

**ADNOC GAS PLC (AG)**

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

**Audit Report and Consolidated Financial Statements  
for the year ended 31 December 2025**

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# ADNOC GAS PLC (AG)

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## DIRECTORS' REPORT

For the year ended to 31 December 2025

The Directors present their annual report together with the audited consolidated financial statements of ADNOC Gas PLC (the "Company") and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2025.

### Board of Directors

The Directors of the Company during the year ended 31 December 2025 are:

**Chairman:** H.E. Dr. Sultan Ahmed Al Jaber

**Members:** H.E. Kamal Ishaq Almaazmi  
Khaled Salmeen  
Musabbeh Al Kaabi  
Abdulmunim Saif AlKindi  
Khaled Al Zaabi  
Fatema Mohamed Al Nuaimi (resigned w.e.f. 5 February 2025)  
Tasnim Ahnaish Al Mzaini (appointed w.e.f. 5 February 2025)

### Principal activities

The principal activity of the Company is to perform activities of holding company. The principal activities of the subsidiaries are processing of associated and non-associated gas from onshore and offshore oil and gas productions and transmission of related products, marketing and promotion for natural gas, investment in oil and natural gas projects, operation and maintenance services of oil and gas production facilities and supplying of industrial gases to the oil and gas industry.

### Results and appropriation of profit

The Group generated total revenue of USD 18,509,161 thousand (2024: USD 19,064,641 thousand) and reported a net profit of USD 5,165,760 thousand (2024: USD 5,001,183 thousand) for the year ended 31 December 2025. The appropriation of the results for the year ended 31 December 2025 is as follows:

	<b>USD'000</b>
Retained earnings at 1 January 2025	4,764,824
Total comprehensive income for the year	5,165,760
Dividends paid	(4,393,797)
<b>Retained earnings at 31 December 2025</b>	<b>5,536,787</b>

# ADNOC GAS PLC (AG)

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## DIRECTORS' REPORT

For the year ended to 31 December 2025 continued

### Dividend declaration

The Shareholders, in the Annual General Assembly Meeting held on 21 March 2025, approved a final cash dividend of 8.165 fils (2.22 cents) per share amounting to USD 1,706,191 thousand for the year ended 31 December 2024. The dividend was fully paid on 18 April 2025.

The Board of Directors, in their meeting held on 5 August 2025, approved an interim cash dividend of 8.573 fils (2.334 cents) per share amounting to USD 1,791,667 thousand. The dividend was fully paid on 3 September 2025.

The Board of Directors, in their meeting held on 12 November 2025, approved quarterly cash dividend of 4.287 fils (1.167 cents) per share amounting to USD 895,938 thousand. The dividend was fully paid on 10 December 2025.

Subsequent to the year end, the Board of Directors, in their meeting held on 6 February 2026, proposed quarterly cash dividend of 4.287 fils (1.167 cents) per share amounting to USD 895,938 thousand.

### Release

The Directors release from liability the management and external auditor in connection with their duties for the year ended 31 December 2025.

### Statement of disclosure to auditors

The Directors certify that as far as they are aware, there is no relevant audit information of which the Group's auditor is unaware, and that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

### Auditors

A resolution to reappoint Deloitte & Touche (M.E.) LLP as auditors for the ensuing year will be put to the shareholders at the Annual General Meeting.

### On behalf of the Board of Directors



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Chairman  
Abu Dhabi, UAE  
16 February 2026

## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ADNOC GAS PLC

### REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

#### Opinion

We have audited the consolidated financial statements of ADNOC Gas PLC (the "Company") and its subsidiaries (together, the "Group"), which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the applicable requirements of Abu Dhabi Accountability Authority (ADAA) Chairman Resolution No. 88 of 2021 Regarding Financial Statements Audit Standards for the Subject Entities. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) as applicable to audits of consolidated financial statements of public interest entities together with the ethical requirements that are relevant to audits of consolidated financial statements of public interest entities in the Abu Dhabi Global Market (ADGM), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**INDEPENDENT AUDITOR’S REPORT TO THE SHAREHOLDERS OF  
ADNOC GAS PLC (continued)**

**Key Audit Matters (continued)**

<b>Key audit matter</b>	<b>How our audit addressed the key audit matter</b>
<b>Revenue recognition</b>	
<p>The Group reported revenue of USD 18.5 billion for the year ended 31 December 2025.</p> <p>Revenue is earned from the sale of goods and is recognised at the point in time at which the control of the goods has been transferred to the customer.</p> <p>The Group earns a large proportion of its revenue from related parties in the normal course of business. There is inherent risk around occurrence of revenue recognised given a significant portion of the transactions are with related parties. We have considered revenue recognition as a key audit matter as a result of this fact, the quantitative significance of revenue to the consolidated financial statements and the level of audit effort required.</p> <p>The Group’s accounting policies relating to revenue recognition are presented in note 2 to the consolidated financial statements and details about the Group’s revenue are disclosed in note 3 to the consolidated financial statements. Significant accounting judgments, estimates and assumptions relating to revenue are presented in note 2 to the consolidated financial statements.</p>	<p>Our audit approach included a combination of test of controls and substantive procedures, in particular, the following:</p> <ul style="list-style-type: none"> <li>• Understanding the significant revenue processes and identifying the relevant controls related to revenue recognition;</li> <li>• Evaluating these controls over revenue to determine if they had been appropriately designed and were operating effectively;</li> <li>• Assessing whether the revenue recognition criteria adopted by the Group are appropriate and in accordance with the requirements of IFRS Accounting Standards.</li> <li>• For recorded revenue, reviewing sales contracts, on a sample basis, to assess the impact of contract terms on the timing and amount of revenue recognised and related disclosures.</li> <li>• Obtaining direct confirmations from related parties and reviewing reconciliations, if any;</li> <li>• Evaluating the business rationale for any significant transactions with related parties outside of the normal course of business; and</li> <li>• Assessing the disclosures in the consolidated financial statements relating to this matter against the requirements of IFRS Accounting Standards.</li> </ul>

**INDEPENDENT AUDITOR’S REPORT TO THE SHAREHOLDERS OF  
ADNOC GAS PLC (continued)**

**Key Audit Matters (continued)**

<b>Key audit matter</b>	<b>How our audit addressed the key audit matter</b>
<p><b>Decommissioning provision</b></p> <p>The Group has a decommissioning provision of USD 3.14 billion as at 31 December 2025.</p> <p>This provision relates to the future dismantling and removal of items of property, plant and equipment and restoring land to its condition prior to the commencement of gas processing activities in accordance with the applicable regulatory requirements.</p> <p>The provision is initially measured at the present value of the expected cost of dismantling and removing the items and restoring the site on which they are located. It is then increased over the life of the assets using the effective interest method, with the resultant interest charged to profit or loss. The amount of the obligation is estimated by management at current prices and in accordance with local conditions and requirements, and an equivalent amount is included in the respective class of asset in property, plant and equipment.</p> <p>Management engaged third party consultants to determine the decommissioning provision.</p> <p>The decommissioning costs are uncertain, and cost estimates can vary in response to many factors, in particular inflation and discount rate assumptions. Therefore, significant estimates and assumptions are made in determining the decommissioning provision.</p> <p>Due to the materiality of the amounts involved and use of significant assumptions, we have considered this to be a key audit matter.</p> <p>The Group’s accounting policies relating to the decommissioning provision are presented in note 2 to the consolidated financial statements and details about the Group’s decommissioning provision are disclosed in note 26 to the consolidated financial statements. Significant accounting judgments, estimates and assumptions relating to the decommissioning provision are presented in note 2 to the consolidated financial statements.</p>	<p>Our audit approach included a combination of test of controls and substantive procedures, in particular, the following:</p> <ul style="list-style-type: none"> <li>• Obtaining an understanding of the Group’s business process for the identification and recognition of the decommissioning provision;</li> <li>• Identifying the relevant controls relating to the recognition and measurement of the decommissioning provision and assessing these controls to determine if they had been appropriately designed and implemented and were operating effectively;</li> <li>• Verifying the underlying agreements and evaluating if all the relevant assets are considered for decommissioning as required in the agreements;</li> <li>• Concluding on the completeness and accuracy of information provided to third party consultants for the calculation of decommissioning provision;</li> <li>• Assessing the competence, qualifications, independence and objectivity of the third-party consultants who determined the amount of the decommissioning provision and assessing the scope of their work to determine if it was sufficient for audit purposes;</li> <li>• Assessing, with the assistance of our internal specialists, the methodology adopted by the third-party consultants to determine the decommissioning provision, for example, expected decommissioning costs, discount rates and inflation rates;</li> <li>• Reperforming the mathematical accuracy of the calculation of the decommissioning provision;</li> <li>• Agreeing the amounts determined by the third-party consultants to the amounts reported in the consolidated financial statements relating to this matter; and</li> <li>• Assessing the disclosures in the consolidated financial statements relating to this matter against the requirements of IFRS Accounting Standards.</li> </ul>

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF  
ADNOC GAS PLC (continued)**

**Key Audit Matters (continued)**

Key audit matter	How our audit addressed the key audit matter
<b>Capitalisation of property, plant and equipment</b>	
<p>The Group has capital work-in -progress (CWIP) of USD 5.96 billion as at 31 December 2025. This represents 18.4% of the Group's total assets at the reporting date.</p> <p>The Group capitalises all directly attributable costs such as materials, labour, contractors' costs and overheads related to ongoing construction and development activities until the date these assets become available for use, which is the date that the assets are capable of operating in the manner intended by management. These costs are transferred from CWIP to the appropriate asset category once they are available for use and depreciated over their useful lives from this date.</p> <p>Construction projects involve inherent complexities, including estimation of costs and progress measurement. Management applies significant judgment in determining the appropriateness of costs capitalised to CWIP, including assessments of project completion, when the assets are available for use and cost-to-complete estimates.</p> <p>Management performs reviews on a monthly basis to assess the progress for all major projects and projects close to completion.</p> <p>We have considered this to be a key audit matter given the level of judgement applied and estimates made by management, and the quantitative significance of the amount to the consolidated financial statements and the level of audit effort required.</p> <p>The Group's accounting policies relating to the capitalisation of assets are presented in note 2 to the consolidated financial statements, and details about the Group's capital work-in-progress are disclosed in note 13 to the consolidated financial statements.</p>	<p>Our audit approach included a combination of test of controls and substantive procedures, in particular, the following:</p> <ul style="list-style-type: none"> <li>• Obtaining an understanding of the Group's business process for the capitalisation of costs and timing of capitalisation of assets, including the relevant controls in this process;</li> <li>• Assessing these controls to determine if they had been appropriately designed and implemented and were operating effectively.</li> <li>• Evaluating the Group's accounting policies relating to the above to determine if they were in compliance with IFRS Accounting Standards;</li> <li>• Agreeing costs capitalised during the year, on a sample basis, to supporting documentation, for example supplier invoices and contracts to determine if the amounts have been capitalised accurately and meet the requirements for capitalisation stipulated within IFRS Accounting Standards;</li> <li>• Assessing the stage of completion of a sample of projects by reviewing project plans, progress reports from external contractors and discussions with management;</li> <li>• For a sample of projects, agreeing the date of capitalisation to supporting documents, for example, completion certificates;</li> <li>• Physically inspecting projects, on a sample basis; and</li> <li>• Assessing the disclosures in the consolidated financial statements relating to this matter against the requirements of IFRS Accounting Standards.</li> </ul>



## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ADNOC GAS PLC (continued)

### **Other Information**

Management is responsible for the other information. The other information comprises the Directors' report (but does not include the consolidated financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the Group's Annual Report, which is expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we will read the Group's Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and consider whether a reportable irregularity exists in terms of the auditing standards, which must be reported.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the applicable provisions of the Articles of Association of the Company and ADGM Companies Regulations 2020, Companies Regulations (International Accounting Standards) Rules 2015, and ADGM Market Rulebook, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the applicable requirements of ADAA Chairman's Resolution No. 88 of 2021 Regarding Financial Statements Audit Standards for the Subject Entities will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.



## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ADNOC GAS PLC (continued)

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

Resolution No. 88 of 2021 Regarding Financial Statements Audit Standards for the Subject Entities, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ADNOC GAS PLC (continued)

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the provisions of ADGM Companies Regulations 2020, Companies Regulations (International Accounting Standards) Rules 2015 and ADGM Market Rulebook (the "Rules and Regulations"), we report that:

- the consolidated financial statements of the Group have been prepared, in all material respects, in accordance with the requirements of the said Rules and Regulations;
- the information given in the Directors' report is consistent with the Group's consolidated financial statements for the year ended 31 December 2025;
- adequate accounting records have been kept by the Group; and
- the Group's consolidated financial statements are in agreement with the accounting records of the Group.

Further, as required by the ADAA Chairman Resolution No. 88 of 2021 Regarding Financial Statements Audit Standards for the Subject Entities, we report, in connection with our audit of the consolidated financial statements for the year ended 31 December 2025, that nothing has come to our attention that causes us to believe that the Group has not complied, in all material respects, with any of the provisions of the following laws, regulations and circulars as applicable, which would materially affect its activities or the consolidated financial statements as at 31 December 2025:

- (i) its Articles of Association; and
- (ii) relevant provisions of the applicable laws, resolutions and circulars that have an impact on the Subject Entity's consolidated financial statements.

The engagement partner on the audit resulting in this independent auditor's report is Rama Padmanabha Acharya.

Deloitte & Touche (M.E.) LLP



Rama Padmanabha Acharya  
16 February 2026  
Abu Dhabi  
United Arab Emirates

# ADNOC GAS PLC (AG)

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

		<i>For the year ended 31 December 2025 USD'000</i>	<i>For the year ended 31 December 2024 USD'000</i>
	<i>Notes</i>		
Revenue	3	<b>18,509,161</b>	19,064,641
Gas costs:			
- Minimum price	4, 21	<b>(3,711,834)</b>	(3,610,514)
- Profit sharing	4, 21	<b>(6,728,003)</b>	(7,591,633)
- Fuel gas payment	4, 21	<b>(182,099)</b>	(182,418)
Other operating income	5, 21	<b>1,134,360</b>	1,096,552
Employee costs	6	<b>(1,104,642)</b>	(1,111,601)
Depreciation and amortisation	7	<b>(1,299,483)</b>	(1,216,377)
Inventory consumption		<b>(52,723)</b>	(48,800)
Other operating costs	8	<b>(386,101)</b>	(371,382)
Other expenses, net	9	<b>(231,395)</b>	(188,996)
Recharge of operating costs by AGP JV	16	<b>(251,881)</b>	(268,005)
Share of results of equity accounted investees	16	<b>428,294</b>	518,538
Recharges to related parties	21	<b>597,523</b>	574,891
<b>Operating profit</b>		<b>6,721,177</b>	6,664,896
Finance income		<b>104,708</b>	127,134
Finance costs	10	<b>(176,782)</b>	(180,125)
<b>Profit before tax for the year</b>		<b>6,649,103</b>	6,611,905
Current income tax expense	11	<b>(1,558,562)</b>	(1,714,663)
Deferred tax credit	11	<b>75,219</b>	103,941
<b>Profit for the year</b>		<b>5,165,760</b>	5,001,183
<b>Earnings per share:</b>			
Basic and diluted (USD)	12	<b>0.067</b>	0.065

The accompanying notes form an integral part of the consolidated financial statements.

## ADNOC GAS PLC (AG)

### CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

		<i>For the year ended 31 December 2025 USD'000</i>	<i>For the year ended 31 December 2024 USD'000</i>
<b>Profit for the year</b>		<b>5,165,760</b>	5,001,183
<b>Other comprehensive income</b>			
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>			
Re-measurement gain on employees' end of service benefits obligations	25	<b>424</b>	3,307
<b>Total comprehensive income for the year</b>		<b>5,166,184</b>	5,004,490

The accompanying notes form an integral part of the consolidated financial statements.

# ADNOC GAS PLC (AG)

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	Notes	31 December 2025 USD '000	31 December 2024 USD '000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	13	23,030,262	21,480,973
Intangible assets	14	163,637	109,804
Right-of-use assets	15	23,325	31,767
Investment in equity accounted investees	16	1,405,194	1,271,762
Deferred tax assets	11	746,410	671,190
Amounts due from related parties	21	-	25,842
Advances and other receivables	19	608,384	540,404
<b>Total non-current assets</b>		<b>25,977,212</b>	<b>24,131,742</b>
<b>Current assets</b>			
Inventories	17	279,264	197,802
Trade receivables	18	180,072	292,171
Advances and other receivables	19	103,983	87,843
Contract assets	20	389,244	359,137
Amounts due from related parties	21	1,835,508	1,225,898
Cash and cash equivalents	22	3,701,731	4,530,944
<b>Total current assets</b>		<b>6,489,802</b>	<b>6,693,795</b>
<b>Total assets</b>		<b>32,467,014</b>	<b>30,825,537</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	23	19,187,855	19,187,855
Treasury shares	24	(33,086)	-
Other reserves (net)	24	(401)	-
Actuarial gains on defined benefit obligations	25	13,091	12,667
Retained earnings		5,536,787	4,764,824
<b>Total equity</b>		<b>24,704,246</b>	<b>23,965,346</b>
<b>Non-current liabilities</b>			
Provision for employees' end of service benefits	25	172,033	157,873
Lease liabilities	15, 21	18,003	26,256
Payable to contractor		16,919	-
Decommissioning provision	26	3,140,202	2,770,929
<b>Total non-current liabilities</b>		<b>3,347,157</b>	<b>2,955,058</b>
<b>Current liabilities</b>			
Loans from ADNOC	21, 27	-	500,000
Trade and other payables	28	2,962,182	1,808,450
Amounts due to related parties	21	1,347,659	1,467,802
Lease liabilities	15, 21	9,900	10,273
Income tax payable	11, 21	95,870	118,608
<b>Total current liabilities</b>		<b>4,415,611</b>	<b>3,905,133</b>
<b>Total liabilities</b>		<b>7,762,768</b>	<b>6,860,191</b>
<b>Total equity and liabilities</b>		<b>32,467,014</b>	<b>30,825,537</b>

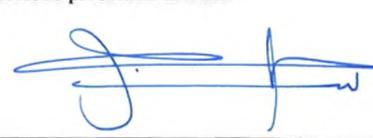
To the best of our knowledge, the consolidated financial statements present fairly in all material respects, the consolidated financial position, financial performance and cash flows of the Group as of, and for, the periods presented therein.



**Peter Van Driel**  
CFO



**Fatema Mohamed Al Nuaimi**  
CEO



**H.E. Dr. Sultan Ahmed Al Jaber**  
Chairman

The accompanying notes form an integral part of the consolidated financial statements.

## ADNOC GAS PLC (AG)

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	<i>Share capital USD'000</i>	<i>Treasury shares USD'000</i>	<i>Other reserves (net) USD'000</i>	<i>Actuarial gains on defined benefit obligations USD'000</i>	<i>Retained earnings USD'000</i>	<i>Total equity USD'000</i>
Balance at 1 January 2024	19,187,855	-	-	9,360	3,094,934	22,292,149
Profit for the year	-	-	-	-	5,001,183	5,001,183
Other comprehensive income	-	-	-	3,307	-	3,307
Total comprehensive income for the year	-	-	-	3,307	5,001,183	5,004,490
Dividends paid (note 33)	-	-	-	-	(3,331,293)	(3,331,293)
<b>Balance at 31 December 2024</b>	<b>19,187,855</b>	<b>-</b>	<b>-</b>	<b>12,667</b>	<b>4,764,824</b>	<b>23,965,346</b>
Balance at 1 January 2025	19,187,855	-	-	12,667	4,764,824	23,965,346
Profit for the year	-	-	-	-	5,165,760	5,165,760
Other comprehensive income	-	-	-	424	-	424
Total comprehensive income for the year	-	-	-	424	5,165,760	5,166,184
Own shares acquired during the year (note 24)	-	(33,086)	(401)	-	-	(33,487)
Dividends paid (note 33)	-	-	-	-	(4,393,797)	(4,393,797)
<b>Balance at 31 December 2025</b>	<b>19,187,855</b>	<b>(33,086)</b>	<b>(401)</b>	<b>13,091</b>	<b>5,536,787</b>	<b>24,704,246</b>

The accompanying notes form an integral part of the consolidated financial statements.

# ADNOC GAS PLC (AG)

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

		<i>For the year ended 31 December 2025 USD'000</i>	<i>For the year ended 31 December 2024 USD'000</i>
<b>OPERATING ACTIVITIES</b>	<i>Notes</i>		
Profit for the year		5,165,760	5,001,183
<i>Adjustments for:</i>			
Depreciation on property, plant and equipment	7, 13	1,242,886	1,165,204
Depreciation on right-of-use assets	7, 15	8,442	8,386
Amortisation of intangible assets	7, 14	48,155	42,787
(Reversal)/allowance for slow moving and obsolete inventories	17	(17,314)	9,146
Share of results of equity accounted investees	16	(428,294)	(518,538)
Recharge of operating costs by AGP JV	16	251,881	268,005
Deferred tax credit	11	(75,219)	(103,941)
Current income tax expense	11	1,558,562	1,714,663
Charge for employees' end of service benefits	6	12,745	13,739
Finance income		(104,708)	(127,134)
Finance costs	10	176,782	180,125
<b>Net cash flows from operating activities before changes in working capital</b>		<b>7,839,678</b>	<b>7,653,625</b>
<b>Changes in working capital:</b>			
Increase in inventories		(64,148)	(24,466)
Decrease in trade receivables and contract assets		81,992	1,219,021
Decrease in advances and other receivables		57,233	29,129
Increase in amounts due from related parties		(819,599)	(1,151,957)
Increase in trade and other payables		419,186	517,534
Increase/(decrease) in amounts due to related parties		5,458	(472,257)
<b>Cash flows from operating activities</b>		<b>7,519,800</b>	<b>7,770,629</b>
Employees' end of service benefits paid	25	(9,541)	(9,222)
Taxes paid	11	(1,581,300)	(1,771,503)
<b>Net cash flows generated from operating activities</b>		<b>5,928,959</b>	<b>5,989,904</b>
<b>INVESTING ACTIVITIES</b>			
Payments for purchase of property, plant and equipment and intangible assets		(2,892,447)	(1,967,678)
Proceeds from transfer of capital work-in-progress to a related party		1,005,408	-
Advance paid for capital projects		(326,758)	(83,168)
Dividends received		327,959	518,508
Finance income received		104,708	127,134
<b>Net cash flows used in investing activities</b>		<b>(1,781,130)</b>	<b>(1,405,204)</b>
<b>FINANCING ACTIVITIES</b>			
Repayment of loans from ADNOC	27	(500,000)	-
Repayment of lease liabilities	15	(9,870)	(9,529)
Finance costs paid		(26,717)	(42,025)
Advances paid to Market Maker, net	24	(12,297)	-
Purchase of treasury shares	24	(1,063,899)	-
Sale of treasury shares	24	1,029,538	-
Dividends paid		(4,393,797)	(3,331,293)
<b>Net cash flows used in financing activities</b>		<b>(4,977,042)</b>	<b>(3,382,847)</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(829,213)</b>	<b>1,201,853</b>
<b>Cash and cash equivalents at beginning of the year</b>		<b>4,530,944</b>	<b>3,329,091</b>
<b>CASH AND CASH EQUIVALENTS, AT THE END OF THE YEAR</b>	22	<b>3,701,731</b>	<b>4,530,944</b>
<b>Non-cash transactions:</b>			
Refer note 34			

The accompanying notes form an integral part of the consolidated financial statements.

# ADNOC GAS PLC (AG)

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025

### 1 GENERAL INFORMATION

ADNOC Gas Ltd. (“AG” or “the Company”) was incorporated on 8 December 2022 in the Abu Dhabi Global Market as a private company limited by shares pursuant to Abu Dhabi Global Market Companies (Amendment No. 1) Regulations 2020. The Company was re-registered as a public company limited by shares in the Abu Dhabi Global Market (ADGM) by the name of “ADNOC Gas PLC” on 4 February 2023. Its registered office is at Floor 28, Al Sarab Tower, Abu Dhabi Global Market Square, Al Maryah Island, Abu Dhabi, United Arab Emirates.

On 21 December 2022, Abu Dhabi National Oil Company (ADNOC) P.J.S.C. (“ADNOC”) transferred 100% of its holding in ADNOC Gas Facilities Sole Proprietorship LLC (“AGF”) and ADNOC Gas Operations and Marketing LLC (“AGO&M”) to the Company for nil consideration. With effect from 1 January 2023, ADNOC transferred its ownership interests in the sole risk operations (“ASR”), Abu Dhabi Gas Industries Limited (ADNOC Gas processing) (“AGP JV”), Abu Dhabi Gas Liquefaction Company Limited (ADNOC LNG) (“ALNG JV”) and ADNOC Industrial Gases Company Limited (“AIG”), to AGF (a subsidiary). Further, effective 1 January 2023, AGF entered a fiscal arrangement (the “Fiscal Arrangement”) with Abu Dhabi Supreme Council for Financial and Economic Affairs, setting out the fiscal regime applicable to the operations.

Effective 1 July 2023, AGO&M commenced operations to take over the operations and marketing functions for AGP JV, ALNG JV, AIG and AGF, on a no profit and no loss basis.

During February 2025, ADNOC (Shareholder) completed a marketed offering (the “Offering”) of 4% of the issued and outstanding share capital of the Company. Following this Offering, ADNOC’s ownership interest in the Company’s share capital reduced to 86%. ADNOC continues to retain majority ownership and effective control of the Company.

On 11 September 2025, ADNOC transferred its shareholding in the Company to XRG P.J.S.C. (“XRG”). XRG is an international energy investment company incorporated and headquartered in Abu Dhabi and is 100% owned and controlled by ADNOC. Following the transfer, XRG became the Company’s shareholder; however, ADNOC remains the Company’s Parent, as it retains control over governance in the Company.

The transfer was effected through an off-market share transfer on the ADX after receipt of the relevant regulatory approvals. The transaction was an internal administrative re-organisation within the ADNOC Group and did not result in any change in the ultimate ownership, control or governance of the Company.

The principal objective of the Company is to perform activities of holding companies. The principal activities of the subsidiaries are processing of associated and non-associated gas from onshore oil and gas productions and transmission of related products, marketing and promotion for natural gas, investment in oil and natural gas projects, operation and maintenance services of oil and gas production facilities and supplying of industrial gases to the oil and gas industry.

# ADNOC GAS PLC (AG)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

### 1 GENERAL INFORMATION continued

Details of the Company's subsidiaries as at 31 December 2025 and 31 December 2024 are as follows:

<b>Name of subsidiaries</b>	<b>Ownership interest</b>	<b>Country of incorporation</b>	<b>Principal activities</b>
ADNOC Gas Facilities – Sole Proprietorship L.L.C. (“AGF”)	100%	U.A.E.	To own gas production, liquefaction and processing facilities to process, manufacture, supply, transport, trade, store, ship, market and distribute gas.
ADNOC Gas Operations and Marketing L.L.C. (“AGO&M”)	100%	U.A.E.	To operate and maintain gas production, liquefaction and processing facilities, in addition to the transmission, shipping, storage, distribution, marketing and infrastructure networks and other activities associated with its objectives.
ADNOC Industrial Gases Company Limited (“AIG”)	100%	U.A.E.	To provide industrial gases to the oil and gas industry.

The Company together with its subsidiaries is referred to as the “Group”.

Details of the Company's associates as at 31 December 2025 and 31 December 2024 are as follows:

<b>Name of associates</b>	<b>Ownership interest</b>	<b>Country of incorporation</b>	<b>Principal activities</b>
Abu Dhabi Gas Industries Limited (ADNOC Gas Processing) (“AGP JV”)	68%	U.A.E.	Processing of associated gas produced from various onshore oil fields in the Emirate of Abu Dhabi.
Abu Dhabi Gas Liquefaction Company Limited (“ALNG JV”)	70%	U.A.E.	Fuel oil and refinery gases production, natural gas liquefaction and chemical elements manufacturing. ALNG JV is engaged in the processing of natural gas in order to produce and sell liquefied natural gas (LNG), liquefied petroleum gas (LPG) and other associated products.

### 2 BASIS OF PREPARATION

#### 2.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB) and the applicable provisions of the Abu Dhabi Global Market (“ADGM”) Companies Regulations 2020, Companies Regulations (International Accounting Standards) Rules 2015 and ADGM Market Rulebook.

As per the Article of Association, the Company is exempt from United Arab Emirates (“UAE”) Federal Law No. (32) of 2021 on commercial companies.

# ADNOC GAS PLC (AG)

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

### 2 BASIS OF PREPARATION continued

#### 2.2 Functional and presentation currency

These consolidated financial statements are presented in US Dollar (“USD”), the Group’s presentation currency, which is also the functional currency of the Company. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

#### 2.3 Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods or services.

Fair value is the price that would be received on sale of an asset or paid on transfer of a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

In estimating the fair value of a financial asset or liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these consolidated financial statements is determined on such a basis.

For financial reporting purposes, fair value measurements are categorised into level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which is described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 inputs are unobservable inputs for the asset or liability that are derived from valuation techniques.

#### 2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Company controls an investee if, and only if, the Company has:

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

## ADNOC GAS PLC (AG)

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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 2 BASIS OF PREPARATION continued

##### 2.4 Basis of consolidation continued

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated financial statements from the date when the Group gains control until the date when the Group ceases to control the subsidiary.

Generally, there is a presumption that a majority of voting rights results in control. When the Group has less than a majority of the voting or similar rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Profit or loss and each component of other comprehensive income (OCI) are attributed to equity holders of the Company. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary without a loss of control, is accounted for as equity transaction. When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between:

- (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest; and
- (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests.

All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e., reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable IFRS Accounting Standard). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 when applicable, or the cost on initial recognition of an investment in an associate or joint venture.

##### 2.5 Significant accounting judgments, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

# ADNOC GAS PLC (AG)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

### 2 BASIS OF PREPARATION continued

#### 2.5 Significant accounting judgments, estimates and assumptions continued

##### Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

##### *Re-injection gas*

Re-injection gas is a derived component from the original feed stock sold by ADNOC to the Group under the Gas Supply and Payment Agreement which is purchased by ADNOC under Re-injection Gas Supply Agreement. Accordingly, to that extent the control does not pass on to the Group. Hence, the Group recognises other operating income on net basis i.e., income from sale of re-injection gas to ADNOC less feed stock cost for the same. There is significant judgement made by management on the assessment of what constitutes the control.

##### *Interests in joint arrangements and associates*

Judgement is required to determine the level of control the Group holds in another entity, which requires an assessment of the relevant activities and when the decisions in relation to those activities require the unanimous consent of the parties sharing the control. There is significant judgement made by management on the assessment of what constitutes the relevant activities and control.

Joint control exists only when, there is a contractual agreement to share the control of an arrangement, when decisions about the relevant activities require the unanimous consent of the parties sharing control. In a joint arrangement, no single party controls the arrangement. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. A joint operation is a joint arrangement whereby parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A party with joint control of an arrangement may prevent any of the other parties, or a group of the parties, from controlling the arrangement. A contractual arrangement may require a minimum proportion of the voting rights to make decisions. Key judgement is applied when that minimum can be achieved by more than one combination of the parties agreeing; in such a scenario, the arrangement is not a joint arrangement unless it specifies which parties (or combination of parties) are required to agree unanimously to decisions about the relevant activities of the arrangement.

If the Group obtains joint control of an arrangement, judgement is also required to assess whether the arrangement is a joint operation or a joint venture. If the Company neither controls nor jointly controls the entity, it may be in a position to exercise significant influence over the entity, which is then classified as an associate. The Group does not have control over ALNG JV and AGP JV, considering the Board composition and the decision-making process for these entities, accordingly these entities are classified as investment in equity accounted investees.

##### *Decommissioning*

Decommissioning liability is recognised when the Group establishes that it has a present obligation (legal or constructive) as a result of a past event (the obligating event), payment is probable ('more likely than not'), and the amount can be estimated reliably.

In determining the obligation, the Group's management has concluded that it has constructive obligation for decommissioning relating to all its property, plant and equipment. This key judgement is on the premise that the Group is expected to continue to operate and benefit from all the property, plant and equipment up to the end of their respective useful economic life. The decommissioning liability is reduced by amount of contribution from a third party shareholder (in a Group operation) to the extent they have a legal obligation to settle the liability.

## ADNOC GAS PLC (AG)

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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 2 BASIS OF PREPARATION continued

#### 2.5 Significant accounting judgments, estimates and assumptions continued

##### Judgements continued

##### *Decommissioning* continued

The Group holds provisions for future dismantling and removing items of property, plant, and equipment, and restoring land at the end of gas processing activity. Most of these decommissioning events are many years in the future and the precise requirements that will have to be met when the removal events occur are uncertain. Estimating obligations to dismantle, remove and restore items of property, plant and equipment is complex. The timing and amount of future expenditures relating to decommissioning and environmental liabilities are reviewed annually. The nominal interest rates used to determine the balance sheet obligations at the end of 2025 were 4.74%, 5.15% and 5.56% (2024: 5.19%, 5.54% and 5.58%) for the tenor of 10 years, 20 years, and 30 years respectively, based on long-dated Abu Dhabi Government bonds. The weighted average period over which decommissioning and environmental costs are generally expected to be incurred is estimated to be approximately within range of 6-17 years (2024: 6-18 years) across various sites. Costs at future prices are typically determined by applying an inflation rate of 2% (2024: 2%) to decommissioning costs.

Further, the Group has recognised a deferred tax asset relating to decommissioning liability on the basis it is deemed to be recoverable in future.

##### *Land lease*

Leases are entered into with ADNOC which contain clauses for automatic annual renewal of the lease term, unless either party provides a notice to not extend the lease. In determining the lease term, management considers all facts and circumstances that create an economic incentive to not exercise a termination option. Periods after termination options are only included in the lease term if the lease is reasonably certain to be not terminated. Management considers all facts and circumstances that create an economic incentive to not terminate the lease to determine the appropriate lease terms.

During the year ended 31 December 2025, no significant events or significant change in circumstances occurred that caused management to reassess the lease term of such contracts.

##### *Determination of principal status*

The Group measures its revenue at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty, as the Group has determined that it is acting as principal in the transactions. The determination of whether the Group is principal, or agent requires judgement. In making this judgement, the Group evaluates whether it controls each specified good before that good is transferred to the customer.

##### *Galaxy pipeline*

The Group entered into "Pipelines Use and Operation Agreement" with ADNOC. The Group has the right to use, manage and operate the pipelines. However, ownership interest in pipelines is not transferred to the Group. Further, the Group makes tariff payments to ADNOC for use of pipelines based on quantum of molecules flowing through these pipelines. Tariff payments will have a cap based on baseline estimates and do not include any fixed payment or minimum commitments. Tariff is computed based on the unit of molecules and is not dependent on any index or rate.

No lease liability is recognised in the absence of fixed payments, index or rate based variable payments. Instead, the Group recognised a charge for usage of Gas pipelines which is based on actual quantum of molecules flowing through pipelines. There is significant judgement made by management on the assessment of what constitutes control.

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 2 BASIS OF PREPARATION continued

##### 2.5 Significant accounting judgments, estimates and assumptions continued

###### Judgements continued

###### *Taxes*

The amount of income tax payable is determined as per the agreement between the Group and the Supreme Council for Financial and Economic Affairs (“SCFEA”).

Deferred tax assets are recognised against differences between tax basis and accounting basis of recording for depreciation on decommissioning assets, charge for decommissioning provision and charge for end of service benefits to the extent that it is probable that taxable profit will be available against which the temporary differences can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits.

###### *Contingent liabilities*

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group, including legal, contractor, and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

###### *Segment information*

For management purpose, the Group is organised as one business unit based on the products and services and management has concluded that it has only one reportable segment. The Group is managed as a single business unit and the financial performance is reported in the internal reporting provided to the Chief Operating Decision-maker (“CODM”). The Board of Directors, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the CODM that makes strategic decisions. The financial information reviewed by the CODM is based on the financial information prepared in accordance with IFRS Accounting Standards for the Group.

###### *Cash and cash equivalents*

The Group entered into a Cash Pooling and Virtual Accounts Agreement (“cash pooling arrangement”) with ADNOC through its subsidiary, ADNOC Group Treasury Services Limited (AGTS). Under the cash pooling arrangement, surplus cash is transferred to and held by AGTS, on which interest is earned. The surplus cash is available on demand to the Group to meet its obligations as it has legal title to the cash balance at any point in time. The assessment of ‘insignificant risk of change in value’ involves exercise of significant judgement. Based on the assessment, management has concluded that these balances are subject to an insignificant risk of changes in value, thereby meeting the definition of ‘cash equivalents’. Accordingly, these balances have been presented under ‘cash and cash equivalents’.

###### *Capital work-in-progress*

The Group exercises judgement in determining whether an expenditure meets the criteria for capitalisation as an asset and in determining the appropriate timing for the capitalization of assets in accordance with IFRSs. Key considerations in this judgement include assessment of:

- whether the asset is expected to provide future economic benefits to the Group.
- whether the expenditure meets the definition of an asset, including control over the resource and the ability to obtain future economic benefits.
- whether cost of the item can be measured reliably.
- whether the asset is available for use and capable of operating in the manner intended by management.

In making these judgements, management considers the nature and complexity of the assets, stage of completion, expected useful life and any potential uncertainties in the construction process. The Group regularly reviews capital work-in-progress (CWIP) balances and monitors progress to ensure appropriate classification and timely reclassification to property, plant and equipment. Any costs that do not meet the recognition criteria for property, plant and equipment are expensed as incurred.

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 2 BASIS OF PREPARATION continued

##### 2.5 Significant accounting judgments, estimates and assumptions continued

###### *Presentation of related party balances on a net basis*

Management exercised significant judgement in determining that related party balances with entities under common control should be presented on a net basis, as the Group's centralised treasury, cash-pooling and mandated intercompany clearing arrangements result in a single net enforceable position and remove any practical ability for group companies to require gross settlement. In this environment, there is no exposure to gross credit risk or third-party counterparty risk, and the Group-mandated clearing mechanism provides the substantive net-settlement rights required by IAS 32. Presenting balances on a net basis therefore provides a clearer and more faithful representation of the Group's financial position and liquidity.

###### **Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the consolidated financial statements when they occur.

###### *Useful lives and residual values of property, plant and equipment and intangible assets*

The Group's management determines the estimated useful lives and residual values of the property, plant and equipment and intangible assets based on the historical pattern of useful lives and general standards in the industry. The useful lives and residual values are reviewed for reasonableness by management on an annual basis.

###### *Deferred tax*

The terms of the fiscal arrangement provide that decommissioning costs or costs and expense for overhaul at gas processing, production and handling facilities are deductible from income in the year in which such expenditure is actually incurred. The consolidated financial statements include decommissioning liabilities (including accretion from unwinding of discount) and capitalisation of decommissioning costs (net of accumulated depreciation). Therefore, temporary differences arise between carrying amount of decommissioning provision and costs capitalised in the balance sheet and their tax base. For the purpose of computing deferred tax, tax rate at the time of reversal of temporary differences needs to be considered, however, the estimated weighted average tax rate as calculated based on volumes and profitability during the relevant period is considered based on management's best estimate.

###### *Provision for slow moving or obsolete inventories*

When inventories become old or obsolete, an estimate is made of their net realisable value. Inventory items are categorised based on their aging and accordingly for each category, a provision is recognised for obsolete and slow-moving inventories.

###### *Decommissioning costs estimate*

Decommissioning costs resulting from legal or constructive obligation are recognised based on a reasonable estimate in the period in which the obligation arises. The Group assesses its decommissioning provision at each reporting date.

The decommissioning costs are uncertain and cost estimates can vary in response to many factors, including changes to relevant legal requirements, estimates of the extent and costs of decommissioning activities, the emergence of new restoration techniques or experience at other production sites, cost increases as compared to the inflation rates of 2% (2024: 2%), and changes in discount rates ranged from 4.7% to 5.5% (2024: ranged 5% to 6%). The expected timing, extent and amount of expenditure may also change, for example, in response to changes in gas assets or changes in laws and regulations or their interpretation. Therefore, significant estimates and assumptions are made in determining the provision for decommissioning. As a result, there could be significant adjustments to the provisions established which would affect future financial results.

# ADNOC GAS PLC (AG)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

### 2 BASIS OF PREPARATION continued

#### 2.5 Significant accounting judgments, estimates and assumptions continued

##### Estimates and assumptions continued

###### *Decommissioning costs estimate* continued

External valuers may be used to assist with the assessment of future decommissioning costs. The involvement of external valuers is determined on a case-by-case basis, taking into account factors such as the expected gross cost or timing of abandonment, and is approved by the Group's management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

Changes in assumption in relation to the Group's provisions could result in a material change in their carrying amounts within next financial year. A 100-basis point increase in the nominal discount rate applied could decrease the Group's provision by approximately USD 250 million (2024: USD 215 million). The pre-tax impact on the Group's income statement would be a credit of approximately USD 4 million (2024: USD 14 million). A 100-basis point increase in the inflation rate applied to decommissioning and environment restoration costs could increase the decommissioning and environmental provision by approximately USD 28 million (2024: USD 15 million). A 100-basis point increase/decrease in the decommissioning rates could increase/decrease the decommissioning liability by approximately USD 488 million (2024: USD 341 million increase and USD 364 million decrease).

The provision at reporting date represents management's best estimate of the present value of the future decommissioning costs required and are disclosed in note 26.

#### 2.6 Summary of material accounting policy information

##### Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree.

For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in general and administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that, together, significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 and IAS 19, respectively;
- liabilities or equity instruments related to shared-based payment arrangements of the acquiree, or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquired are measured in accordance with IFRS 2 at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 are measured in accordance with that Standard.

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 2 BASIS OF PREPARATION continued

#### 2.6 Summary of material accounting policy information continued

##### **Business combinations** continued

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the

consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill.

Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interests (including joint operations) in the acquired entity is remeasured to fair value at the acquisition date (i.e., the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in profit or loss.

Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period ends as soon as the Group receives the necessary information about the facts and circumstances that existed as of the acquisition date or learns that the information is not obtainable. However, the measurement period cannot exceed one year from the acquisition date.

##### ***Transactions under common control***

A business combination involving entities or business under common control is a business combination in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the combination and that control is not transitory.

Transactions giving rise to transfer of interests in entities, which are under the common control of the Shareholders, are accounted for using the pooling of interest method without restatement of comparative information. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the books of the transferor entity. The components of equity of the acquired entities are added to the same components within Group equity. Any difference between the consideration paid and capital of the acquiree is recognised directly in equity.

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 2 BASIS OF PREPARATION continued

##### 2.6 Summary of material accounting policy information continued

###### Property, plant and equipment

###### *Initial recognition*

Items of property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses, if any.

Cost includes expenditures that are directly attributable to the acquisition of the assets. The cost of self-constructed assets includes the cost of materials, direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, the costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. Capital / insurance spares are those spares that are critical to the operations and kept in inventory. These insurance spares are included in property, plant and equipment and depreciated over the life of the related asset. Capital / insurance spares are stated at costs less accumulated depreciation and impairment losses, if any.

When a significant part of an item of property, plant and equipment has a different useful life, it is accounted for as a separate component of property, plant and equipment.

Gains and losses, if any, on disposal or retirement of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised in consolidated statement of profit or loss.

###### *Subsequent recognition*

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised and charged to operating expenditure. The costs of the day-to-day servicing of property, plant and equipment are recognised in the consolidated statement of profit or loss and other comprehensive income.

###### *Depreciation*

Items of property, plant and equipment are depreciated from the date they are available for use or, in respect of self-constructed assets, from the date that the asset is completed and ready for intended use. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately. Depreciation is generally recognised in profit or loss, unless the amount is included in the carrying amount of another asset.

Land is not depreciated. Depreciation on assets other than land is recognised so as to write off the cost less estimated residual values on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives are as follows:

Buildings and infrastructure	3 – 30 years
Plant and machinery	3 – 30 years
Oil and gas properties (pipelines)	20 – 30 years
Fixtures, fittings and office equipment	4 – 10 years
Transportation, storage and terminal	4 – 30 years

All other assets are depreciated over a period equal to their estimated useful lives. Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation is recognised on idle assets unless the asset is fully depreciated.

## ADNOC GAS PLC (AG)

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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 2 BASIS OF PREPARATION continued

##### 2.6 Summary of material accounting policy information continued

###### **Property, plant and equipment** continued

###### *Capital work-in-progress*

Property, plant and equipment in the course of construction for production, supply of goods or services, or for administrative purposes are carried at cost, less any recognised impairment loss. Cost also includes overheads and, for qualifying assets, borrowing costs capitalised where applicable. Upon the completion of construction, the costs are transferred to the respective class of asset. Depreciation of these assets is made on the same basis as other respective assets, commencing when the assets are ready for their intended use (i-e when it is in the location and condition necessary for it to operate in the manner intended by management). No depreciation is charged on capital work-in-progress.

###### *Major maintenance and repairs*

Expenditure on major maintenance refits, inspections or repairs comprises the cost of replacement assets or parts of assets, inspection costs and overhaul costs. Where an asset, or part of an asset that was separately depreciated and is now written off, is replaced and it is probable that future economic benefits associated with the item will flow to the Group, the expenditure is capitalised. Where part of the asset replaced was not separately considered as a component and therefore not depreciated separately, the replacement value is used to estimate the carrying amount of the replaced asset(s) and is immediately written off. Inspection, turnaround and shutdown costs associated with major maintenance programmes are capitalised and amortised over the period to the next inspection. All other day-to-day repairs and maintenance costs are expensed as incurred.

###### *Derecognition*

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

###### **Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets represent computer software with estimated useful life of three to five years and is amortised on a straight-line basis.

These are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite useful lives is recognised in the profit or loss in the expense category that is consistent with the function of the intangible assets.

###### **Leases**

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 2 BASIS OF PREPARATION continued

#### 2.6 Summary of material accounting policy information continued

##### Leases continued

##### *Group as a lessee*

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

##### *Right-of-use assets*

The Group recognises right-of-use assets at the lease commencement date (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities, and it comprises of the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received; and
- restoration costs.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

##### *Lease liabilities*

At the lease commencement date, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

Lease payments included in the measurement of the lease liabilities comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the lease commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in note 15.

The lease liability is presented as a separate line item in the consolidated statement of financial position.

## ADNOC GAS PLC (AG)

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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 2 BASIS OF PREPARATION continued

#### 2.6 Summary of material accounting policy information continued

##### Leases continued

##### *Group as a lessee continued*

##### *Short-term leases and leases of low-value assets*

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

##### *Group as a lessor*

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in other income in the consolidated statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as other income in the period in which they are earned.

##### **Investment in associates and joint ventures**

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group's investment in its associate and joint venture are accounted for using the equity method.

Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

The consolidated statement of profit or loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in other comprehensive income (OCI) of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

### 2 BASIS OF PREPARATION continued

#### 2.6 Summary of material accounting policy information continued

##### **Investment in associates and joint ventures** continued

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss within share of profit/(loss) of an associate and a joint venture in the consolidated statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

##### **Inventories**

Inventories are stated at the lower of cost and net realisable value.

Cost is determined using the weighted average cost method. The cost of finished goods comprises raw materials, consumables, spare parts, direct labour and materials and related overheads (based on normal operating capacity). Cost of inventory includes feedstock minimum gas payment to ADNOC and other directly attributable costs. Profit share payment that represents ADNOC's share of raw gas product earnings are considered to be a variable payment that is dependent on the future activity. Accordingly, the Group excludes such variable payments from the cost of inventory and instead recognises a liability when the condition that triggers the obligation occurs.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Provision is made for obsolete / slow moving items where necessary and is recognised in the consolidated statement of profit or loss and other comprehensive income.

##### **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### **i. Financial assets**

##### ***Initial recognition and measurement***

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price as disclosed in accounting policy on Revenue from contracts with customers.

**2 BASIS OF PREPARATION** continued

**2.6 Summary of material accounting policy information** continued

**Financial instruments** continued

**i. Financial assets** continued

*Initial recognition and measurement continued*

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are ‘solely payments of principal and interest (SPPI)’ on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group’s business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

*Subsequent measurement*

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments).
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments).
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments).
- Financial assets at fair value through profit or loss.

The Group does not have any financial assets at fair value through OCI and fair value through profit or loss as at 31 December 2025 and 31 December 2024.

*Financial assets at amortised cost (debt instruments)*

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified, or impaired.

The Group’s financial assets at amortised cost includes trade receivables, contract assets and due from related parties.

## ADNOC GAS PLC (AG)

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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 2 BASIS OF PREPARATION continued

#### 2.6 Summary of material accounting policy information continued

##### Financial instruments continued

##### i. Financial assets continued

###### *Derecognition*

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

###### *Impairment*

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, contract assets and due from related parties, the Group applies a simplified approach in calculating ECLs. Therefore, the Group considers any change in the credit quality of the receivable from the date credit was initially granted up to the reporting period and recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2025 continued

**2 BASIS OF PREPARATION** continued

**2.6 Summary of material accounting policy information** continued

**Financial instruments** continued

**ii. Financial liabilities**

***Initial recognition and measurement***

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings and amounts due to related parties.

***Subsequent measurement***

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss.
- Financial liabilities at amortised cost (loans and borrowings).

***Financial liabilities at fair value through profit or loss***

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the consolidated statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.

***Financial liabilities at amortised cost (loans and borrowings)***

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings.

## ADNOC GAS PLC (AG)

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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2025 continued

#### 2 BASIS OF PREPARATION continued

##### 2.6 Summary of material accounting policy information continued

###### Financial instruments continued

###### ii. Financial liabilities continued

###### *Derecognition*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit or loss.

###### iii. Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

###### **Current versus non-current classification**

The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

### 2 BASIS OF PREPARATION continued

#### 2.6 Summary of material accounting policy information continued

##### Impairment of non-financial assets

The Group assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the consolidated statement of profit or loss in expense categories consistent with the function of the impaired asset, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the assets or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

The Group assesses where climate risks could have a significant impact, such as the introduction of emission-reduction legislation that may increase manufacturing costs. These risks in relation to climate related matters are included as key assumptions where they materially impact the measure of recoverable amount, these assumptions are included in the cash-flow forecasts in assessing value-in-use amounts.

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2025 continued

#### 2 BASIS OF PREPARATION continued

##### 2.6 Summary of material accounting policy information continued

###### Employees' end of service benefits

###### *Short-term obligation*

An accrual is made for estimated liability for employees' entitlement to annual leave and leave passage as a result of services rendered by eligible employees up to the end of the reporting period. The accrual relating to annual leave and leave passage is disclosed as a current liability in the consolidated statement of financial position.

###### *Employees' end of service benefits (EOSB)*

The liability recognised in the consolidated statement of financial position in respect of the defined end of service benefit plan is the present value of the projected defined benefit obligation ("DBO") at the end of the reporting period. The provision for EOSB is calculated by a qualified actuary using the projected unit credit method whilst considering the Group's policy with respect to end of service benefits where it requires the provision to be at least equal to the benefits payable in accordance with the UAE Labour law for their period of service up to the end of the reporting period.

The provision for EOSB is disclosed as a non-current liability.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses are recognised immediately in other comprehensive income. Re-measurements are not reclassified to the consolidated statement of profit or loss in subsequent periods. The liability is calculated as the current value of the vested benefits to which the employee is entitled, should the employee leave at the statement of financial position date. Payments are based on employees' final salaries and allowances and their cumulative years of service, as stated in the UAE Labour law.

Net interest expense and other expenses related to defined benefit plans are recognised in the consolidated statement of profit or loss.

The net interest cost is calculated by applying the discount rate to the net balance of the defined EOSB obligation. The Group recognises the following changes in the net defined benefit obligation in the consolidated statement of profit or loss within personnel costs:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements.
- Net interest expense or income.

###### *Pension contributions*

With respect to its UAE national employees, the Company makes pension contributions to the Abu Dhabi Retirement Pensions and Benefits Funds in accordance with the Abu Dhabi Retirement Pensions and Benefits Fund's regulations. With respect to its GCC national employees, the Company makes pension contributions to the pension funds or agencies of their respective countries. Such contributions are charged to operating costs during the employees' period of service.

###### **Accruals**

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether billed by the supplier or not. For lump sum contracts, project related accruals are based on percentage of completion basis.

For contracts based on performance milestones, project related accruals are recognised to the extent of contractual performance milestone achieved up to the reporting date.

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2025 continued

#### 2 BASIS OF PREPARATION continued

##### 2.6 Summary of material accounting policy information continued

###### Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of the provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to any provision is presented in the consolidated statement of profit or loss and other comprehensive income net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. The unwinding of the discount is recognised as finance costs in the consolidated statement of profit or loss and other comprehensive income.

Provisions for one-off events (restructuring, environmental clean-up, settlement of a lawsuit) are measured at the most likely amount while the provisions for large populations of events (warranties, customer refunds) are measured at a probability-weighted expected value.

The provisions are reviewed and adjusted at each reporting date, and if outflow is no longer probable, the provision is reversed to income.

###### Onerous contract

An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

###### Contingent liabilities

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

A contingent liability will be recorded as a liability when there is a possible obligation arising from past events whose existence will be confirmed by future events or a present obligation arises from past events but is not probable that an outflow of resources will arise and/or the amount cannot be measured reliably.

###### Decommissioning liability

Provisions for decommissioning costs are recognised when the Group becomes legally or constructively obliged to dismantle and remove a facility or an item of plant and to restore the site on which it is located, and when a reasonable estimate of that liability can be made.

The amount of the obligation is estimated at current prices and in accordance with local conditions and requirements and an equivalent amount is included in the respective class of asset in property, plant and equipment. This is subsequently depreciated or depleted as part of the capital costs of the facility or item of plant. Subsequent to initial recognition, any change, other than unwinding of discount which is recognised in profit or loss, is recognised in property, plant and equipment.

## ADNOC GAS PLC (AG)

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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2025 continued

#### 2 BASIS OF PREPARATION continued

##### 2.6 Summary of material accounting policy information continued

###### **Decommissioning liability** continued

Environmental liabilities are recognised when the Group has a present obligation, legal or constructive, relating to environmental clean-up and remediation of soil and groundwater in areas where the Group operates its facilities. Liabilities for environmental costs are recognised when a clean-up is probable, and the associated costs can be reliably estimated. The liability is measured based on the costs expected to be incurred in relation to the existing situation at the balance sheet date, considering virtually certain future developments in technology and legislation that are known.

Liabilities for decommissioning and restoration costs are recognized, together with a corresponding amount as part of the related property, plant and equipment, when the conditions indicated in the accounting policy “Provisions, Contingent Liabilities and Contingent Assets” are met. Considering the long-time span between the recognition of the obligation and its settlement, the amount recognised is the present value of the future expenditures expected to be required to settle the obligation. Any change due to the unwinding of discount on provisions is recognised within “Finance income (expense)”. Such liabilities are reviewed regularly to take into account the changes in the expected costs to be incurred, contractual obligations, regulatory requirements and practices in force in the countries where the tangible assets are located. The effects of any changes in the estimate of the liability are recognised generally as an adjustment to the carrying amount of the related property, plant, and equipment; however, if the resulting decrease in the liability exceeds the carrying amount of the related asset, the excess is recognised in the consolidated statement of profit or loss.

###### **Foreign currencies**

Transactions in foreign currencies are initially recorded in the functional currency at the rate of exchange ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated to the spot rate of exchange ruling at the reporting date. All differences are taken to the consolidated statement of profit or loss and other comprehensive income.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates as at the date of the initial transaction. Non-monetary items measured at a revalued amount in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

###### **Cash and cash equivalents**

Cash and cash equivalents in the consolidated statement of financial position comprise cash at banks and on hand and short-term highly liquid deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

###### **Treasury shares**

Treasury shares represent the shares of the Company that are held in treasury. Treasury shares are measured at cost and deducted from equity.

## ADNOC GAS PLC (AG)

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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 2 BASIS OF PREPARATION continued

##### 2.6 Summary of material accounting policy information continued

###### Revenue from contracts with customers

The Group is in the business of sale of Condensate, Natural Gas, Propane, Butane, Paraffinic Naphtha, Reinjection Gas, Sulphur and Ethane (collectively, the “Hydrocarbon – related products”). Revenue from contracts with customers is recognised when control of the Hydrocarbon – related products are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for the Hydrocarbon – related products.

For sale of goods, revenue is based on rules for any modes of transport and rules for sea and inland waterway transport established by International Chamber of Commerce (i.e., Incoterms) agreed with the customer, which is taken to be the point in time at which the related control on the Hydrocarbon – related products has been transferred. Revenue from sale of the Hydrocarbon – related products is recognised at a point in time upon satisfaction of the performance obligation.

The Group has agreements with various customers for selling its Hydrocarbon – related products. A receivable is recognised by the Group when the Hydrocarbon – related products are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the Hydrocarbon – related products before transferring them to the customer.

The Group recognises revenue to depict the transfer of promised Hydrocarbon – related products to customers in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those Hydrocarbon – related products.

Specifically, the Group has applied a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e., when ‘control’ of the Hydrocarbon – related products underlying the particular performance obligation is transferred to the customer.

The Group applies the practical expedient in paragraph 121 of IFRS 15 and does not disclose information about its remaining performance obligations if:

- the performance obligation is part of a contract that has an original expected duration of one year or less; or
- the Group has a right to invoice a customer in an amount that corresponds directly with its performance to date, then it recognises revenue in that amount.

**2 BASIS OF PREPARATION** continued

**2.6 Summary of material accounting policy information** continued

**Revenue from contracts with customers** continued

*Determining transaction price and allocation*

The Group considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised Hydrocarbon – related products to a customer. Since sale of Hydrocarbon – related products is the only performance obligation, the entire transaction price is allocated to sale of Hydrocarbon – related products.

*Determining the timing of satisfaction of performance obligation*

The Group recognise revenue when (or as) the Group satisfies a performance obligation by transferring a promised Hydrocarbon – related products to customers. An asset is transferred when (or as) the customer obtains control of that asset, which is upon delivery of Hydrocarbon – related products.

*Principal versus agent considerations*

The Group enters into contracts with its customers for supply of Hydrocarbon – related products. The Group determined that it controls the Hydrocarbon – related products before they are transferred to customers, and it has the ability to direct the use of the Hydrocarbon – related products. The following factors indicate that the Group controls the Hydrocarbon – related products before they are being transferred to customers. Therefore, the Group determined that it is a principle in all its revenue arrangements.

- The Group is primarily responsible for fulfilling the promise to provide the specified goods.
- The Group has inventory risk before the specified goods has been transferred to the customers.
- The Group has discretion in establishing the price for the specified goods.

*Consideration of significant financing component in a contract*

Using the practical expedient in IFRS 15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less. The Group concluded that there is no significant financing component for those contracts where the customer elects to pay in advance considering the length of time between the customer's payment and the transfer of goods to the customer.

*Significant financing component*

The Group applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good and the payment is one year or less.

## ADNOC GAS PLC (AG)

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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2025 continued

#### **2 BASIS OF PREPARATION** continued

##### **2.6 Summary of material accounting policy information** continued

###### **Contract balances**

###### ***Contract Assets***

Contract assets primarily relates to the Group's right on consideration for sale of Hydrocarbon – related products transferred to customer but not billed at the reporting date. Any amount recognised as a contract asset is reflected to trade receivable or receivable from related party at the point at which it is invoiced to the customer.

###### ***Trade receivables***

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due).

###### ***Contract liabilities***

A contract liability is recognised if a payment is received, or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

###### **Other income**

Other income is recognised when it is probable that the economic benefit will flow to the Group and the amount of income can be measured reliably.

###### **Dividend income**

Dividend income from investments is recognised when the Group's right to receive payment has been established, provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

###### **Borrowing costs**

Borrowing costs include interest on loans and transaction costs for loans. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, from the date of incurring of the expenditure relating to the qualifying asset until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are expensed in the period in which they occur.

###### **Offsetting of income and expenses**

Items of income and expense shall not be offset except when it reflects the substance of the transaction or when it does not detract, from the ability of users, both to understand the transactions and conditions that have occurred.

## ADNOC GAS PLC (AG)

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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2025 continued

#### **2 BASIS OF PREPARATION** continued

##### **2.6 Summary of material accounting policy information** continued

###### **Tax**

Tax is computed in accordance with relevant fiscal agreements and any communication received from the Abu Dhabi Supreme Council for Financial and Economic Affairs. Income tax expense /credit comprise of current and deferred tax. Current and deferred taxes are recognised in the consolidated statement of comprehensive income except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

###### *Current income tax*

Income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date and generates taxable income.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

###### *Deferred income tax*

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

###### **Cash dividend**

The Group recognises a liability to pay a dividend when the distribution is authorised, and the distribution is no longer at the discretion of the Group. As per the Articles of Association of the Company, the Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends. A corresponding amount is recognised directly in equity.

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2025 continued

#### 2 BASIS OF PREPARATION continued

##### 2.7 Application of new and revised IFRS Accounting Standards (IFRSs)

###### **New and revised IFRSs applied with no material effect on the consolidated financial statements**

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2025, have been adopted in these consolidated financial statements. The application of these new and revised IFRSs has not had any material impact on the amounts reported for the current and prior periods but may affect the accounting for future transactions or arrangements.

- Amendment to IAS 21 - Lack of Exchangeability

###### **New and revised IFRSs in issue but not yet effective and not early adopted**

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

<b><u>New and revised IFRSs</u></b>	<b><u>Effective for annual periods beginning on or after</u></b>
Amendments to IFRS 10 <i>Consolidated Financial Statements</i> and IAS 28 <i>Investments in Associates and Joint Ventures</i> : Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date not yet decided
IFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
IFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21)	1 January 2027
Amendments to IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments	1 January 2026
Annual Improvements to IFRS Accounting Standards - Volume 11.	1 January 2026
Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)	1 January 2026
IFRS S1 <i>General Requirements for Disclosure of Sustainability-related Financial Information</i>	Effective date not yet decided by the regulator in the United Arab Emirates
IFRS S2 <i>Climate-related Disclosures</i>	Effective date not yet decided by the regulator in the United Arab Emirates

The above stated new standards and amendments, other than IFRS 18, are not expected to have any significant impact on the consolidated financial statements of the Group. The Group anticipates that the application of IFRS 18 may have an impact on the Group's consolidated financial statements in future periods.

There are no other applicable new standards and amendments to published standards or IFRIC interpretations that have been issued that would be expected to have a material impact on the consolidated financial statements of the Group.

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2025 continued

#### 3 Revenue

Set out below is the disaggregation of the Group's revenue by product type from contracts with customers:

<b>Product type</b>	<i>For the year ended</i>		
	<i>31 December 2025</i>		
	<i>USD'000</i>	<i>USD'000</i>	<i>USD'000</i>
	<i>Third</i>	<i>Related</i>	<i>Total</i>
	<i>parties</i>	<i>parties</i>	
NGL products	-	7,764,430	7,764,430
Non-NGL products	4,013,703	1,715,171	5,728,874
Others	2,893	5,012,964	5,015,857
<b>Total</b>	<b>4,016,596</b>	<b>14,492,565</b>	<b>18,509,161</b>

<b>Product type</b>	<i>For the year ended</i>		
	<i>31 December 2024</i>		
	<i>USD'000</i>	<i>USD'000</i>	<i>USD'000</i>
	<i>Third</i>	<i>Related</i>	<i>Total</i>
	<i>Parties</i>	<i>parties</i>	
NGL products	-	8,292,182	8,292,182
Non-NGL products	3,967,297	1,188,716	5,156,013
Others	3,781	5,612,665	5,616,446
<b>Total</b>	<b>3,971,078</b>	<b>15,093,563</b>	<b>19,064,641</b>

NGL products include Propane, Butane and Paraffinic Naphtha. Non-NGL products include Natural Gas, Ethane and Sulphur. Others include local condensate sales and industrial gases sales.

Of the total revenue for the year, an amount of USD 13,404,902 thousand (for the year ended 31 December 2024: USD 14,546,143 thousand) representing 72% (for the year ended 31 December 2024: 76%) of the total revenue relates to two related parties (for the year ended 31 December 2024: two related parties).

#### 4 Gas costs

The Group entered into the Gas Supply and Payment Agreement ("GSPA") with ADNOC to procure raw gas and gas from integrated gas resources (together referred to as "feedstock") for its operations. The feedstock is determined through the actual sales volume of the NGL, non-NGL and condensate products by taking into account fuel gas cost, minimum gas payment and the profit share components in accordance with the Gas Supply and Payment Agreement with ADNOC. As per the Gas Supply and Payment Agreement, the Group is required to make a quarterly prepayment (based on forecast and invoice issued before the start of the quarter) and then settles it through a true-up (based on actuals) amount calculated at the end of the quarter.

Under the GSPA, the minimum gas payment is a fixed charge depending on the gas source (the charge is lower for raw gas than integrated gas). The profit share payment payable to ADNOC is calculated by applying a percentage to each Product earnings (where Product earnings represent, with respect to a product, product's revenue, less the minimum gas price it pays to ADNOC, less costs for fuel gas, operating expenditures, and depreciation and amortisation) on unit basis.

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2025 continued

#### 5 Other operating income

This represents net income from sale of re-injection gas to ADNOC. Re-injection gas is a derived component from the original feedstock sold by ADNOC to the Group under the Gas Supply and Payment Agreement which is repurchased by ADNOC as per Re-injection Gas Supply Agreement. Accordingly, to that extent the control is not passed on to the Group.

	<i>For the year ended 31 December 2025 USD'000</i>	<i>For the year ended 31 December 2024 USD'000</i>
Sale of re-injection gas	2,296,427	2,176,176
Gas costs	<b>(1,162,067)</b>	<b>(1,079,624)</b>
Other operating income	<b>1,134,360</b>	1,096,552

#### 6 Employee costs

	<i>For the year ended 31 December 2025 USD'000</i>	<i>For the year ended 31 December 2024 USD'000</i>
Salaries	1,029,580	1,033,982
Pension costs	62,317	63,880
Employees' end of service benefits expense (note 25)	12,745	13,739
	<b>1,104,642</b>	1,111,601

The average number of persons employed by the Group for the year ended 31 December 2025 are 6,146 (for the year ended 31 December 2024: 6,276).

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2025 continued

#### 7 Depreciation and amortisation

	<i>For the year ended 31 December 2025 USD'000</i>	<i>For the year ended 31 December 2024 USD'000</i>
Depreciation of property, plant and equipment (note 13)	1,242,886	1,165,204
Amortisation of intangibles (note 14)	48,155	42,787
Depreciation of right-of-use assets (note 15)	8,442	8,386
	<u>1,299,483</u>	<u>1,216,377</u>

#### 8 Other operating costs

	<i>For the year ended 31 December 2025 USD'000</i>	<i>For the year ended 31 December 2024 USD'000</i>
Utilities	206,218	178,786
Contract and services	70,598	58,032
Repairs and maintenance	64,079	63,390
Transportation	32,423	34,819
Insurance	2,666	24,741
Others	10,117	11,614
	<u>386,101</u>	<u>371,382</u>

#### 9 Other expenses, net

	<i>For the year ended 31 December 2025 USD'000</i>	<i>For the year ended 31 December 2024 USD'000</i>
Shared services	166,343	121,723
Rent	20,087	16,951
Administrative services	41,954	36,140
Utilities	11,033	4,265
Reversal of allowance of slow moving and obsolete inventories	(17,314)	-
Others	9,292	9,917
	<u>231,395</u>	<u>188,996</u>

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2025 continued

#### 10 Finance costs

	<i>For the year ended 31 December 2025 USD'000</i>	<i>For the year ended 31 December 2024 USD'000</i>
Decommissioning provision accretion expense (note 26)	143,064	144,625
Finance costs on interest bearing loans, net	25,176	26,552
Interest on provision for employees' end of service benefits (note 25)	7,298	7,408
Interest on lease liabilities (note 15)	1,244	1,540
	<u>176,782</u>	<u>180,125</u>

#### 11 Income tax

The Group is subject to income tax on its taxable profits in accordance with the fiscal arrangement (the "Fiscal Arrangement") with Abu Dhabi Supreme Council for Financial and Economic Affairs effective 1 January 2023, at the following rates:

NGL Products Taxable Income (including export condensate)	55%
Non-NGL Products Taxable Income - for each of the first five income tax years (ending on 31 December 2027, the "Tax Holiday Period")	0%
Non-NGL Products Taxable Income - for each income tax year after the Tax Holiday Period:	
- for Non-NGL Products Taxable Income up to and including USD 1 billion	15%
- for Non-NGL Products Taxable Income in excess of USD 1 billion	35%
Industrial Gases Taxable Income	10%
Net Indirect Corporate Income	<i>at effective tax rate</i>
Condensate (local sales)	0%

Tax charge for the year is as follows:

	<i>For the year ended 31 December 2025 USD'000</i>	<i>For the year ended 31 December 2024 USD'000</i>
Current income tax expense	1,558,562	1,714,663
Deferred tax credit	(75,219)	(103,941)
	<u>1,483,343</u>	<u>1,610,722</u>

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 11 Income tax continued

Recognised deferred taxes of the Group relates to the tax effects of the following:

	<i><b>31 December 2025 USD'000</b></i>	<i><b>31 December 2024 USD'000</b></i>
Net temporary differences arising from carrying values of		
- decommissioning liabilities and related assets in excess of their tax base	<b>1,761,025</b>	1,525,922
- provision for employees end of service benefits	<b>172,033</b>	157,873
	<hr/> <b>746,410</b> <hr/>	<hr/> 671,190 <hr/>
Deferred tax assets	<b>746,410</b>	671,190

Movement of deferred tax assets is as follows:

	<i><b>31 December 2025 USD'000</b></i>	<i><b>31 December 2024 USD'000</b></i>
Balance at 1 January	<b>671,190</b>	567,249
Change in opening balance due to change in the effective tax rate	<b>(2,585)</b>	5,707
Reversal due to transfer of asset to a related party	<b>(16,664)</b>	-
Arising during the year	<b>94,469</b>	98,234
	<hr/> <b>746,410</b> <hr/>	<hr/> 671,190 <hr/>
Balance at 31 December	<b>746,410</b>	671,190

The reconciliation of the statutory income tax rate to the effective income tax rate of the Group is as follows:

	<i><b>For the year ended 31 December 2025</b></i>	<i><b>For the year ended 31 December 2024</b></i>
Estimated effective statutory income tax rate	<b>24.1%</b>	27.2%
Tax effect of non-deductible expenses and income	<b>(0.7%)</b>	(1.3%)
Effect of deferred taxes	<b>(1.1%)</b>	(1.5%)
	<hr/> <b>22.3%</b> <hr/>	<hr/> 24.4% <hr/>
Effective tax rate	<b>22.3%</b>	24.4%

An amount of USD 1,581,300 thousand during the year ended 31 December 2025 (for the year ended 31 December 2024: USD 1,771,503 thousand) was paid to the Department of Finance by the Group as per the fiscal agreement with the Supreme Council for Financial and Economic Affairs in the Emirate of Abu Dhabi. As of 31 December 2025, an amount of USD 95,870 thousand (31 December 2024: USD 118,608 thousand) is payable to the Department of Finance.

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2025 continued

#### 11 Income tax continued

The charge for the year can be reconciled to the profit before tax as follows:

	<i>For the year ended 31 December 2025 USD'000</i>	<i>For the year ended 31 December 2024 USD'000</i>
Profit before tax	<b>6,649,103</b>	6,611,905
Applicable tax charge at statutory weighted average rate of 24.1% (2024: 27.2%)	<b>1,602,434</b>	1,800,983
Tax effect of share of results of equity accounted investees	<b>(99,498)</b>	(141,242)
Impact of temporary differences at statutory weighted average rate of 24.1% (2024: 27.2%)	<b>(19,593)</b>	(49,019)
Total tax reported in the consolidated statement of profit or loss	<b>1,483,343</b>	1,610,722

The Group is consolidated by ADNOC (a Pillar Two group in scope of GloBE). The UAE has enacted the Pillar Two legislation by way of a Domestic Minimum Top-up Tax ("DMTT") that became effective from 1 January 2025.

The Group has assessed the impact of the DMTT for year-end reporting, which includes both Constituent Entities ("CEs") and its associates - AGP JV and ALNG JV. Based on the assessment, the Group is not liable for any DMTT as the Group is expected to have an effective tax rate that exceeds the 15% minimum rate.

The transitional Country by Country (CbCR) safe harbour is assessed and as such no top up tax liability is expected to arise on AGP JV and ALNG JV.

The Group applies the IAS 12 exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

#### 12 Basic and diluted earnings per share

Earnings per share amounts are calculated by dividing the profit attributable to shareholders of the Group by the weighted average number of shares outstanding during the year.

	<i>For the year ended 31 December 2025</i>	<i>For the year ended 31 December 2024</i>
Profit attributable to owners of the Company (USD'000)	<b>5,165,760</b>	5,001,183
Weighted average number of shares in issue ('000)	<b>76,737,571</b>	76,751,422
Earnings per share (USD)	<b>0.067</b>	0.065

There are no dilutive securities, therefore diluted EPS is the same as basic EPS.

The weighted average number of shares in issue considers the weighted average effect of changes in treasury shares (note 24) during the year.

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 13 Property, plant and equipment

	Buildings and infrastructure USD'000	Plant, machinery and equipment USD'000	Transportation, storage and terminals**** USD'000	Furniture, fixtures and equipment USD'000	Capital work-in- progress (CWIP) USD'000	Total USD'000
<b>Cost</b>						
At 1 January 2024	3,615,139	31,124,979	5,294,364	281,793	3,147,187	43,463,462
Additions	13,914	20,430	1,630	64,910	2,093,996	2,194,880
Impact of changes in estimates related to decommissioning assets	-	(62,271)	-	-	-	(62,271)
Transfers from CWIP	59,442	399,227	164,571	275,647	(898,887)	-
Transfer to intangible assets (note 14)	-	-	-	-	(33,975)	(33,975)
Transfer to a related party (note 21)	-	-	-	-	(40,055)	(40,055)
Transfers *	58,014	(846,961)	695,157	7,365	86,425	-
Adjustments	18,732	31,517	3,572	(38,752)	-	15,069
At 31 December 2024**	<u>3,765,241</u>	<u>30,666,921</u>	<u>6,159,294</u>	<u>590,963</u>	<u>4,354,691</u>	<u>45,537,110</u>
<b>At 1 January 2025</b>	3,765,241	30,666,921	6,159,294	590,963	4,354,691	45,537,110
Additions	16,348	81,398	4,813	153,923	3,528,164	3,784,646
Additions on decommissioning assets	1,578	152,446	18,910	200	107,489	280,623
Transfers from CWIP	34,739	580,685	2,273	188,933	(806,630)	-
Transfer to intangible assets (note 14)	-	-	-	-	(72,679)	(72,679)
Transfer to a related party (note 21) ***	-	(85,302)	-	-	(1,148,448)	(1,233,750)
At 31 December 2025*	<u>3,817,906</u>	<u>31,396,148</u>	<u>6,185,290</u>	<u>934,019</u>	<u>5,962,587</u>	<u>48,295,950</u>

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 13 Property, plant and equipment continued

	Buildings and infrastructure USD'000	Plant, machinery and equipment USD'000	Transportation, storage and terminals**** USD'000	Furniture, fixtures and equipment USD'000	Capital work-in- progress (CWIP) USD'000	Total USD'000
<b>Accumulated depreciation</b>						
At 1 January 2024	1,661,740	18,482,432	2,557,955	182,375	-	22,884,502
Depreciation charge for the year	163,751	750,193	152,229	99,031	-	1,165,204
Transfers*	49,612	(650,391)	594,481	6,298	-	-
Adjustments	17,359	(8,243)	3,017	(5,702)	-	6,431
At 31 December 2024**	1,892,462	18,573,991	3,307,682	282,002	-	24,056,137
At 1 January 2025	1,892,462	18,573,991	3,307,682	282,002	-	24,056,137
Depreciation charge for the year	72,770	789,187	199,512	181,417	-	1,242,886
Transfer to a related party (note 21)	-	(6,449)	-	-	-	(6,449)
Adjustment	77,685	150,461	(256,997)	1,965	-	(26,886)
<b>At 31 December 2025**</b>	<b>2,042,917</b>	<b>19,507,190</b>	<b>3,250,197</b>	<b>465,384</b>	<b>-</b>	<b>25,265,688</b>
<b>Carrying amount</b>						
<b>At 31 December 2025</b>	<b>1,774,989</b>	<b>11,888,958</b>	<b>2,935,093</b>	<b>468,635</b>	<b>5,962,587</b>	<b>23,030,262</b>
At 31 December 2024	1,872,779	12,092,930	2,851,612	308,961	4,354,691	21,480,973

\* During the year, the Group has completed the exercise to reallocate decommissioning assets to respective asset class and accordingly transferred the related amounts in respective asset categories.

\*\* Includes carrying amount of decommissioning assets amounting to USD 1,276,654 thousand (31 December 2024: USD 1,132,747 thousand).

\*\*\* Includes transfer of ESTIDAMA projects. On 26 June 2025, the Group entered into the Project transfer and facility construction cost reimbursement agreement with ADNOC, whereby the Group transferred and assigned the assets related to ESTIDAMA project to ADNOC, free of any encumbrances, together with all accrued rights and obligations attached thereto. The consideration of the transferred assets is equal to the book value amounting to USD 1,181,832 thousand including related decommissioning asset amounting to USD 78,853 thousand.

\*\*\*\* Includes jointly controlled asset amounting to USD 325,841 thousand (2024: USD 339,874 thousand).

Property, plant and equipment include assets that are still in use, and which are fully depreciated amounting to USD 7,245,799 thousand (31 December 2024: USD 7,012,573 thousand).

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 14 Intangible assets

	<i>Intangible assets USD'000</i>	<b>Capital work-in- progress (CWIP) USD'000</b>	<b>Total USD'000</b>
<b>Cost</b>			
1 January 2024	303,797	-	303,797
Additions	14,645	-	14,645
Transfers from property, plant and equipment (note 13)	33,975	-	33,975
31 December 2024	352,417	-	352,417
1 January 2025	352,417	-	352,417
Additions	29,309	-	29,309
Transfers from property, plant and equipment (note 13)	-	72,679	72,679
Transfers from capital work-in-progress	33,993	(33,993)	-
<b>31 December 2025</b>	<b>415,719</b>	<b>38,686</b>	<b>454,405</b>
<b>Accumulated amortisation</b>			
1 January 2024	199,826	-	199,826
Amortisation charge for the year	42,787	-	42,787
31 December 2024	242,613	-	242,613
1 January 2025	242,613	-	242,613
Amortisation charge for the year	48,155	-	48,155
<b>31 December 2025</b>	<b>290,768</b>	<b>-</b>	<b>290,768</b>
<b>Carrying amount</b>			
<b>31 December 2025</b>	<b>124,951</b>	<b>38,686</b>	<b>163,637</b>
31 December 2024	109,804	-	109,804

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 15 Leases

##### A. Right-of-use assets

	<i>31 December 2025 USD'000</i>	<i>31 December 2024 USD'000</i>
Balance at 1 January	31,767	33,297
Additions	-	6,856
Depreciation charge for the year (note 7)	(8,442)	(8,386)
<b>Balance at 31 December</b>	<b>23,325</b>	<b>31,767</b>

##### B. Lease liabilities

Balance at 1 January	36,529	37,662
Additions	-	6,856
Accretion of interest (note 10)	1,244	1,540
Payments (note 21)	(9,870)	(9,529)
<b>Balance at 31 December</b>	<b>27,903</b>	<b>36,529</b>

##### *Presented as:*

Current	9,900	10,273
Non-current	18,003	26,256
	<b>27,903</b>	<b>36,529</b>

Lease liabilities and right-of-use assets relate to land lease agreements entered with ADNOC.

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 16 Investment in equity accounted investees

Following are the details of movement in investments in associates as at 31 December 2025 and 31 December 2024:

	-----31 December 2025----- USD'000		
	AGP JV	ALNG JV	Total
Balance at 1 January 2025	394,505	877,257	1,271,762
Share of results of equity accounted investees*	(8,938)	428,294	419,356
Change in estimates	11,059	30,976	42,035
Dividends	-	(327,959)	(327,959)
Balance at 31 December 2025**	<u>396,626</u>	<u>1,008,568</u>	<u>1,405,194</u>
	-----31 December 2024----- USD'000		
	AGP JV	ALNG JV	Total
Balance at 1 January 2024	403,736	888,106	1,291,842
Share of results of equity accounted investees*	(8,065)	518,538	510,473
Change in estimates	(1,166)	(10,879)	(12,045)
Dividends	-	(518,508)	(518,508)
Balance at 31 December 2024**	<u>394,505</u>	<u>877,257</u>	<u>1,271,762</u>

\* Includes depreciation on decommissioning assets amounting to USD 8,938 thousand (31 December 2024: USD 8,065 thousand) and USD 10,938 thousand (31 December 2024: USD 8,872 thousand) related to AGP JV and ALNG JV respectively. Further includes impact of accounting policy alignment related to ALNG JV amounting USD 26,379 thousand (31 December 2024: (USD 4,025) thousand).

\*\* includes decommissioning asset amounting to USD 91,777 thousand and USD 152,590 thousand (31 December 2024: USD 89,657 thousand and USD 132,551 thousand) related to AGP JV and ALNG JV respectively.

#### A. Abu Dhabi Gas Industries Limited (“ADNOC Gas Processing”, “AGP JV”)

ADNOC Gas Processing is an associate in which the Group has 68% ownership interest. It was formed to undertake the processing of associated gas produced from various onshore oil fields in the Emirate of Abu Dhabi. As per the joint venture agreement, AGP JV shareholders will continue to arrange funding for the JV operations to enable it to meet its liabilities as they fall due. Accordingly, the Group has classified its interest in ADNOC Gas Processing as an associate.

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 16 Investment in equity accounted investees continued

##### B. Abu Dhabi Gas Liquefaction Company Limited (“ADNOC LNG”, “ALNG JV”)

ADNOC LNG is an associate in which the Group has 70% ownership interest. ALNG JV’s principal activities are fuel oil and refinery gases production, natural gas liquefaction and chemical elements manufacturing. It is engaged in the processing of natural gas in order to produce and sell liquefied natural gas (LNG), liquefied petroleum gas (LPG) and other associated products.

The following tables summarise the financial information of AGP JV and ALNG JV as included in their respective financial statements. The table also reconciles the summarised financial information to the carrying amount of the Group’s interest in AGP JV and ALNG JV.

<i>Summarised statement of financial position</i>	-----31 December 2025-----		
	USD’000		
	AGP JV	ALNG JV	Total
Non-current assets	728,448	1,545,041	2,273,489
Current assets	58,401	937,939	996,340
Non-current liabilities	-	(549,953)	(549,953)
Current liabilities	(364,449)	(685,036)	(1,049,485)
<b>Net assets</b>	<b>422,400</b>	<b>1,247,991</b>	<b>1,670,391</b>
Group’s holding	68%	70%	
Group’s share of net assets	287,232	873,594	1,160,826
Decommissioning assets	91,777	152,591	244,368
<b>Investment in equity accounted investees</b>	<b>379,009</b>	<b>1,026,185</b>	<b>1,405,194</b>
Cash and cash equivalents included in current assets	1,868	268,892	270,560
<i>Summarised statement of financial position</i>	-----31 December 2024-----		
	USD’000		
	AGP JV	ALNG JV	Total
Non-current assets	724,355	1,404,754	2,129,109
Current assets	34,268	958,540	992,808
Non-current liabilities	(23,169)	(537,669)	(560,838)
Current liabilities	(287,148)	(761,761)	(1,048,909)
<b>Net assets</b>	<b>448,306</b>	<b>1,063,864</b>	<b>1,512,170</b>
Group’s holding	68%	70%	
Group’s share of net assets	304,848	744,706	1,049,554
Decommissioning assets	89,657	132,551	222,208
<b>Investment in equity accounted investees</b>	<b>394,505</b>	<b>877,257</b>	<b>1,271,762</b>
Cash and cash equivalents included in current assets	16,011	278,243	294,254

# ADNOC GAS PLC (AG)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

### 16 Investment in equity accounted investees continued

#### *Summarised statement of profit or loss*

	For the year ended 31 December 2025		
	-----USD'000-----		
	AGP JV	ALNG JV	Total
Revenue	-	3,797,633	3,797,633
Operating costs	(269,813)	(2,037,312)	(2,307,125)
General and administrative expenses	(14,451)	(404,640)	(419,091)
Depreciation	(68,000)	(112,891)	(180,891)
Provision for slow moving and obsolete inventories	552	(500)	52
Finance income, net	3,361	44,501	47,862
Income tax expense	-	(682,044)	(682,044)
Deferred tax expense	-	(14,958)	(14,958)
Net processing fees for the year - charged to shareholders	348,351	-	348,351
	-----	-----	-----
Profit and total comprehensive income (100%)	-	589,789	589,789
Group's holding	68%	70%	
Group's share of profit	-	412,853	412,853
Depreciation of decommissioning assets	(8,938)	(10,938)	(19,876)
Impact of accounting policies alignment	-	26,379	26,379
	-----	-----	-----
<b>Share of results of equity accounted investees</b>	<b>(8,938)</b>	<b>428,294</b>	<b>419,356</b>
	=====	=====	=====

#### *Summarised statement of profit or loss*

	For the year ended 31 December 2024		
	-----USD'000-----		
	AGP JV	ALNG JV	Total
Revenue	-	4,541,831	4,541,831
Operating costs	(283,603)	(2,751,509)	(3,035,112)
General and administrative expenses	(12,185)	(56,004)	(68,189)
Depreciation	(72,889)	(111,595)	(184,484)
Provision for slow moving and obsolete inventories	1,062	275	1,337
Finance income, net	2,536	27,582	30,118
Income tax expense	-	(874,933)	(874,933)
Deferred tax expense	-	(16,454)	(16,454)
Net processing fees for the year - charged to shareholders	365,079	-	365,079
	-----	-----	-----
Profit and total comprehensive income (100%)	-	759,193	759,193
Group's holding	68%	70%	
Group's share of profit	-	531,435	531,435
Depreciation of decommissioning assets	(8,065)	(8,872)	(16,937)
Impact of accounting policies alignment	-	(4,025)	(4,025)
	-----	-----	-----
<b>Share of results of equity accounted investees</b>	<b>(8,065)</b>	<b>518,538</b>	<b>510,473</b>
	=====	=====	=====

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 16 Investment in equity accounted investees continued

The Group's share of operating costs amounting to USD 242,943 thousand (for the year ended 31 December 2024: USD 248,254 thousand) incurred by AGP JV where the Group is entitled to lift its share of production, is directly routed through the cash call account (note 21). Further includes depreciation on decommissioning assets amounting to USD 8,938 thousand (for the year ended 31 December 2024: USD 8,065 thousand).

#### 17 Inventories

	<i>31 December 2025 USD'000</i>	<i>31 December 2024 USD'000</i>
Finished goods	56,014	38,359
Spare parts	404,722	358,229
	<u>460,736</u>	<u>396,588</u>
Allowance for slow moving and obsolete inventories	(181,472)	(198,786)
	<u>279,264</u>	<u>197,802</u>

#### Allowance for slow moving and obsolete inventories

Movement in the allowance for slow moving and obsolete inventories is as follows:

	<i>31 December 2025 USD'000</i>	<i>31 December 2024 USD'000</i>
Balance on 1 January	198,786	189,640
(Reversal)/charge for the year	(17,314)	9,146
Balance at 31 December	<u>181,472</u>	<u>198,786</u>

#### 18 Trade receivables

	<i>31 December 2025 USD'000</i>	<i>31 December 2024 USD'000</i>
Trade receivables from third parties	180,072	292,171

The average credit period on trade receivables is 30 days (31 December 2024: 30 days). No interest is charged on trade receivables.

The Group has adopted a policy of dealing with only creditworthy counterparties. Adequate credit assessment is made before accepting an order for sale of goods or rendering of services from any counterparty. Of the trade receivables at the end of the reporting period, an amount of USD 169,932 thousand (31 December 2024: USD 150,093 thousand) representing 95% (31 December 2024: 51%) of the trade receivables is due from four customers (2024: two customers). Majority of the trade receivables balances pertain to entities owned by the Government of Abu Dhabi, Dubai and Sharjah.

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 18 Trade receivables continued

Ageing of trade receivables is as follows:

	<i>31 December 2025 USD'000</i>	<i>31 December 2024 USD'000</i>
Not past due	<b>180,072</b>	292,171

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting period. Based on this assessment, management believes that no provision for expected credit loss is required against trade receivables.

During the previous year, the Group entered into 10-year agreement for supply of natural gas with Emirates Water and Electricity Company (EWEC). The contract price for natural gas is tiered based on the quantities delivered, as well as for overtake gas quantities. The prices are subject to annual escalation and adjustments based on market conditions.

#### 19 Advances and other receivables

	<i>31 December 2025 USD'000</i>	<i>31 December 2024 USD'000</i>
Capital advances to suppliers	<b>555,370</b>	492,268
Advances to Market Maker (note 24)	<b>13,171</b>	-
Advances to employees	<b>87,670</b>	75,207
Other prepayments	<b>8,478</b>	34,742
Other receivables*	<b>47,678</b>	26,030
	<b>712,367</b>	628,247

\* net-off allowance for expected credit losses of USD 5,077 thousand (31 December 2024: USD 5,077 thousand).

Presented as:

	<i>31 December 2025 USD'000</i>	<i>31 December 2024 USD'000</i>
Non-current	<b>608,384</b>	540,404
Current	<b>103,983</b>	87,843
	<b>712,367</b>	628,247

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 20 Contract assets

Contract assets primarily relate to the Group's right on consideration for sale of Hydrocarbon - related products transferred to customer but not billed at the reporting date. Any amount recognised as a contract asset is reflected to trade receivable or receivable from related party at the point at which it is invoiced to the customer. This includes ADNOC and other related parties' balances amounting to USD 216,866 thousand (31 December 2024: USD 188,453 thousand) and USD 40,185 thousand (31 December 2024: USD 38,980 thousand) respectively (note 21) and majority of the remaining balances pertain to entities owned by the Government of Abu Dhabi and Dubai.

#### 21 Transactions and balances with related parties

Related parties, as defined in International Accounting Standard 24: *Related Party Disclosure*, comprise the majority shareholder, directors and key management personal of the Company and entities in which they have the ability to control or exercise significant influence.

The Group has elected to use the exemption under IAS 24 for Government related entities on disclosing transactions and related outstanding balances with government related parties owned by the Government of Abu Dhabi other than ADNOC and entities it owns and controls. The Group avails, in the normal course of business, various goods or services (utilities, banking etc.) from entities owned and controlled by the Government of Abu Dhabi. Further, the Group also sells its products to related parties owned by the Government of Abu Dhabi.

Balances with related parties generally arise from commercial transactions in the normal course of business at agreed terms. Following are the significant balances and transactions with these related parties:

	<i>31 December 2025 USD'000</i>	<i>31 December 2024 USD'000</i>
<i>Amounts due from related parties – non-current</i>		
ADNOC affiliates	-	25,842
<i>Amounts due from related parties – current</i>		
ADNOC affiliates	<b>1,835,508</b>	1,225,898
<i>Amounts due to related parties</i>		
ADNOC	<b>1,334,190</b>	1,374,829
ADNOC affiliates	<b>13,469</b>	92,973
	<b>1,347,659</b>	1,467,802
<i>Loans from ADNOC (note 27)</i>	-	500,000
<i>Lease liabilities relating to lands leased from ADNOC (note 15)</i>	<b>27,903</b>	36,529
<i>Contract assets (note 20)</i>	<b>257,051</b>	227,433
<i>Income tax payable (note 11)</i>	<b>95,870</b>	118,608
<i>Cash held with a related party (note 22)</i>	<b>3,631,765</b>	4,421,470

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 21 Transactions and balances with related parties continued

ADNOC and the Group have entered into the following material agreements to carry out the operations and trading activities of the Group:

- Marketing and Transportation Services Agreement
- Sulphur Sales and Marketing Agreement
- Pipelines Use and Operation Agreement
- Transitional Support Services Agreement
- Gas Supply and Payment Agreement
- Re-injection Gas Supply Agreement
- Cash Pooling and Virtual Accounts Agreement

#### *Transactions with related parties*

	<i>For the year ended 31 December 2025 USD'000</i>	<i>For the year ended 31 December 2024 USD'000</i>
<b>ADNOC</b>		
Sale of goods (note 3)	510,398	162,131
Gas costs (note 4)	10,621,936	11,384,565
Other operating income (note 5)	1,134,360	1,096,552
Finance costs	26,717	42,025
Payments of lease liabilities relating to lands leased from ADNOC (note 15)	9,870	9,529
Repayment of loans (note 27)	500,000	-
Dividends paid to ADNOC	3,008,159	2,998,164
Transfer of capital work-in-progress and decommissioning asset (note 13)	1,233,750	-
Transfer of decommissioning liability (note 26)	96,291	-
Transfer of outstanding capital project advances	64,993	-
Shared service costs recharged	166,343	121,723
<b>Other related parties</b>		
Sale of goods (note 3)	13,982,167	14,935,213
Current income tax expense (note 11)	1,558,562	1,714,663
Cash call paid to equity accounted investees	343,604	216,070
Provision for employees' end of service benefits transferred to related parties (note 25)	-	5,518
Finance income	104,708	109,745
Dividends paid to XRG	770,507	-
Costs recharged to:		
- equity accounted investees*	536,170	515,305
- other related parties**	61,353	59,586
	<b>597,523</b>	<b>574,891</b>
<b>Compensation of key management personnel</b>		
Short-term benefits	6,860	6,557
Long-term benefits	324	363
<b>Compensation of the Board of Directors ***</b>	<b>7,594</b>	<b>5,000</b>

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 21 Transactions and balances with related parties continued

\*Based on the Joint Development Agreements (JDAs), all direct costs related to ALNG JV and AGP JV are fully charged to the respective entities. All common costs are allocated based on the specific percentages of each cost pool in accordance with the agreed common cost allocation mechanism.

\*\* Costs recharged to other related parties include other operating costs recharged as per the respective agreements.

\*\*\*Compensation of the Board of Directors amounting to AED 27.89 million (2024: AED 19.04 million) was approved in the Annual General Assembly Meeting held on 21 March 2025 (2024: 29 March 2024). This was paid during the year ended 31 December 2025.

AGO&M allocated the following costs to ALNG JV and AGP JV:

	<i>For the year ended 31 December 2025</i>		
	-----USD'000-----		
	AGP JV	ALNG JV	Total
Employee costs	100,923	257,531	358,454
Depreciation and amortisation	655	1,457	2,112
Other operating costs	10,858	20,218	31,076
Other expenses	19,683	44,299	63,982
Finance costs (net)	(2,718)	(313)	(3,031)
	<u>129,401</u>	<u>323,192</u>	<u>452,593</u>
	<u><u>129,401</u></u>	<u><u>323,192</u></u>	<u><u>452,593</u></u>
	<i>For the year ended 31 December 2024</i>		
	-----USD'000-----		
	AGP JV	ALNG JV	Total
Employee costs	103,255	245,962	349,217
Depreciation and amortisation	629	1,764	2,393
Other operating costs	23,999	54,440	78,439
Finance costs	3,180	367	3,547
	<u>131,063</u>	<u>302,533</u>	<u>433,596</u>
	<u><u>131,063</u></u>	<u><u>302,533</u></u>	<u><u>433,596</u></u>

During the year, the Group entered into the agreement with ADNOC whereby ADNOC allocated and transferred its rights and obligations related to delivery of fuel gas to a related party based on a fixed price with annual escalations.

During the year, ADNOC novated Project Management Service Agreement (“PMSA”) to ADNOC Ruwais Liquefied Natural Gas – L.L.C. (RLNG), a related party. The Group continues to manage the PMSA on a reimbursement basis (note 30). Total amounts billed during the year to ADNOC and RLNG amounted to USD 545,719 thousand (for the year ended 31 December 2024: USD 418,854 thousand).

Further the Group managed certain other projects on behalf of ADNOC wherein the contracts are entered between ADNOC and vendors, and the responsibility of costs and risks lies with ADNOC. The rights and obligations for these contracts are transferred to the Group based on project management service agreements/facility construction costs reimbursement agreement entered with ADNOC. Total amounts billed during the year for these projects amounted to USD 1,766,322 thousand (for the year ended 31 December 2024: USD 226,609 thousand) which also includes the assets transferred as mentioned in note 13.

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 21 Transactions and balances with related parties continued

##### Master Services Agreement

ADNOC and AGO&M have entered into the Master Services Agreement (“Master Services Agreement”). Pursuant to the Master Services Agreement, ADNOC provides AGO&M, on a call-off basis, with certain support services, including in the areas of commercial and in-country value services, finance and investment, group business support and special tasks, group digital and cyber security, human capital, health safety and environment service, legal, governance and compliance, executive office services and certain other services. The Master Services Agreement is effective from 19 August 2024 for an initial period of 10 years and thereafter may be automatically extended for successive 10-year periods on the same terms, unless terminated by either party upon a 180-day notice before the end of the initial period or the applicable extended term.

During the year, the Group has signed 20-year feed gas supply agreement with ADNOC Ruwais Liquefied Natural Gas – L.L.C. which is expected to commence post 1 October 2028.

#### 22 Cash and cash equivalents

	<i>31 December 2025 USD'000</i>	<i>31 December 2024 USD'000</i>
Cash on hand	472	468
Cash held with bank	69,494	109,006
Cash held with AGTS (note 21) *	3,631,765	4,421,470
Cash and cash equivalents	<u>3,701,731</u>	<u>4,530,944</u>

\* The Group has a Cash Pooling and Virtual Accounts Agreement (“cash pooling arrangement”) with ADNOC through its subsidiary, ADNOC Group Treasury Services Limited (AGTS). Under the cash pooling arrangement, surplus cash is transferred to and held by AGTS which is in the nature of cash and cash equivalents. Cash held with AGTS are funds held on behalf of the Group and are available on demand.

#### 23 Share capital

In accordance with the Article of Association of the Company which became effective on 8 December 2022, the Company issued 50 thousand ordinary shares of USD 1 each on its incorporation to ADNOC. By virtue of the Project Wisdom Capitalisation Agreement dated 31 December 2022 and Project Wisdom – Notice in respect of Adjustment Consideration under Capitalisation Agreement dated 1 February 2023, the Company issued further shares increasing its share capital to USD 19,187,855 thousand divided into 19,187,855 thousand shares, each valued at USD 1. At a general meeting held on 10 February 2023, it was resolved that each ordinary share of the Company with a nominal value of USD 1 each should be sub-divided into 4 shares with a nominal value of USD 0.25 each (so that the Company’s total issued share capital became USD 19,187,855 thousand divided into 76,751,422 thousand shares with a nominal value of USD 0.25 each).

#### 24 Treasury shares and other reserves, net

During the year, the Company appointed Al Ramz Capital LLC, a licensed Market Maker on the Abu Dhabi Securities Exchange (ADX) that offers liquidity provision services, to place buy and sell orders of the Company’s shares with the objective of reducing bid/ask spreads as well as reducing price and volume volatility.

The Market Maker trades and operates within the predetermined parameters approved by the Company. The Company has provided the funding to the Market Maker to trade in the Company’s shares, and the Company carries all risks and rewards associated with the arrangement. Given the nature and substance of the arrangement, the shares have been classified as “Treasury shares” in Equity.

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 24 Treasury shares and other reserves, net continued

As at 31 December 2025, the Market Maker held 34,284,409 shares (31 December 2024: nil) on behalf of the Company, which are classified under equity as treasury shares, at an average purchase price per share amounting to AED 3.54. A cumulative net loss of USD 1,275 thousand and dividend income of USD 873 thousand have been recognised as at 31 December 2025 as other reserves under equity.

#### 25 Provision for employees' end of service benefits

The Group provides for employees' end of service benefits (a defined benefit plan) in line with the labour law requirement in the United Arab Emirates. The payments under the plan are based on the employees' final salaries and allowances and their cumulative years of service at the date of their separation, as defined by the conditions stated in the labour laws of the United Arab Emirates.

Provision for end of service benefits are unfunded where the Group meets the benefit payment obligations as it falls due. The amounts recognised in the consolidated statement of financial position and the movements in the net defined benefit obligation over the period are as follows:

	<i>31 December</i> <i>2025</i> <i>USD'000</i>	<i>31 December</i> <i>2024</i> <i>USD'000</i>
Balance at 1 January	157,873	154,773
Adjustment	608	1,136
<i>Expense recognised in the consolidated statement of profit or loss</i>		
- Current service cost	12,139	12,603
- Interest cost (note 10)	7,298	7,408
<i>Remeasurements recognised in the consolidated statement of other comprehensive income</i>		
- Experience gains	(281)	(6,406)
- (Gain)/loss from change in financial assumptions	(144)	3,099
Transfer from/(to) related parties (note 21)	4,081	(5,518)
Payments made during the year	(9,541)	(9,222)
<b>Balance at 31 December</b>	<b>172,033</b>	<b>157,873</b>

#### *Significant actuarial assumptions*

The significant actuarial assumptions were as follows:

	<i>31 December</i> <i>2025</i>	<i>31 December</i> <i>2024</i>
Discount rate	5.0%	5.0%
Salary increase rate for the first five years	4.0%	4.0%
Expected mortality rate	<b>SOA RP-2014 Total Dataset Mortality with Scale MP-2014</b>	SOA RP-2014 Total Dataset Mortality with Scale MP-2014
Retirement assumption	60 years	60 years
Average service in future years	12.1 years	11.2 years
Number of employees	2,207	2,312

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 25 Provision for employees' end of service benefits continued

##### *Sensitivity analysis*

The sensitivity of the defined benefit obligations to changes in the principal assumptions is as follows:

	<i>31 December</i> <i>2025</i> <i>USD'000</i>	<i>31 December</i> <i>2024</i> <i>USD'000</i>
Discount rate + 1%	<b>162,995</b>	148,694
Discount rate - 1%	<b>182,219</b>	167,940
Salary increase + 1%	<b>182,652</b>	167,526
Salary increase - 1%	<b>162,464</b>	149,198

#### 26 Decommissioning provision

The decommissioning provision comprises the future cost of decommissioning the Group's plant and equipment at the end of their economic useful lives. The economic useful life and the timing of the decommissioning liabilities are dependent on Government legislation, commodity prices, Group's strategic objectives and the future production profiles of the respective assets and the respective JV agreements. In addition, the costs of decommissioning are subject to inflationary / deflationary pressures in the cost of third-party service provision. The amount and timing of settlement in respect of these provisions are uncertain and dependent on various factors that are not always within management's control.

	<i>31 December</i> <i>2025</i> <i>USD'000</i>	<i>31 December</i> <i>2024</i> <i>USD'000</i>
Balance at 1 January	<b>2,770,929</b>	2,700,618
Additional provision recognised during the year *	<b>111,649</b>	60,754
Adjustment for change in estimates	<b>210,851</b>	(135,068)
Transferred to a related party (note 21)	<b>(96,291)</b>	-
Accretion expense (note 10)	<b>143,064</b>	144,625
	<b>3,140,202</b>	2,770,929

The nominal interest rates used to determine the balance sheet obligations are 4.74%, 5.15% and 5.56% (2024: 5.19%, 5.54% and 5.58%) for the tenor of 10 years, 20 years, and 30 years respectively, based on long-dated Abu Dhabi Government bonds.

\* includes reversal of provision of USD 9,541 thousand (31 December 2024: additional provision of USD 4,159 thousand) relating to environmental restoration liability. The environmental provision includes provision for costs related to the control, abatement, clean-up or elimination of environmental pollution relating to soil, groundwater, surface water and contamination.

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 27 Loans from ADNOC

	31 December 2025		
	RCF	TLA	TOTAL
Total facilities	2,000,000	4,000,000	6,000,000
Utilised	-	-	-
Unutilised	2,000,000	4,000,000	6,000,000

	31 December 2024		
	RCF	TLA	TOTAL
Total facilities	2,000,000	4,000,000	6,000,000
Utilised	(500,000)	-	(500,000)
Unutilised	1,500,000	4,000,000	5,500,000

#### A. Unsecured Senior Corporate Revolving Facility (the “RCF”)

The Group entered into the RCF with ADNOC (as lender) on 30 January 2023. Under the RCF and subject to its terms, ADNOC agrees to provide the Group a USD 2 billion revolving loan facility for three years.

The RCF is utilized by the Group towards its working capital (which includes without limitation the payment of costs and expenses associated with the RCF).

The interest rate on any loan under the RCF is 0.85% per annum plus the applicable published term secured overnight financing rate (SOFR) for a period equal in length to the interest period of the relevant loan. The Group shall pay accrued interest on each loan on the earlier of the last day of each interest period or at six monthly intervals after the first day of the interest period (if the interest period is longer than six months). The Group shall repay each loan on the last day of the loan’s interest period, provided that the interest period does not extend beyond the date falling three years from the date of the RCF. The interest period of the loan is 3 months.

Under the terms of the RCF, the Group agreed to pay to ADNOC (i) an agreed upfront fee, (ii) a commitment fee on ADNOC’s available commitment for the availability period, and (iii) any increased costs incurred by ADNOC (or any of its affiliates) as a direct result of the introduction of, or any change in, any law or regulation after the date of the RCF, or any compliance therewith.

#### B. Unsecured Senior Corporate Term Loan Facility (the “TLA”)

The Group entered into the TLA with ADNOC (as lender) on 3 February 2023. Under the TLA and subject to its terms, ADNOC agrees to provide the Group a USD 4 billion loan facility for five years.

The TLA is to be utilized by the Group for working capital and capital expenditure purposes (which includes, without limitation, the payment of costs and expenses associated with the TLA).

The interest rate on any loan under the TLA is 1% per annum plus the applicable published term secured overnight financing rate (SOFR) for a period equal in length to the interest period of the relevant loan. The Group shall pay accrued interest on each loan on the earlier of the last day of each interest period and at six monthly intervals after the

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 27 Loans from ADNOC continued

first day of the interest period (if the interest period is longer than six months). All loans under the TLA are to be repaid on the date which is five years from the date of the TLA.

In connection with providing the TLA, the Group agreed to pay to ADNOC (i) an agreed upfront fee, (ii) a commitment fee on ADNOC's available commitment for the availability period, and (iii) any increased costs incurred by ADNOC (or any of its affiliates) as a direct result of the introduction of, or any change in, any law or regulation after the date of the TLA, or any compliance therewith.

Following are the changes in the borrowings for which cash flows have been classified as financing activities in the consolidated statement of cash flows:

	<i>31 December 2025 USD'000</i>	<i>31 December 2024 USD'000</i>
Balance at 1 January	500,000	500,000
Repayments (note 21)	(500,000)	-
Balance at 31 December	-	500,000

#### 28 Trade and other payables

	<i>31 December 2025 USD'000</i>	<i>31 December 2024 USD'000</i>
Trade payables	293,464	73,783
Retention payables	282,098	127,910
Accruals	2,002,700	1,197,272
Liabilities assumed on behalf of related parties	379,683	391,940
Other payables	4,237	17,545
	2,962,182	1,808,450

#### 29 Segmental reporting

The business activities of the Group are performed on an integrated basis. Therefore, any segmentation of operating income, expenses, assets and liabilities is not relevant and is not performed for internal management reporting purposes.

For internal management purpose, the Group is organized as one business unit based on the products and services and has only one reportable segment. The Group is managed as a single business unit and the financial performance is reported in the internal reporting provided to the Chief Operating Decision-maker ("CODM"). The Board of Directors, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the CODM that makes strategic decisions. The financial information reviewed by the CODM is based on the IFRS financial information for the Group. The CODM monitors the operating results for the purpose of making decisions about resource allocation and performance assessment.

The CODM regularly reviews the consolidated statement of profit or loss and other comprehensive income. The CODM function is to allocate resources to and assess the performance of the operating segment of the Group.

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 29 Segmental reporting continued

There are no other economic characteristics within the Group that will lead to determination of other operating segments.

The Group does not have any operating segments that are aggregated. The CODM has considered the following criteria in determining the operating segments of the Group:

- the nature of products and services;
- the nature of the production processes;
- the type or class of customer for their products and services; and
- the methods used to distribute their products or provide their services.

Based on the criteria and evaluation above, the CODM has determined that the Group has only one operating segment, which is 'Gas Business', which is consistent with the internal reporting and performance measurement. Entire revenues are derived within the United Arab Emirates and all the non-current assets are located within the United Arab Emirates.

#### 30 Commitments and contingencies

##### - Contingencies

The Group is involved in various legal proceedings and claims arising in the ordinary course of business. While the outcome of these matters cannot be predicted with certainty, management does not believe that these matters will have a material adverse effect on the Group's consolidated financial statements if concluded unfavorably. Contingencies for the Group as at 31 December 2025 amount to USD 5,000 thousand (31 December 2024: USD 5,689 thousand).

##### - Commitments

Total capital commitments for the Group as at 31 December 2025 amount to USD 16,524,551 thousand (31 December 2024: USD 11,851,201 thousand), which include USD 5,757,439 thousand (31 December 2024: USD 5,548,409 thousand) relating to equity accounted investees, related parties and ADNOC, whose rights and obligations were transferred to AGO&M on reimbursement basis.

#### 31 Financial instruments by category

	<i>31 December 2025 USD'000</i>	<i>31 December 2024 USD'000</i>
<b><i>Financial assets – amortised cost</i></b>		
Trade receivables	180,072	292,171
Other receivables	148,519	101,237
Contract assets	389,244	359,137
Amounts due from related parties	1,835,508	1,251,740
Cash and cash equivalents	3,701,731	4,530,944
	<u>6,255,074</u>	<u>6,535,229</u>
<b><i>Financial liabilities – amortised cost</i></b>		
Loans from ADNOC	-	500,000
Trade and other payables	2,962,182	1,808,450
Amounts due to related parties	1,347,659	1,467,802
Lease liabilities	27,903	36,529
Payable to contractor	16,919	-
	<u>4,354,663</u>	<u>3,812,781</u>

The fair values of the Group's financial instruments are not materially different from their carrying amounts.

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 32 Financial instruments

##### Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk, interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

##### Market risk management

###### *Foreign exchange risk*

Foreign exchange risk is limited as the Group's transactions are principally in UAE Dirhams or US Dollars. As the UAE Dirham is pegged to the US Dollar, balances in AED are not considered to represent significant currency risk.

The following table demonstrates the sensitivity to a reasonably possible change in the Euro, GBP, JPY, Swiss Franc and Bahraini Dinar exchange rates, with all other variables held constant, on the Group's profit before tax.

###### *Foreign exchange risk continued*

	-----Effect on profit before tax-----	
	<i>For the year ended</i>	<i>For the year ended</i>
	<i>31 December</i>	<i>31 December</i>
	<i>2025</i>	<i>2024</i>
	<b>USD'000</b>	<b>USD'000</b>
Increase by 5%	<b>(5,273)</b>	<b>(963)</b>
Decrease by 5%	<b>5,273</b>	<b>963</b>

###### *Price risk*

The Group is exposed to commodity price risk arising from retail prices of the NGL products. The following table demonstrates the sensitivity to reasonably possible changes in commodity prices, with all other variables held constant, on the Group's profit before tax.

	-----Effect on profit before tax-----	
	<i>For the year ended</i>	<i>For the year ended</i>
	<i>31 December</i>	<i>31 December</i>
	<i>2025</i>	<i>2024</i>
	<b>USD'000</b>	<b>USD'000</b>
Increase by 1%	<b>47,143</b>	<b>48,926</b>
Decrease by 1%	<b>(47,143)</b>	<b>(48,926)</b>

###### *Interest rate risk*

The following table demonstrates the sensitivity to reasonably possible changes in interest rates, with all other variables held constant, on the Group's profit before tax.

	-----Effect on profit before tax-----	
	<i>For the year ended</i>	<i>For the year ended</i>
	<i>31 December</i>	<i>31 December</i>
	<i>2025</i>	<i>2024</i>
	<b>USD'000</b>	<b>USD'000</b>
+10 increase in basis point	-	<b>(500)</b>
-10 increase in basis point	-	<b>500</b>

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 32 Financial instruments continued

##### Credit risk management

Credit risk arises from balances with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables, amounts due from related parties and committed transactions. Management assesses the credit quality of its customers, taking into account financial position, past experience and other factors. Individual risk limits are based on management's assessment on a case-by-case basis. The utilization of credit limits is regularly monitored.

The Group's policy is to place cash and cash equivalents with AGTS, reputable banks and financial institutions and the Group's management does not expect any losses from non-performance of its counterparties as it believes that adequate allowance has been created against the impaired receivables.

The Group's trade and other receivables, contract assets and amounts due from related parties balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. The maximum exposure of the Group is as follows:

	<i>31 December 2025 USD'000</i>	<i>31 December 2024 USD'000</i>
Trade receivables	180,072	292,171
Other receivables	148,519	101,237
Contract assets	389,244	359,137
Amounts due from related parties	1,835,508	1,251,740
	<u>2,553,343</u>	<u>2,004,285</u>

##### Liquidity risk management

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group ensures that it has sufficient cash on demand to meet expected operational expenses for a short-term period, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. The table below summarises the maturity profile of the Group's financial liabilities at 31 December 2025 and 31 December 2024 based on the contractual undiscounted payments.

<i>31 December 2025</i>	Notes	<i>Carrying value USD'000</i>	<i>1 year or less – undiscounted USD'000</i>	<i>More than 1 year – undiscounted USD'000</i>	<i>31 December 2025 – undiscounted USD'000</i>
<b>Financial liabilities</b>					
Trade and other payables	28	2,962,182	2,962,182	-	2,962,182
Payable to contractor		16,919	-	16,919	16,919
Amounts due to related parties	21	1,347,659	1,347,659	-	1,347,659
Lease liabilities	15	27,903	10,252	27,537	37,789
		<u>4,354,663</u>	<u>4,320,093</u>	<u>44,456</u>	<u>4,364,549</u>

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 32 Financial instruments continued

##### Liquidity risk management continued

31 December 2024	Notes	Carrying value USD '000	1 year or less – undiscounted USD '000	More than 1 year – undiscounted USD '000	31 December 2024 – undiscounted USD '000
<b>Financial liabilities</b>					
Loans from ADNOC	27	500,000	500,000	-	500,000
Trade and other payables	28	1,808,450	1,808,450	-	1,808,450
Amounts due to related parties	21	1,467,802	1,467,802	-	1,467,802
Lease liabilities	15	36,529	10,273	37,394	47,667
		3,812,781	3,786,525	37,394	3,823,919
		3,812,781	3,786,525	37,394	3,823,919

##### Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for its shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The policies are based on management's assessment of available options, in conjunction with the shareholders.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders or issue new shares.

The Group monitors capital on the basis of its gearing ratio. This ratio is calculated as net debt divided by total equity plus net debt. Net debt is calculated as total borrowings (including current and non-current borrowings as shown in the consolidated statement of financial position) less cash and cash equivalents. Total capital is calculated as total equity as shown in the consolidated statement of financial position plus net debt.

#### 33 Dividends

The Shareholders, in the Annual General Assembly Meeting held on 29 March 2024, approved a final cash dividend of 7.776 fils (2.117 cents) per share amounting to USD 1,625,103 thousand for the period ended 31 December 2023. The dividend was fully paid on 26 April 2024.

The Board of Directors, in their meeting held on 9 August 2024, approved an interim cash dividend of 8.164 fils (2.223 cents) per share amounting to USD 1,706,190 thousand. The dividend was fully paid on 2 September 2024.

The Shareholders, in the Annual General Assembly Meeting held on 21 March 2025, approved a final cash dividend of 8.165 fils (2.22 cents) per share amounting to USD 1,706,191 thousand for the year ended 31 December 2024. The dividend was fully paid on 18 April 2025.

The Board of Directors, in their meeting held on 5 August 2025, approved an interim cash dividend of 8.573 fils (2.334 cents) per share amounting to USD 1,791,667 thousand. The dividend was fully paid on 3 September 2025.

The Board of Directors, in their meeting held on 12 November 2025, approved quarterly cash dividend of 4.287 fils (1.167 cents) per share amounting to USD 895,938 thousand. The dividend was fully paid on 10 December 2025.

Subsequent to the year end, the Board of Directors, in their meeting held on 6 February 2026, proposed quarterly cash dividend of 4.287 fils (1.167 cents) per share amounting to USD 895,938 thousand.

## ADNOC GAS PLC (AG)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2025 continued

#### 34 Significant non-cash transactions

	<i>31 December 2025 USD'000</i>	<i>31 December 2024 USD'000</i>
- Accrual for purchase of property, plant and equipment	<b>751,464</b>	134,378
- Transfer of capital work-in-progress and decommissioning assets to a related party	<b>1,227,301</b>	-
- Transfer employees' end of service benefits from/(to) related party	<b>4,081</b>	(5,518)
- Transfer of decommissioning liability to a related party	<b>96,291</b>	-
- Transfer of outstanding capital projects advances to a related party	<b>64,993</b>	-
- Reversal of upfront fees	-	19,042
- Realization of advances paid for capital projects	<b>196,929</b>	107,469

#### 35 Auditor's remuneration

	<i>For the year ended 31 December 2025 USD'000</i>	<i>For the year ended 31 December 2024 USD'000</i>
Audit of financial statements	<b>853</b>	814
Other assurance services	<b>506</b>	900
	<b>1,359</b>	1,714

#### 36 Approval of the consolidated financial statements

The consolidated financial statements were approved by the Board of Directors and authorised for issuance on 16 February 2026.