net debt' is 'Total debt' less 'Net cash and cash equivalents'

Capital Structure

TAQA's capital structure is comprised of 34% net debt based on the consolidated statement of financial position values as at 30 September 2025 and includes fair value adjustments.



The Group's external sources of funding include corporate bonds and the Group's revolving credit facility (RCF). These funds have historically been used to fund capex, investment, and acquisitions within the group. The Generation subsidiaries are generally funded by project debt, either in the form of limited or non-recourse bank loans or project bonds.

The Group continues to monitor the total debt position and refinancing options available to ensure the debt mix and cost of debt is at an optimal level. Please refer to the 'Maturity Profile' section below for updates on recent debt issuances.

Interest rates for the Group's project debt, bonds and loans are largely fixed, either contractually or through interest rate hedging arrangements. The main exception is TAQA's RCF, which attracts floating market rates and therefore is exposed to Secured Overnight Financing Rate borrowing rates. As our medium and long-term bonds and loans mature, we may be required to refinance the debt at market rates or utilise other available liquidity. Accordingly, TAQA is partially exposed to interest rate risk in both the medium and long term.

As at 30 September 2025, after considering the effect of interest rate swaps and embedded derivatives, approximately 95% of the Group's borrowings attract a fixed rate of interest (December 2024: 99%) and the Group's overall cost of debt averaged 4.8% (December 2024: 4.8%)

Liquidity

The Group's total available liquidity was AED 26.5 billion, an increase of AED 4.7 billion from the end of 2024. Total available liquidity is made up of AED 19.1 billion unused part of available credit facilities and AED 7.4 billion net cash and cash equivalents.

The Group maintains access to funding through its AED 12.9 billion (USD 3.5 billion) multicurrency revolving credit facility (RCF), arranged with a syndicate of 20 banks. As at 30 September 2025, the facility remained fully undrawn.

In August 2025, the Group further strengthened its liquidity position by securing a new AED 8.5 billion corporate term loan facility. The loan is structured as a two-year, AED-denominated floating-rate facility, with an option to extend for an additional year. Drawdowns are being implemented in phases, of which AED 2.7 billion had been utilised as at 30 September 2025.

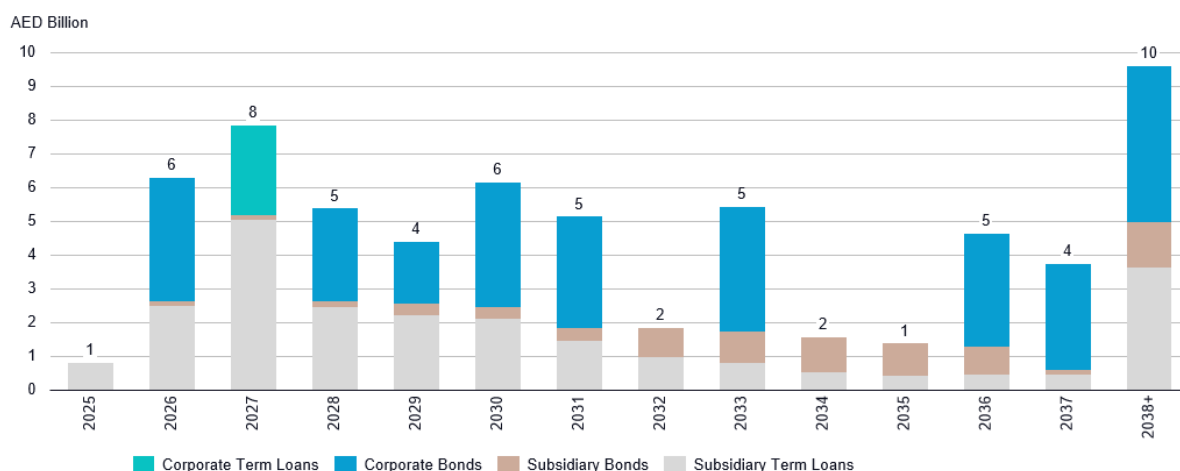
As at 30 September 2025, 10.3% (AED 6.5 billion) of the Group's total debt is classified as current, compared to 14.3% (AED 9.2 billion) as at 31 December 2024, based on the carrying value of borrowings. Fujairah Asia Power Company PJSC (FAPCO) was in technical default as at 31 December 2024 for failing to assign new insurances and reinsurances to the Security Trustees, as required under the Common Terms Agreement and the Commercial Mortgage. Although FAPCO fully remedied the default by January 2025 and obtained a waiver from the Global Facility Agent, the existence of the default at the 2024 year-end necessitated the reclassification of AED 3.1 billion of non-current debt to current liabilities in the statement of financial position. Following the resolution of the technical default, the reclassified loan amounts have been reinstated in line with their original contractual maturities.

Maturity Profile

As at 30 September 2025, the Group's total debt amounted to AED 63.0 billion, reflecting a net decrease of AED 1.1 billion compared to AED 64.1 billion as at 31 December 2024.

This net decrease resulted from the AED 2.8 billion corporate bond (USD 750 million) repayment in the second quarter of 2025 and AED 2.3 billion of scheduled project debt repayments, partly offset by AED 2.7 billion of corporate term loan utilisation and AED 1.2 billion of project drawdowns associated with the construction of the Mirfa 2 RO and Shuweihat 4 RO desalination plants as well as the extension of the Shuweihat S1 Power Plant. The period also included non-cash movements of AED 0.1 billion relating to foreign exchange and other adjustments.

The Group's financial liabilities repayment schedule as at 30 September 2025, based on contractual undiscounted payments, is as follows:



5. Capital Expenditure

Period ended 30 September						
(AED million)	<i>Transmission & Distribution</i>	<i>Generation</i>	<i>Water Solutions</i>	<i>Oil & Gas</i>	<i>Corporate</i>	<i>Group Total</i>
2025	5,133	2,279	937	567	-	8,916
2024	3,328	1,395	508	830	-	6,061

The Group's total capital expenditure (additions to Property, Plant, and Equipment, excluding right-of-use assets) amounted to AED 8,916 million, a 47% increase compared to the prior period.

Capital expenditure in the T&D segment increased by AED 1,805 million compared to the prior period, primarily driven by the phasing of business-as-usual network enhancements and upgrades, as well as the continued execution of key special projects.

Generation capital expenditure increased by AED 884 million, primarily driven by the development of the 1 GW Al Dhafra Thermal project.

Water Solutions' capital expenditure increased by AED 429 million, with total additions of AED 937 million, mainly driven by restoration works, asset enhancements, network rehabilitation, and other ongoing projects.

O&G capital expenditure declined by AED 263 million, reflecting the transition to decommissioning in the UK and lower investment on drilling and completions North America.



Jasim Husain Thabet
Group Chief Executive Officer & Managing Director
12 November 2025



Stephen Ridlington
Chief Financial Officer