

Management Discussion and Analysis (MD&A)

1Q 2025



Interim

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Key Highlights

1Q25 Overview and KPIs

Revenue 

AED 6,223 mn
16% increase (YoY)

EBITDA 

AED 1,096 mn
24% increase (YoY)

Net Profit 


AED 784 mn
22% increase (YoY)

Secured Backlog 

AED 75.4 bn
27% increase (YoY)


Earning per Share 

AED 0.87
12% increase (YoY)

Awarded Projects 

AED 14.8 bn




Cash 


AED 4,838 mn

Total Equity 

AED 12,566 mn

Total Assets 

AED 32,733 mn

Free Cash Flow 

AED 777 mn

CAPEX

AED 499 mn

Net Working Capital

AED 123 mn

*Current assets - current liabilities (excluding cash and debt)

Financial Results

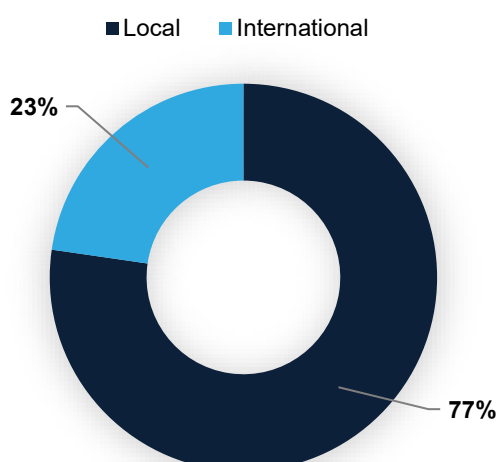
1Q 2025 Income Statement

AED(million)	1Q25	1Q24	Y-o-Y
Revenue	6,223	5,342	16%
EBITDA	1,096	883	24%
EBITDA Margin	17.6%	16.5%	0%
Net Profit Before Tax	900	761	18%
Net Profit after Tax	784	641	22%
Net Profit Margin	12.6%	12.0%	

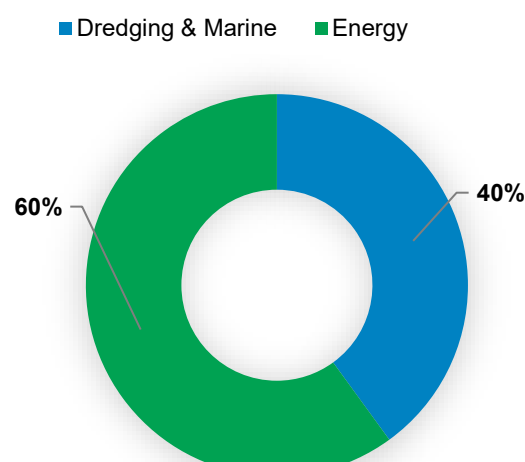
- A strong start for the year, with NMDC Group reporting revenues of AED 6.2 billion, up 16% Y-o-Y in 1Q25; with solid revenue contribution from Energy and Dredging & Marine business units, particularly from Energy which represented 60% of total revenues in 1Q25.
- Group EBITDA reached AED 1.1 billion, up 24% Y-o-Y in 1Q25, with EBITDA margin coming at 18% in 1Q25; underpinned by strong EBITDA margin recorded by the Dredging and Marine which supported the Group margins.
- Net profit after tax reported by the Group climbed 22% Y-o-Y to AED 784 million in 1Q25, underscored by higher Y-o-Y gross profits and lower G&A expenses. Net Profit margin increased by 60 bps, reflecting persist healthy margins.
- Reflecting the diversification strategy that the Group embarked on, revenue contribution from international operations to total revenues increased Y-o-Y, with revenues generated from local projects representing 77% of total revenues, versus 23% from international operations in 1Q25. In 1Q24, local revenue generated represented 82% of total revenues; while international operations' revenues represented the remaining 18%.
- Revenue contribution from different business units changed Y-o-Y in 1Q25. Revenue contribution from Energy to total revenues came at 60%, while Dredging & Marine revenues represented 40% in 1Q25. Meanwhile, Dredging & Marine revenue contribution to total revenues accounted for 60% while Energy accounted for 40% in 1Q24.

Revenue Breakdown

Local Vs. International



Business Units Contribution



Financial Results

1Q25 Balance Sheet and Cash Flow Statements

BALANCE SHEET

AED(million)	Mar-25	Dec-24	YTD
Cash	4,838	4,993	-3%
Total Equity	12,566	12,625	0%
Net Debt	(3,846)	(3,915)	-2%
Total Assets	32,733	33,200	-1%

- Cash and Bank Balances stood at AED 4.8 billion at the end of March 2025, inching down 3% from December 2024 balance; mainly as the increase in cash from operations was largely off-set by dividends payment of AED862 million. Whereby, dividends represent AED701 million of cash dividends to the Group shareholders and AED161 million from the distribution to NMDC Energy non-controlling shareholders.
- Net cash position came at AED 3.8 billion by the end of the quarter, from AED 3.9 billion at the end of the year 2024, reflecting the slight 3% decline in cash position.
- Equity remained flat YTD, recording AED12.6 billion at the end of 1Q25; as the increase in retained earnings, resulting from 1Q25 net profits was overshadowed by dividends distribution by the Group.

FREE CASH FLOW

AED(million)	1Q 25	1Q 24
Cash Flow from Operations	1,276	311
Capital Expenditures	(499)	(412)
Free Cash Flow	777	(101)

NET WORKING CAPITAL

AED(million)	Mar-25	Dec-24
Inventories	759	718
Trade and other receivables	12,170	13,060
Contract assets	4,836	4,519
Other current assets	596	653
Trade and other payables	(14,751)	(14,045)
Contract liabilities	(2,864)	(4,061)
Other current liabilities	(624)	(457)
Net working capital*	123	388

*Net working capital calculations Excludes cash and borrowings and includes financial assets

- Free Cash Flow came at AED 777 million; largely attributed to positive cash flow generated from operations of AED1.3 billion, and partially off-set by Capex spending of AED499 million.
- Net Working Capital came at AED 123 million, as the magnitude of the decline in receivables and contract assets surpassed the decline in Payables and contract liabilities.
- Capex spending of AED 499 million during 1Q25 which includes mainly payments for dredger, pipelines, KSA yard on going costs and the addition of various equipment and the vessels upgrade.

Backlog and Awarded Projects

Awarded Projects

EPC work off-shore project	UAE	AED 9.7 billion
EPC Work - subsea gas pipeline	TaiPower Taiwan	AED 4.2 billion
Dredging & Marine Projects	UAE	AED 0.9 billion



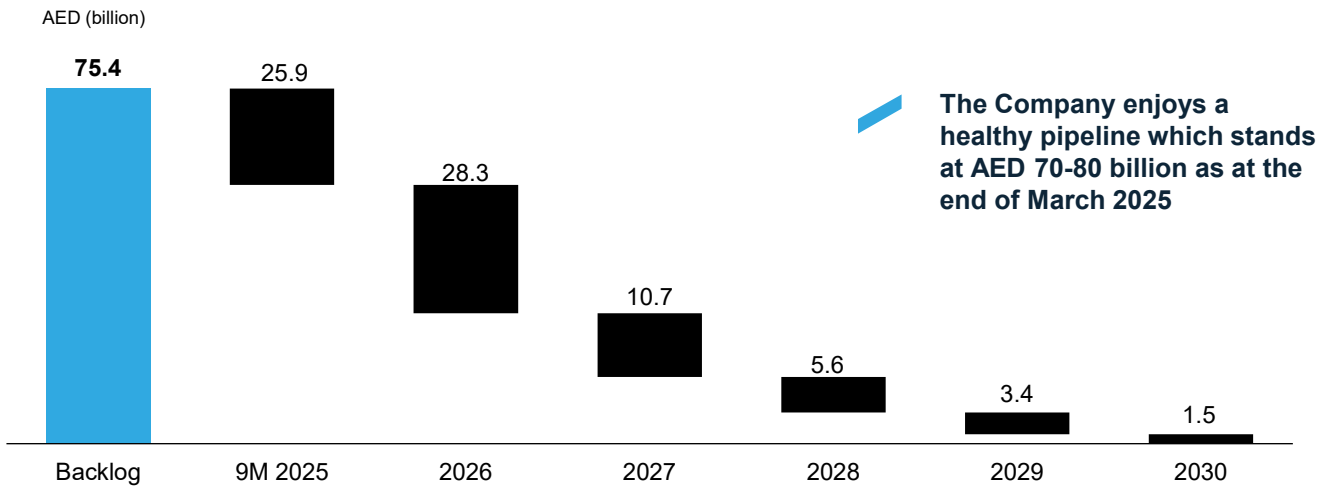
AED14.8 bn*

Awarded Projects

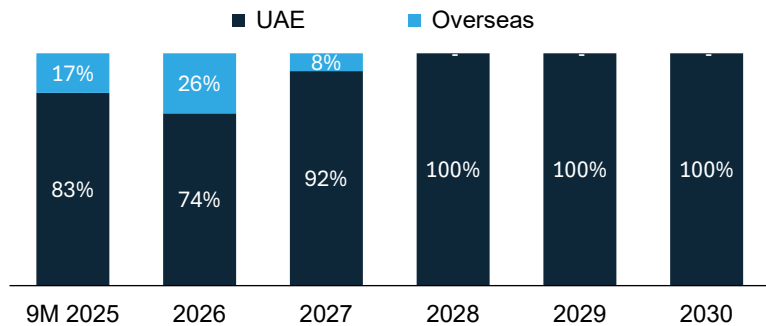
Total Awarded Projects in 1Q25 AED 14.8 billion

*A value of AED 4.2 billion of the awarded projects was included in FY2024 backlog

Expected backlog unwinding (AED billion)

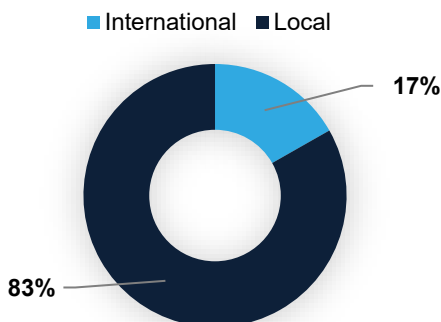


Backlog unwinding Local Vs. International

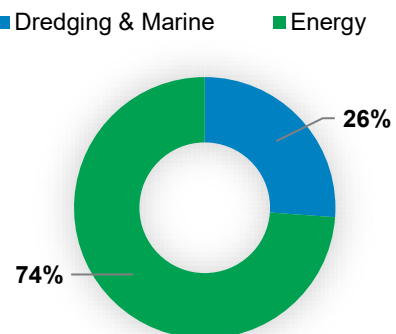


Backlog Breakdown

Local Vs. International



D&M Vs. Energy



Recent Events and Achievements

NMDC Group to establish a new Company “NMDCCC” in partnership with CCC

NMDC Group a Global leader in engineering, procurement, construction and marine dredging, and Consolidated Contractors Operations (Cyprus) Limited “CCC”, a leading diversified company carrying out construction, engineering, procurement, development and investment activities, operating across various countries globally; have agreed to combine their capabilities and signed Heads of Agreement to establish a new company ‘NMDCCC’ or “the Company” to operate within the UAE, with branches in Dubai and outside the UAE.

Under this agreement NMDC Group will hold indirectly through NMDC INFRA 50%^(+1 share) of the Company, while CCC will hold the remaining 50%^(-one share), with NMDC Group reserving control and consolidation of the new Company. Additionally, under this agreement both entities have agreed to pursue together other business ventures outside the UAE, through Joint Operations (JOs) arrangements, with particular focus on Africa.

Headquartered in Abu Dhabi, the new Company will offer comprehensive onshore EPC work for major National Oil Companies (NOCs), marine construction and mega infrastructure construction projects; including but not limited to the construction of refineries, plants, ports, bridges, roads and industrial zones.

This agreement marks a milestone towards growing our presence globally and offering a full spectrum of complementary services, with full collaboration with NMDC Energy, NMDC D&M and NMDC INFRA. The new alliance with CCC aims to unlock greater potential for the Group by increasing its market share, tapping into new markets, successful execution of our growing backlog, mitigating the risk of uncertainty by securing our execution capabilities and reducing turnaround time to better serve our valued clients, who come at the forefront of our priorities.

Project Award in Oman

In line with the Group’s Strategy that focuses on geographical diversification, NMDC Group has signed a contract for the construction of a marina project in the Sultanate of Oman, with a total value of AED 383 million. The project is expected to be completed within 15 months from the date of signing.

A 3-year extension for the Long-Term Agreement with Aramco

NMDC Energy continues to strengthen its long-lasting relationship with Aramco, with a 3-year extension to its Long-Term Agreement (“LTA”) and an option for an additional 3 years. NMDC Energy has been involved in multiple projects with Aramco since their previous LTA was signed in 2016. The services provided by NMDC Energy under the LTA cover detailed engineering, material procurement, fabrication, transportation, installation, and pre-commissioning of offshore facilities in connection with projects to be executed within Saudi Arabian territorial waters.

NMDC Energy MSCI Inclusion



NMDC Energy was successfully qualified and included in MSCI Small Cap. Index (the Global provider of equity, fixed income, real estate indices) during their rebalancing event in February 2025; thus, resulting in passive funds flow during the period. The inclusion comes post NMDC Energy’s listing in September 2024.

Taiwan Pipeline Project

In January 2025, NMDC Energy has been awarded a contract by Taiwan Power Company (Taipower) for the installation of subsea gas pipelines, for the second-phase renewal project of the Tung-Hsiao Power Plant in Taiwan. NMDC Energy will be responsible for the design, construction, and installation of marine pipelines at depths ranging from 10 to 55 meters, extending between Taichung and Tung-Hsiao on Taiwan's west coast. This massive project, valued at \$1.136 billion, enhances NMDC Energy's presence in Taiwan and actively supports its contributions to renewable energy initiatives.

NMDC Energy Inaugurated KSA Yard

In January 2025, NMDC Energy inaugurated its state-of-the-art fabrication yard in Ras Al Khair Special Economic Zone in Saudi Arabia, with investment value of AED 200 million. The 400,000 sqm yard will provide off-shore facilities fabrication as well as on-shore modularization. This includes the construction of off-shore facilities, structures, design and assembly of modular (pre-fabricated) units on-shore.

Sustainability and Health, Safety & Environment

HSE & Quality Assurance

HSE Performance

NMDC Group achieved 28.6 million manhours with zero fatalities, reaffirming its strong commitment to safety and operational excellence. This includes a significant contribution of 8.8 million manhours by NMDC D&M.

Training & Development

The Group secured Highfield International accreditation for its HSE training programs, aligning with industry standards and operational requirements to ensure workforce competence and compliance.

Audit & Inspections

NMDC LTS passed the OVMS safety and marine logistics prequalification audit with zero non-compliances. Achieved 100% completion of internal HSE audits as per the annual audit plan.

NMDC Construction completed the Abu Dhabi Quality and Conformity Council (ADQCC) audit retained its re-certification audit.

- Maintain our quality management system certification to ISO 9001 and FANR accreditation.
- Ras Al Khair Fabrication Yard have recently achieved certification to ISO 9001. And started the process for the subsequent prequalification "ARAMCO's 9com".
- Successfully hosted the ARAMCO 2nd Offshore Project Quality Forum. The event was attended by ARAMCO, major contractors, and equipment suppliers from around the world.
- Quality personnel from all business units have been certified in the training of 'ASME NQA-1 Awareness' and 'Counterfeit, Fraudulent, and Suspect Items (CFSI)'.
- Preparing NMDC LTS for NQA-1 audit by ENEC

Sustainability

- Continued monitoring of GHG Inventory (Scopes 2 ,1, and 3) in line with GHG Protocol.
- Implemented solar energy systems at different projects, reducing CO2 emissions by 210 tons per quarter and improving air quality for site personnel.
- In partnership with Yas SeaWorld Research Centre, preparing two key marine conservation projects:
 - Green Turtle Tracking
 - Seagrass Mapping



Disclaimer

This document might include forward-looking statements. The forward-looking statements contained in this document speak only as of the date of this document. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond the control of NMDC Energy (the Company) and all of which are based on current beliefs and expectations about future events. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as “believe”, “expects”, “may”, “could”, “should”, “shall”, “risk”, “intends”, “estimates”, “aims”, “plans”, “predicts”, “continues”, “assumes”, “positioned” or “anticipates” or the negative thereof, other variations thereon or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding intentions, beliefs and current expectations concerning, among other things, results of operations, financial standing, liquidity, prospects, growth, strategies, and dividend policy and the industry in which the Company operates.

These forward-looking statements and other statements contained in this document regarding matters that are not historical facts as of the date of this document involve predictions. No assurance can be given that such future results will be achieved. There is no obligation or undertaking to update these forward-looking statements contained in this document to reflect any change in the expectations or any change in events, conditions, or circumstances on which such statements are based unless required to do so: (i) as a result of an important change with respect to a material point in this document; or (ii) by applicable laws of the UAE.

Actual events or results may differ materially as a result of risks and uncertainties that the Company faces. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed, or implied in such forward-looking statements.

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NMDC
GROUP



**Interim condensed consolidated statement of financial position
as at 31 March 2025**

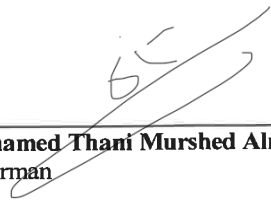
		31 March 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
	Notes		
ASSETS			
Non-current assets			
Property, plant and equipment	3	7,096,337	6,799,058
Investment properties		322,000	322,000
Right-of-use assets	4	538,251	478,609
Goodwill		5,057	5,057
Investments in equity accounted investees	5	529,507	507,120
Deferred tax assets		3,491	3,751
Retention receivables		1,038,801	1,139,988
Total non-current assets		9,533,444	9,255,583
Current assets			
Inventories		758,883	718,482
Trade and other receivables	6	12,170,473	13,060,295
Contract assets	7	4,836,162	4,518,985
Financial assets at fair value through profit or loss		587,421	640,857
Derivative financial assets		8,958	12,056
Cash and bank balances	8	4,837,997	4,993,493
Total current assets		23,199,894	23,944,168
Total assets		32,733,338	33,199,751
EQUITY AND LIABILITIES			
Equity			
Share capital		844,379	844,379
Share premium		605,421	605,421
Merger reserve		765,000	765,000
Other reserves		(126,049)	(141,186)
Retained earnings		9,379,017	9,346,417
Equity attributable to the shareholders of the Company		11,467,768	11,420,031
Non-controlling interests		1,098,719	1,205,088
Net equity		12,566,487	12,625,119


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

Interim condensed consolidated statement of financial position (continued)
As at 31 March 2025

		31 March 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
	Notes		
Liabilities			
Non-current liabilities			
Provision for employees' end of service benefits		519,260	507,577
Borrowings	9	650,113	735,700
Deferred tax liabilities		-	16,120
Derivative financial liabilities		3,519	15,222
Lease liabilities	4	412,664	394,591
Total non-current liabilities		1,585,556	1,669,210
Current liabilities			
Trade and other payables	10	14,751,270	14,045,318
Contract liabilities		2,864,141	4,060,865
Derivative financial liabilities		3,221	11,375
Income tax payable	11	485,488	358,114
Borrowings	9	342,346	342,346
Lease liabilities	4	134,829	87,404
Total current liabilities		18,581,295	18,905,422
Total liabilities		20,166,851	20,574,632
Total equity and liabilities		32,733,338	33,199,751

To the best of our knowledge, the financial information included in the report fairly presents in all material respects the financial condition, results of operations and cash flows of the Group as of, and for, the periods presented in these interim condensed consolidated financial statements.


Mohamed Thani Murshed Alrumaithi
Chairman


Yasser Nasr Zaghloul
Group Chief Executive
Officer


Sreemont Prasad Barua
Group Chief Financial
Officer

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

بيان المركز المالي المرحلي الموجز الموحد
كما في ٣١ مارس ٢٠٢٥

٣١ ديسمبر ٢٠٢٤ ألف درهم (مدقق)	٣١ مارس ٢٠٢٥ ألف درهم (غير مدقق)	إيضاحات	
			الموجودات
			الموجودات غير المتداولة
٦,٧٩٩,٠٥٨	٧,٠٩٦,٣٣٧	٣	ممتلكات وآلات ومعدات
٣٢٢,٠٠٠	٣٢٢,٠٠٠		إستثمارات عقارية
٤٧٨,٦٠٩	٥٣٨,٢٥١	٤	حق إستخدام الموجودات الشهرية
٥,٠٥٧	٥,٠٥٧		إستثمارات محتسبة وفقاً لطريقة حقوق الملكية
٥٠٧,١٢٠	٥٢٩,٥٠٧	٥	موجودات الضريبة المؤجلة
٣,٧٥١	٣,٤٩١		محتجزات مدينة
١,١٣٩,٩٨٨	١,٠٣٨,٨٠١		
<u>٩,٢٥٥,٥٨٣</u>	<u>٩,٥٣٣,٤٤٤</u>		مجموع الموجودات غير المتداولة
			الموجودات المتداولة
٧١٨,٤٨٢	٧٥٨,٨٨٣		مخزون
١٣,٠٦٠,٢٩٥	١٢,١٧٠,٤٧٣	٦	ذمم مدينة تجارية وأخرى
٤,٥١٨,٩٨٥	٤,٨٣٦,١٦٢	٧	موجودات العقود
٦٤٠,٨٥٧	٥٨٧,٤٢١		موجودات مالية بالقيمة العادلة من خلال الربح أو الخسارة
١٢,٠٥٦	٨,٩٥٨		موجودات مالية مشتقة
٤,٩٩٣,٤٩٣	٤,٨٣٧,٩٩٧	٨	نقد وأرصدة لدى البنوك
<u>٢٣,٩٤٤,١٦٨</u>	<u>٢٣,١٩٩,٨٩٤</u>		مجموع الموجودات المتداولة
<u>٣٣,١٩٩,٧٥١</u>	<u>٣٢,٧٣٣,٣٣٨</u>		مجموع الموجودات
			حقوق الملكية والمطلوبات
			حقوق الملكية
٨٤٤,٣٧٩	٨٤٤,٣٧٩		رأس المال
٦٠٥,٤٢١	٦٠٥,٤٢١		علاوة أسهم
٧٦٥,٠٠٠	٧٦٥,٠٠٠		إحتياطي إندماج
(١٤١,١٨٦)	(١٢٦,٠٤٩)		إحتياطيات أخرى
٩,٣٤٦,٤١٧	٩,٣٧٩,٠١٧		أرباح مستبقة
<u>١١,٤٢٠,٠٣١</u>	<u>١١,٤٦٧,٧٦٨</u>		حقوق الملكية العائدة إلى مساهمي الشركة
١,٢٠٥,٠٨٨	١,٠٩٨,٧١٩		حقوق الملكية غير المسيطرة
<u>١٢,٦٢٥,١١٩</u>	<u>١٢,٥٦٦,٤٨٧</u>		مجموع حقوق الملكية

تشكل الإيضاحات المرفقة جزءاً لا يتجزأ من هذه البيانات المالية المرحلية الموجزة الموحدة.

بيان المركز المالي المرحلي الموجز الموحد
كما في ٣١ مارس ٢٠٢٥ (يتبع)

٣١ ديسمبر ٢٠٢٤ ألف درهم (مدقق)	٣١ مارس ٢٠٢٥ ألف درهم (غير مدقق)	إيضاحات	المطلوبات
			المطلوبات غير المتداولة
٥٠٧,٥٧٧	٥١٩,٢٦٠		مخصص مكافأة نهاية الخدمة للموظفين
٧٣٥,٧٠٠	٦٥٠,١١٣	٩	قروض
١٦,١٢٠	-		مطلوبات الضريبة المؤجلة
١٥,٢٢٢	٣,٥١٩		مطلوبات مالية مشتقة
٣٩٤,٥٩١	٤١٢,٦٦٤	٤	مطلوبات عقود الإيجار
<u>١,٦٦٩,٢١٠</u>	<u>١,٥٨٥,٥٥٦</u>		مجموع المطلوبات غير المتداولة
			المطلوبات المتداولة
١٤,٠٤٥,٣١٨	١٤,٧٥١,٢٧٠	١٠	ذمم دائنة تجارية وأخرى
٤,٠٦٠,٨٦٥	٢,٨٦٤,١٤١		مطلوبات العقود
١١,٣٧٥	٣,٢٢١		مطلوبات مالية مشتقة
٣٥٨,١١٤	٤٨٥,٤٨٨	١١	ضريبة الدخل الدائنة
٣٤٢,٣٤٦	٣٤٢,٣٤٦	٩	قروض
٨٧,٤٠٤	١٣٤,٨٢٩	٤	مطلوبات عقود الإيجار
<u>١٨,٩٠٥,٤٢٢</u>	<u>١٨,٥٨١,٢٩٥</u>		مجموع المطلوبات المتداولة
<u>٢٠,٥٧٤,٦٣٢</u>	<u>٢٠,١٦٦,٨٥١</u>		مجموع المطلوبات
<u>٣٣,١٩٩,٧٥١</u>	<u>٣٢,٧٣٣,٣٣٨</u>		مجموع حقوق الملكية والمطلوبات

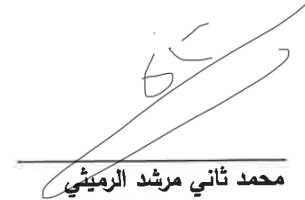
على حد علمنا، فإن المعلومات المالية الواردة في التقرير، تظهر بصورة عادلة من جميع النواحي الجوهرية الوضع المالي ونتائج العمليات والتدفقات النقدية للمجموعة كما في، وللفترة المعروضة في هذه البيانات المالية المرحلية الموجزة الموحدة.



سريمونت بارساد باروا
الرئيس المالي للمجموعة



ياسر نصر زغلول
الرئيس التنفيذي للمجموعة



محمد ثاني مرشد الرميثي
رئيس مجلس الإدارة

تشكل الإيضاحات المرفقة جزءاً لا يتجزأ من هذه البيانات المالية المرحلية الموجزة الموحدة.