Discussion and Analysis Report of Abu Dhabi National Building Materials - Bildco. (PJSC)

Date	19/02/2026
Listed Company Name	Abu Dhabi National Co. for Building Materials - BILDCO (PJSC)
Period Covered by the Financial Report	Financial Data for Fiscal Year 2025
Overview of Key Results During the Financial Period:	The company achieved net revenues of AED 46,077,690 for the fiscal year ending December 31, 2025, compared to AED 52,464,355 in the previous year. Cost of sales amounted to AED (42,006,731) compared to AED (45,592,409) in the previous year. The company achieved a gross profit of AED 4,070,959 during the fiscal year ending December 31, 2025, compared to a gross profit of AED 6,871,946 in the previous year. The company recorded a net consolidated loss for the fiscal year ending December 31, 2025, amounting to AED (26,769,759), compared to a net consolidated profit of AED 12,863,642 for the same period last year. Earnings per share during the period amounted to AED 0.01 compared to earnings of AED 0.16 in the previous year. Net shareholders' equity reached AED 77,748,770 as of December 31, 2025, compared to AED 75,865,363 as of December 31, 2024.
Issued Securities During the Financial Period:	The company did not issue any securities (bonds or notes) during the fiscal year ending on December 31, 2025.

ص.ب :٢٤٤٣، أبوظبي - الامارات العربية المتحدة | تليفون : ٦٤٥٥٥٠٠، فاكس : ٦٤٥٥٥٤٤، تلكس : ٢٢٢٩٩ بلدكو - س.ت : ١٥٩٠٤
P.O. Box : 2443, ABU DHABI - United Arab Emirates | Tel.: 6455500, Fax: 6455544, Telex: 22299 BILDCO EM - T.R : 15904
E-mail : bildco@emirates.net.ae

Summary of Key Non-Financial Events and Developments During the Financial Period:	- The year 2025 represented a strategic repositioning phase for the company, aimed at enhancing the quality of profits, improving capital utilization efficiency, and establishing a more sustainable and profitable operational base over the medium and long term. Despite regulatory and market challenges accompanying the transformation phase, the Board of Directors and Executive Management focused on restructuring the operational portfolio, improving the business model, and strengthening financial discipline to place the company on a path of sustainable growth based on profitability rather than just revenue volume. Key strategic steps implemented in 2025 include: • Divesting non-strategic or low-economic-feasibility assets and redirecting capital toward higher-return activities. • Restructuring the operating model to reduce the cost base and enhance efficiency. • Strengthening financial and regulatory discipline. • Entry of a strategic partner and increasing capital to strengthen the capital base. These actions contributed to: • Improving asset structure. • Enhancing balance sheet flexibility. • Establishing a more capable growth base for expansion and sustainable returns. The production plan for the BILDCO Reinforcing Steel Plant was also approved in coordination with (CICE) to increase production capacity to 700 tons per day.

	The company opened external markets for its lightweight aerated block products, exporting to Kuwait and Oman. Products gained customer trust in both countries, with growing demand locally and internationally. Large supply orders were secured for 2026. Internal efforts also led to developing new production lines for aerated blocks, such as door lintels, which met with great success and good profitability.
Summary of Operational Performance During the Financial Period	Company revenues reached AED 46.1 million compared to AED 52.5 million in 2024, a decrease of AED 6.4 million (12.2%). This decline is considered relatively limited given market conditions and reflects the continuity of operational activity and business base stability. Gross profit reached AED 4.1 million compared to AED 6.9 million in the previous year, confirming the company's continued core operational activity in generating positive value.
Summary of Profit and Loss During the Financial Period:	The company recorded a net loss of approximately AED 26.8 million during 2025. This is primarily due to non-cash and non-recurring items, including: • Loss on disposal of certain assets amounting to AED 18.9 million, as part of restructuring the asset portfolio. • Fair value revaluation losses on investments amounting to AED 4.24 million compared to AED 3.02 million last year, an increase of AED 1.22 million (40%). These are non-cash, unrealized losses reflecting market value changes and a more conservative accounting measurement policy. The Board believes these measures, despite their accounting impact on annual results, are necessary steps to improve asset quality and strengthen the financial position in the long run.

ص.ب :٢٤٤٣، أبوظبي – الامارات العربية المتحدة | تليفون : ٦٤٥٥٥٠٠، فاكس : ٦٤٥٥٥٤٤، تلكس : ٢٢٢٩٩ بلدكو – س.ت : ١٥٩٠٤
P.O. Box : 2443, ABU DHABI - United Arab Emirates | Tel.: 6455500, Fax: 6455544, Telex: 22299 BILDCO EM - T.R : 15904
E-mail : bildco@emirates.net.ae

Summary of Financial Position and Comprehensive Income:	The company achieved other comprehensive income from asset revaluation amounting to AED 29.9 million, compared to AED 34.1 million last year. Despite the 12.4% decrease, it remains at a strong level reflecting the strength of the asset base. Total comprehensive income for 2025 was positive at AED 3.1 million, despite the accounting net loss, reflecting continued positive value for shareholders at the equity level.
Summary of Cash Flows During the Financial Period	• Net cash flow from operating activities: AED 6.6 million. • Net cash used in operations: AED (3.4) million. • Net cash used in investing activities: AED 9.7 million. • Cash and bank balances at end of period: AED (13.3) million
Key Performance Indicators for 2025	• Gross Profit / Sales: 8.1% • Gross Profit / Capital: 1.4% • Sales / Capital: 15.4% • General & Administrative Expenses / Sales: 29.2%
Future Outlook and Profitability Enhancement	The Board expects 2025 actions to positively impact 2026 through: • Improved operational returns. • Higher return on invested capital. • Improved profit quality and reduced impact of non-recurring items. Preliminary 2026 indicators show improvement in sales levels compared to the previous period, reinforcing confidence in the upward profitability path.

ص.ب :٢٤٤٣، أبوظبي – الامارات العربية المتحدة | تليفون : ٦٤٥٥٥٠٠، فاكس : ٦٤٥٥٥٤٤، تلكس : ٢٢٢٩٩ بلدكو – س.ت : ١٥٩٠٤
P.O. Box : 2443, ABU DHABI - United Arab Emirates | Tel.: 6455500, Fax: 6455544, Telex: 22299 BILDCO EM - T.R : 15904
E-mail : bildco@emirates.net.ae

	The company is currently working with a specialized consultancy firm to support strategic development, improve the operating model, and enhance governance.
Developments and Capital Structure	Following the completion of regulatory approvals and General Assembly consent in 2025: 1. Entry of a strategic partner to support growth and expansion plans. 2. Capital increase through the issuance of 1.2 billion new shares. 3. Amendment of Articles of Association to expand investment and operational activities. Post-increase ownership structure: • Strategic Partner: 80% • Other Shareholders: 20% These steps enhanced the company's ability to fund future projects without financing pressures.

H.E. Rashid Ali Rashid Nasser

Chairman of the Board of Directors

Date: 19/02/2026

ص.ب :٢٤٤٣، أبوظبي – الامارات العربية المتحدة | تليفون : ٦٤٥٥٥٠٠، فاكس : ٦٤٥٥٥٤٤، تلكس : ٢٢٢٩٩ بلدكو – س.ت : ١٥٩٠٤
P.O. Box : 2443, ABU DHABI - United Arab Emirates | Tel.: 6455500, Fax: 6455544, Telex: 22299 BILDCO EM - T.R : 15904
E-mail : bildco@emirates.net.ae