

Abu Dhabi Ship Building PJSC

Interim Condensed Consolidated Financial Information (Unaudited)
For the three-month period ended 31 March 2026

Abu Dhabi Ship Building PJSC
Interim condensed consolidated financial information (unaudited)
For the three-month period ended 31 March 2026

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Report on Review of the Interim Condensed Consolidated Financial Information

To: The Shareholders of Abu Dhabi Ship Building PJSC

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Abu Dhabi Ship Building PJSC (the "Company") and its subsidiaries (together the "Group") as at 31 March 2026 and the related interim condensed consolidated statement of profit or loss and other comprehensive income, changes in equity and cash flows for the three-month period then ended and explanatory notes.

Management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34 - Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of review

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

Other matter

The financial statements of the Group for the year ended 31 December 2025 were audited by another auditor who expressed an unmodified opinion on those financial statements on 18 March 2026. The interim condensed consolidated financial information of the Group for the three-month period ended 31 March 2025 was reviewed by another auditor who issued an unmodified conclusion on that interim condensed consolidated financial information on 14 May 2025.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with IAS 34.

For RAI Audit and Tax Services,

Auditor Name: **Ashraf Eradhun**
Entry Number: 5446
Date: 14 May 2026
Abu Dhabi, United Arab Emirate

Abu Dhabi Ship Building PJSC

Interim condensed consolidated statement of financial position

As at 31 March 2026

| | Notes | (Unaudited) 31 March 2026 AED '000 | (Audited) 31 December 2025 AED '000 |
|--|-------|---|--|
| Assets | | | |
| Non-current assets | | | |
| Property, plant and equipment | 4 | 156,779 | 153,932 |
| Intangible assets | | 3,393 | 3,748 |
| Right-of-use assets | | 2,885 | 3,404 |
| Advances to suppliers | 6 | 120,069 | 147,634 |
| Total non-current assets | | 283,126 | 308,718 |
| Current assets | | | |
| Inventories | | 55,972 | 51,998 |
| Contract assets | 5 | 174,692 | 304,588 |
| Trade and other receivables | 6 | 1,591,609 | 1,741,762 |
| Bank balances and cash | 7 | 382,206 | 410,962 |
| Total current assets | | 2,204,479 | 2,509,310 |
| Total assets | | 2,487,605 | 2,818,028 |
| Equity and liabilities | | | |
| Equity | | | |
| Share capital | 8 | 211,992 | 211,992 |
| Statutory reserve | | 25,243 | 25,243 |
| Retained earnings | | 89,440 | 83,095 |
| Equity attributable to owners of the parent | | 326,675 | 320,330 |
| Non-controlling interests | | (138) | (138) |
| Total equity | | 326,537 | 320,192 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Employees' end of service benefits | | 36,803 | 35,852 |
| Advances from customers | 9 | 171,650 | 267,544 |
| Lease liabilities | | 73 | 1,515 |
| Total non-current liabilities | | 208,526 | 304,911 |
| Current liabilities | | | |
| Trade and other payables | 10 | 1,053,771 | 1,019,947 |
| Advances from customers | 9 | 495,309 | 443,954 |
| Contract liabilities | 5 | 275,492 | 599,717 |
| Income tax payable | | 3,180 | 2,581 |
| Lease liabilities | | 3,773 | 2,349 |
| Bank overdrafts | 11 | 121,017 | 124,377 |
| Total current liabilities | | 1,952,542 | 2,192,925 |
| Total liabilities | | 2,161,068 | 2,497,836 |
| Total equity and liabilities | | 2,487,605 | 2,818,028 |



Khaled Ahmed Ali Mohamed Al
Zaabi
Chairman of the Board



David Massey
Chief Executive Officer



Mariam Al Moosawi
Chief Financial Officer

The accompanying notes on pages 6 to 19 form an integral part of this interim condensed consolidated financial information.

Abu Dhabi Ship Building PJSC

Interim condensed consolidated statement of profit or loss and other comprehensive income For the three-month period ended 31 March 2026

| | Notes | (Unaudited) Three-month period ended 31 March 2026 AED '000 | (Unaudited) Three-month period ended 31 March 2025 AED '000 |
|---|-------|---|---|
| Contract revenues | | 426,017 | 253,055 |
| Contract costs | | (398,353) | (227,727) |
| Gross profit | | 27,664 | 25,328 |
| General and administrative expenses | | (22,810) | (18,358) |
| Reversal of / (allowance for) expected credit losses | 5, 6 | 7,739 | (3,744) |
| Depreciation and amortization charges | | (3,004) | (2,463) |
| Finance costs | | (1,729) | (2,388) |
| Finance income | | 612 | 2,132 |
| Other (expense) / income, net | | (1,528) | 531 |
| Profit for the period before tax | | 6,944 | 1,038 |
| Income tax expense | 16 | (599) | - |
| Profit for the period after tax | | 6,345 | 1,038 |
| Other comprehensive income | | - | - |
| Total comprehensive income for the period | | 6,345 | 1,038 |
| Profit for the period after tax attributable to: | | | |
| Equity holders of the Company | | 6,345 | 1,038 |
| Non-controlling interest | | - | - |
| | | 6,345 | 1,038 |
| Total comprehensive income for the period attributable to: | | | |
| Equity holders of the Company | | 6,345 | 1,038 |
| Non-controlling interest | | - | - |
| | | 6,345 | 1,038 |
| Basic and diluted earnings per share (AED) | 12 | 0.0299 | 0.0049 |

The accompanying notes on pages 6 to 19 form an integral part of this interim condensed consolidated financial information.

Abu Dhabi Ship Building PJSC

Interim condensed consolidated statement of changes in equity

For the three-month period ended 31 March 2026

| | Share capital AED'000 | Statutory reserve AED'000 | Retained earnings AED'000 | Equity attributable to owners of the Company AED'000 | Non- controlling interests AED'000 | Total equity AED |
|--|--------------------------|---------------------------------|---------------------------------|--|---|------------------------|
| Balance as at 1 January 2025 (Audited) | 211,992 | 22,215 | 96,113 | 330,320 | (138) | 330,182 |
| Total comprehensive income for the period | - | - | 1,038 | 1,038 | - | 1,038 |
| Balance as at 31 March 2025 (Unaudited) | 211,992 | 22,215 | 97,151 | 331,358 | (138) | 331,220 |
| Balance as at 1 January 2026 (Audited) | 211,992 | 25,243 | 83,095 | 320,330 | (138) | 320,192 |
| Total comprehensive income for the period | - | - | 6,345 | 6,345 | - | 6,345 |
| Balance as at 31 March 2026 (Unaudited) | 211,992 | 25,243 | 89,440 | 326,675 | (138) | 326,537 |

The accompanying notes on pages 6 to 19 form an integral part of this interim condensed consolidated financial information.

Abu Dhabi Ship Building PJSC

Interim condensed consolidated statement of cash flows

For the three-month period ended 31 March 2026

| | Notes | (Unaudited) Three-month period ended 31 March 2026 AED'000 | (Unaudited) Three-month period ended 31 March 2025 AED'000 |
|---|-------|--|--|
| Cash flows from operating activities | | | |
| Profit for the period before tax | | 6,944 | 1,038 |
| Adjustments for: | | | |
| Depreciation and amortization charges | | 7,404 | 6,363 |
| Provision for employees' end of service benefits | | 1,204 | 1,049 |
| Reversal of expected credit losses on contract assets | 5 | (444) | (21) |
| (Reversal of) / allowance for expected credit losses on receivables, net | 6 | (7,295) | 3,765 |
| Finance income | | (612) | (2,132) |
| Finance costs | | 1,779 | 2,439 |
| Operating profits before working capital changes | | 8,980 | 12,501 |
| Changes in working capital: | | | |
| Change in inventories | | (3,974) | (4,473) |
| Change in contract assets | | 130,340 | 128,070 |
| Change in trade and other receivables and advances to suppliers | | 184,956 | (326,899) |
| Change in trade and other payables | | 33,770 | (150,088) |
| Change in contract liabilities | | (324,225) | 275,136 |
| Change in advances from customers | | (44,539) | (102,035) |
| Cash used in operations | | (14,692) | (167,788) |
| Payment of employees' end of service benefits | | (253) | (87) |
| Net cash used in operating activities | | (14,945) | (167,875) |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | | (9,340) | (3,002) |
| Purchase of intangible assets | | (37) | (448) |
| Finance income received | | 669 | 2,180 |
| Net cash used in investing activities | | (8,708) | (1,270) |
| Cash flow from financing activities | | | |
| Finance costs paid | | (1,722) | (2,382) |
| Payments of lease liabilities | | (21) | (2,554) |
| Net cash used in financing activities | | (1,743) | (4,936) |
| Net decrease in cash and cash equivalents | | (25,396) | (174,081) |
| Cash and cash equivalents, beginning of period | | 286,585 | 528,413 |
| Cash and cash equivalents, end of period | 7 | 261,189 | 354,332 |

The accompanying notes on pages 6 to 19 form an integral part of this interim condensed consolidated financial information.

Abu Dhabi Ship Building PJSC

Notes to the interim condensed consolidated financial information

For the three-month period ended 31 March 2026

1 Company information

Abu Dhabi Ship Building PJSC (the “Company”) was established by Emiri Decree No. 5 of 1995 on 12 July 1995. The Company’s registered office address is P.O. Box 8922, Abu Dhabi, United Arab Emirates.

The interim condensed consolidated financial information has been prepared in accordance with the requirements of the applicable laws and regulations, including UAE Federal Law No. (32) of 2021. The Company’s management is currently in the process of amending the statutory documents, to reflect the changes required due to application of the UAE Federal law No. (32) of 2021.

The Company’s ordinary shares are listed on the Abu Dhabi Securities Exchange.

The Company and its subsidiaries (together referred to as the “Group”) are engaged primarily in the construction, maintenance, repair and overhaul of commercial and military ships and vessels.

The principal activities, country of incorporation and operation, and ownership interest of the Company in the subsidiaries are set out below:

| Name of subsidiary | Interest (%) | | Country of incorporation | Principal activity |
|---|---------------|------------------|--------------------------|---|
| | 31 March 2026 | 31 December 2025 | | |
| Abu Dhabi Systems Integration LLC (“ADSI”) | 100% | 100% | UAE | Import and commissioning of integrated electronic systems and computer programs |
| Gulf Logistics and Naval Support LLC (“GLNS”) | 100% | 100% | UAE | Provision of naval support services |
| Safwa Marine L.L.C. | 100% | 100% | UAE | Trading of ships and boats |
| ADSB Investments Limited | 100% | 100% | UAE | Holding of investments |
| Frontiers Industrial Investment LLC | 99% | 99% | UAE | System integration and technology development and implementation |
| High Speed Craft Company LLC | 100% | 100% | UAE | Marine machine and equipment repairing and maintenance |

Abu Dhabi Ship Building PJSC

Notes to the interim condensed consolidated financial information *(continued)*

For the three-month period ended 31 March 2026

2 Basis of preparation

2.1 Statement of compliance

The interim condensed consolidated financial information is prepared in accordance with International Accounting Standard (IAS) 34 “Interim Financial Reporting” and also comply with the applicable requirements of the UAE Federal Law No. (32) of 2021 and the applicable laws in the UAE.

The interim condensed consolidated financial information has been presented in United Arab Emirates Dirhams (“AED”), which is the functional and presentation currency of the Group, all values have been rounded to the nearest thousand (AED ‘000) except when otherwise indicated.

The interim condensed consolidated financial information has been prepared on an accrual basis and under the historical cost convention. The interim condensed consolidated financial information does not include all the information and disclosures required in the full consolidated financial statements prepared in accordance with IFRS Accounting Standards and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2025. In addition, the results for the three-month period ended 31 March 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026.

2.2 Basis of consolidation

The interim condensed consolidated financial information comprises the financial information of the Company and its subsidiaries as at 31 March 2026. Control is achieved when the Group 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 Group controls an investee if and only if the Group 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; and
- The ability to use its power over the investee to affect its returns.

The Group re-assesses 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 year are included in the interim condensed consolidated statement of financial position and interim condensed consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial information of subsidiaries to bring their accounting policies into line with the Group’s 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.

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Notes to the interim condensed consolidated financial information (continued) For the three-month period ended 31 March 2026

2 Basis of preparation (continued)

2.2 Basis of consolidation (continued)

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary
- Derecognizes the carrying amount of any non-controlling interest
- Derecognizes the cumulative translation differences, recorded in equity
- Recognizes the fair value of the consideration received
- Recognizes the fair value of any investment retained
- Recognizes any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate as would be required if the Group had directly disposed of the related assets or liabilities.

The interim condensed consolidated financial information of the Group represents the financial information of the Company and its subsidiaries mentioned in note 1.

2.3 Application of new and revised IFRS Accounting Standards

Application of new and revised IFRS Accounting Standards

| <u>Title</u> | <u>Effective date</u> |
|---|-----------------------|
| Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) | 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 |

These amendments have been adopted by the Group and did not have a material impact on this interim condensed consolidated financial information.

Standards, amendments and interpretations to existing Standards that are not yet effective

| <u>Title</u> | <u>Effective date</u> |
|---|-----------------------|
| IFRS 18 Presentation and Disclosures in Financial Statements | 1 January 2027 |
| IFRS 19 Subsidiaries without Public Accountability: Disclosures | 1 January 2027 |
| Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21) | 1 January 2027 |

The Group is in the process of assessing the impact of the above standards and amendments on the interim condensed consolidated financial information.

2.4 Significant judgements and estimates

The preparation of these interim condensed consolidated financial information requires management to make judgements and estimates that affect the reported amounts. Except as described below, there have been no significant changes in judgements and estimates compared to those applied in the most recent annual financial statements.

Expected credit losses

During the period, the Group updated its methodology for measuring expected credit losses on contract assets and trade receivables by considering advances received from customers and excess billings in assessing the expected loss given default. This change requires the application of judgement in determining the extent to which such balances reduce the expected cash shortfall in the event of default. The impact of this update has been reflected in the measurement of expected credit losses for the period (refer Notes 5 and 6).

Abu Dhabi Ship Building PJSC

Notes to the interim condensed consolidated financial information (continued)

For the three-month period ended 31 March 2026

3 Material accounting policy information

The accounting policies applied in the interim condensed consolidated financial information are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2025.

4 Property, plant and equipment

During the three-month period ended 31 March 2026, the Group acquired assets with a cost of AED 9,340 thousand (31 March 2025: AED 3,002 thousand). Depreciation charges for the three-month period ended 31 March 2026 amounted to AED 6,493 thousand (31 March 2025: AED 5,585 thousand).

| | 31 March 2026 AED '000 (Unaudited) | 31 December 2025 AED '000 (Audited) |
|--|---|--|
| Net book value at beginning of the period/year | 153,932 | 148,012 |
| Additions during the period/year | 9,340 | 29,679 |
| Depreciation charge for the period/year | <u>(6,493)</u> | <u>(23,759)</u> |
| | <u>156,779</u> | <u>153,932</u> |

The depreciation charges have been allocated to the contract costs and general and administrative expenses as follows:

| | Three-month period ended 31 March 2026 AED '000 (Unaudited) | Three-month period ended 31 March 2025 AED '000 (Unaudited) |
|-------------------------------------|--|---|
| Contract costs | 3,946 | 2,140 |
| General and administrative expenses | <u>2,547</u> | <u>3,445</u> |
| | <u>6,493</u> | <u>5,585</u> |

5 Contract assets / (Contract liabilities)

| | 31 March 2026 AED '000 (Unaudited) | 31 December 2025 AED '000 (Audited) |
|-----------------------|---|--|
| Contracts assets, net | 174,692 | 304,588 |
| Contracts liabilities | <u>(275,492)</u> | <u>(599,717)</u> |
| | <u>(100,800)</u> | <u>(295,129)</u> |

| | 31 March 2026 AED '000 (Unaudited) | 31 December 2025 AED '000 (Audited) |
|--------------------------------|---|--|
| Value of work executed | 14,875,245 | 14,449,228 |
| Progress billings to customers | <u>(14,976,045)</u> | <u>(14,744,357)</u> |
| | <u>(100,800)</u> | <u>(295,129)</u> |

Abu Dhabi Ship Building PJSC

Notes to the interim condensed consolidated financial information (continued)

For the three-month period ended 31 March 2026

5 Contract assets / (Contract liabilities) (continued)

Contract assets are stated net of an allowance for expected credit losses. The measurement of expected credit losses involves the application of judgement (refer Note 2.4). The movements in the allowance are as follows:

| | 31 March 2026 AED '000 (Unaudited) | 31 December 2025 AED '000 (Audited) |
|-------------------------------------|---|--|
| At the beginning of the period/year | | |
| Charge during the period/year | 4,834 | 4,783 |
| Reversals | - | 51 |
| At the end of the period/year | <u>(444)</u> | <u>-</u> |
| | <u>4,390</u> | <u>4,834</u> |

6 Trade and other receivables

| | 31 March 2026 AED '000 (Unaudited) | 31 December 2025 AED '000 (Audited) |
|--|---|--|
| Trade receivables | 1,234,114 | 1,370,227 |
| Less: allowance for expected credit losses | <u>(16,086)</u> | <u>(23,381)</u> |
| Trade receivables, net | 1,218,028 | 1,346,846 |
| Advances paid to suppliers* | 360,568 | 376,866 |
| Prepayments and other receivables | <u>13,013</u> | <u>18,050</u> |
| | <u>1,591,609</u> | <u>1,741,762</u> |

*Advances paid to suppliers are analysed in the interim condensed consolidated statement of financial position as follows:

| | 31 March 2026 AED '000 (Unaudited) | 31 December 2025 AED '000 (Audited) |
|---|---|--|
| Current (included within trade and other receivables) | 360,568 | 376,866 |
| Non-current | <u>120,069</u> | <u>147,634</u> |
| Total | <u>480,637</u> | <u>524,500</u> |

The movement in the allowance for expected credit losses of trade receivables during the period/year was as follows:

| | 31 March 2026 AED '000 (Unaudited) | 31 December 2025 AED '000 (Audited) |
|-------------------------------------|---|--|
| At the beginning of the period/year | 23,381 | 24,267 |
| Reversals and recoveries, net* | <u>(7,295)</u> | <u>(886)</u> |
| At the end of the period/year | <u>16,086</u> | <u>23,381</u> |

Abu Dhabi Ship Building PJSC

Notes to the interim condensed consolidated financial information (continued)

For the three-month period ended 31 March 2026

6 Trade and other receivables (continued)

* Reversals during the period primarily reflect the impact of changes in the expected credit loss methodology, including the consideration of advances received and excess billings in determining the net exposure to credit loss upon default (refer Note 2.4) and recoveries arising from collections. Comparative period movements relate to recoveries arising from collections and reversal of provisions.

7 Cash and cash equivalents

For the purpose of the interim condensed consolidated statement of cash flows, cash and cash equivalents are comprised of the following:

| | 31 March 2026 AED '000 (Unaudited) | 31 December 2025 AED '000 (Audited) |
|---------------------------------|---|--|
| Bank balances | 276,965 | 281,375 |
| Fixed deposits | <u>105,241</u> | <u>129,587</u> |
| Bank balances and cash | 382,206 | 410,962 |
| Less: Bank overdrafts (Note 11) | <u>(121,017)</u> | <u>(124,377)</u> |
| Cash and cash equivalents | <u>261,189</u> | <u>286,585</u> |

All fixed deposits has an original maturity of less than 3 months.

8 Share capital

| | 31 March 2026 AED '000 (Unaudited) | 31 December 2025 AED '000 (Audited) |
|-----------------------------------|---|--|
| Authorised, issued and fully paid | <u>211,992</u> | <u>211,992</u> |

EDGE Defense Platforms & Systems is the Parent of the Group which owns 49.96% of the share capital.

9 Advances from customers

Advances from customers mainly represent advances received for projects and are applied against billings when raised. Advances from customers are analysed in the interim condensed consolidated statement of financial position as follows:

| | 31 March 2026 AED '000 (Unaudited) | 31 December 2025 AED '000 (Audited) |
|-------------|---|--|
| Current | 495,309 | 443,954 |
| Non-current | <u>171,650</u> | <u>267,544</u> |
| Total | <u>666,959</u> | <u>711,498</u> |

Abu Dhabi Ship Building PJSC

Notes to the interim condensed consolidated financial information (continued) For the three-month period ended 31 March 2026

10 Trade and other payables

| | 31 March 2026 AED '000 (Unaudited) | 31 December 2025 AED '000 (Audited) |
|-----------------------------|---|--|
| Trade payables | 67,888 | 71,133 |
| Project accruals | 942,378 | 889,174 |
| Other accruals and payables | 43,505 | 59,640 |
| | <u><u>1,053,771</u></u> | <u><u>1,019,947</u></u> |

The carrying value of the trade and other payables is considered to be reasonable approximation of fair value.

The average credit period on purchases of goods is 60 days (2025: 60 days). No interest is charged on the trade payables. The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

11 Bank overdrafts

| | 31 March 2026 AED '000 (Unaudited) | 31 December 2025 AED '000 (Audited) |
|---------------------------------------|---|--|
| Bank overdrafts from commercial banks | <u><u>121,017</u></u> | <u><u>124,377</u></u> |

The overdraft facilities carry interest at prevailing market rates.

As at 31 March 2026, the Group has AED 253,983 thousand (31 December 2025: AED 250,623 thousand) as available undrawn overdraft facilities.

12 Basic and diluted earnings per share

Basic earnings per share is calculated by dividing the earnings for the period attributable to the owners of the Company by the weighted average number of shares outstanding during the period as follows:

The calculation of earnings per share is as follows:

| | Three-month period ended 31 March 2026 AED '000 (Unaudited) | Three-month period ended 31 March 2025 AED '000 (Unaudited) |
|---|--|---|
| Profit for the period after tax attributable to the owners of the Company (AED'000) | <u><u>6,345</u></u> | <u><u>1,038</u></u> |
| Weighted average number of ordinary shares issued throughout the period (AED'000) | <u><u>211,992</u></u> | <u><u>211,992</u></u> |
| Basic and diluted earnings per share (AED) | <u><u>0.0299</u></u> | <u><u>0.0049</u></u> |

During the period, the Group has not issued any instruments that have an impact on earnings per share when exercised (31 March 2025: nil).

Abu Dhabi Ship Building PJSC

Notes to the interim condensed consolidated financial information (continued)

For the three-month period ended 31 March 2026

13 Related party transactions and balances

Related parties include the Company's major shareholder, directors and key management personnel, and businesses controlled by them and their families or over which they exercise a significant influence in financial and operating decisions. Transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. Pricing policies and terms of these transactions are approved by the Group's management.

The remuneration of directors and other members of key management during the period was as follows:

| | Three-month period ended 31 March 2026 AED '000 (Unaudited) | Three-month period ended 31 March 2025 AED '000 (Unaudited) |
|--------------------------------------|--|---|
| Key management compensation: | | |
| Salaries, bonuses and other benefits | 4,302 | 3,431 |
| Post-employment benefits | 424 | 351 |
| | <u>4,726</u> | <u>3,782</u> |
| Directors' remuneration | <u>750</u> | <u>750</u> |

Related party transactions:

The details of major related party transactions during the period were as follows:

| | Three-month period ended 31 March 2026 AED '000 (Unaudited) | Three-month period ended 31 March 2025 AED '000 (Unaudited) |
|--|--|---|
| Revenues from related parties (<i>Affiliates</i>) | <u>32,154</u> | <u>1,045</u> |
| Purchases from related parties (<i>Affiliates</i>) | <u>2,216</u> | <u>2,340</u> |

Related party balances:

| | 31 March 2026 AED '000 (Unaudited) | 31 December 2025 AED '000 (Audited) |
|---|---|--|
| Due from related parties (included in trade and other receivables) (<i>Affiliates</i>) | <u>5,497</u> | <u>7,857</u> |
| Due to related parties (included in trade and other payables, contract liabilities and advances from customers) (<i>Affiliates</i>) | <u>128,221</u> | <u>171,089</u> |

These balances resulted from unsettled balances from previous secondment agreement of certain employees from both parties, back charges, as well as revenues or costs.

Abu Dhabi Ship Building PJSC

Notes to the interim condensed consolidated financial information *(continued)*

For the three-month period ended 31 March 2026

14 Contingencies and capital commitments

The Group's bankers have issued, in the normal course of business, letters of guarantee, performance bond and letters of credit in the amount of AED 1,819,256 thousand (31 December 2025: AED 1,859,520 thousand) in respect of contract performance and advances in connection with the contracts for shipbuilding and overhaul in progress at the period end.

Commitments

The capital expenditure contracted at the end of the reporting period but not provided for is AED 17,171 thousand (31 December 2025: AED 22,379 thousand).

15 Segment information

The Group has internal management reporting and budgeting based on four reportable segments, as described below, which are the Group's strategic business units. For each of the strategic business units, the management reviews internal reports on at least a quarterly basis.

The following summary describes the operations in each of the Group's reportable segments:

- New Build encompasses the design, engineering, research and development, construction, commissioning, test and trials, ILS, upgrades, conversions and consultancy services for military, commercial and leisure vessels in any construction material
- Small Boats, includes in-house design development, research and development, construction of moulds, prototypes and boats with LOA up to 24 meters with capability of large-scale production line for military, commercial and luxury boats, commissioning, services and repairs of composite and special material boats.
- Maintenance, repairs and overhaul (MRO) includes upgrades, maintenance, repairs, and overhaul (MRO) of military and commercial vessels, and integrated support services
- Mission systems which includes import and commissioning of integrated systems and computer programs

Information regarding the results of each reportable segment is included below. Performance is measured on segment profit as included in the internal management reports that are reviewed by the Board of Directors.

Abu Dhabi Ship Building PJSC

Notes to the interim condensed consolidated financial information (continued)

For the three-month period ended 31 March 2026

15 Segment information (continued)

| | New Build AED'000 | Small Boats AED'000 | Maintenance, Repairs and Overhaul AED'000 | Mission Systems AED'000 | Unallocated AED'000 | Eliminations AED'000 | Group AED'000 |
|---|----------------------|------------------------|--|-------------------------------|------------------------|-------------------------|------------------|
| Three-month period ended 31 March 2026 (Unaudited) | | | | | | | |
| Contract revenues | 334,627 | 13,354 | 77,099 | 937 | - | - | 426,017 |
| Contract costs | (311,018) | (13,611) | (72,499) | (1,225) | - | - | (398,353) |
| Gross profit/ (loss) | 23,609 | (257) | 4,600 | (288) | - | - | 27,664 |
| General and administrative expenses | (9,440) | (912) | (3,877) | (456) | (8,125) | - | (22,810) |
| Reversal of / (allowance for) expected credit losses | 6,461 | 775 | 465 | 32 | 6 | - | 7,739 |
| Depreciation and amortization | (1,202) | (300) | (601) | - | (901) | - | (3,004) |
| Finance costs | - | - | - | - | (1,729) | - | (1,729) |
| Finance income | 612 | - | - | - | - | - | 612 |
| Other expense | - | - | - | - | (1,528) | - | (1,528) |
| Income tax expense | - | - | - | - | (599) | - | (599) |
| Segment profit / (loss) | 20,040 | (694) | 587 | (712) | (12,876) | - | 6,345 |

Abu Dhabi Ship Building PJSC

Notes to the interim condensed consolidated financial information *(continued)*

For the three-month period ended 31 March 2026

15 Segment information *(continued)*

| | New Build AED'000 | Small Boats AED'000 | Maintenance, Repairs and Overhaul AED'000 | Mission Systems AED'000 | Unallocated AED'000 | Eliminations AED'000 | Group AED'000 |
|--|----------------------|------------------------|--|-------------------------------|------------------------|-------------------------|------------------|
| Three-month period ended 31 March 2025 (Unaudited) | | | | | | | |
| Contract revenues | 191,518 | 13,353 | 44,586 | 3,598 | - | - | 253,055 |
| Contract costs | (174,645) | (11,510) | (38,016) | (3,556) | - | - | (227,727) |
| Gross profit | 16,873 | 1,843 | 6,570 | 42 | - | - | 25,328 |
| General and administrative expenses (Allowance for) / reversal of expected credit losses | (6,792) | (1,101) | (3,672) | (367) | (6,426) | - | (18,358) |
| Depreciation and amortization | (3,948) | (8) | 219 | 31 | (38) | - | (3,744) |
| Finance costs | (936) | (246) | (542) | - | (739) | - | (2,463) |
| Finance income | - | - | - | - | (2,388) | - | (2,388) |
| Other income | 2,081 | - | - | - | 51 | - | 2,132 |
| Income tax expense | - | - | - | - | 531 | - | 531 |
| Segment profit / (loss) | 7,278 | 488 | 2,575 | (294) | (9,009) | - | 1,038 |

Abu Dhabi Ship Building PJSC

Notes to the interim condensed consolidated financial information (continued)

For the three-month period ended 31 March 2026

15 Segment information (continued)

| | New Build AED'000 | Small Boats AED'000 | Maintenance, Repairs and Overhaul AED'000 | Mission Systems AED'000 | Unallocated AED'000 | Eliminations AED'000 | Group AED'000 |
|---|----------------------|------------------------|--|-------------------------------|------------------------|-------------------------|------------------|
| As at 31 March 2026 (Unaudited) | | | | | | | |
| Assets | <u>1,950,456</u> | <u>110,605</u> | <u>330,098</u> | <u>22,788</u> | <u>83,791</u> | <u>(10,133)</u> | <u>2,487,605</u> |
| Liabilities | <u>1,654,837</u> | <u>61,562</u> | <u>163,446</u> | <u>55,138</u> | <u>226,085</u> | <u>-</u> | <u>2,161,068</u> |
| Capital expenditure | <u>4,454</u> | <u>610</u> | <u>1,500</u> | <u>-</u> | <u>2,813</u> | <u>-</u> | <u>9,377</u> |
| As at 31 December 2025 (Audited) | | | | | | | |
| Assets | <u>2,253,706</u> | <u>108,573</u> | <u>357,819</u> | <u>20,044</u> | <u>88,019</u> | <u>(10,133)</u> | <u>2,818,028</u> |
| Liabilities | <u>1,952,611</u> | <u>68,482</u> | <u>202,052</u> | <u>32,250</u> | <u>242,441</u> | <u>-</u> | <u>2,497,836</u> |
| Capital expenditure | <u>15,533</u> | <u>2,126</u> | <u>5,232</u> | <u>-</u> | <u>9,810</u> | <u>-</u> | <u>32,701</u> |

Abu Dhabi Ship Building PJSC

Notes to the interim condensed consolidated financial information (continued)

For the three-month period ended 31 March 2026

16 Taxation

The charge for the period-ended is calculated based upon the taxable profit for the period at rates of tax applicable. The charge to the interim condensed consolidated statement of profit or loss and other comprehensive income for the period is as follows:

| | Three-month period ended 31 March 2026 AED '000 (Unaudited) | Three-month period ended 31 March 2025 AED '000 (Unaudited) |
|----------------------------|--|---|
| Current income tax expense | 599 | - |

Reconciliation of Company's tax on profit based on accounting and profit as per the tax laws is as follows:

| | Three-month period ended 31 March 2026 AED '000 (Unaudited) | Three-month period ended 31 March 2025 AED '000 (Unaudited) |
|--|--|---|
| Accounting profit before tax | 6,944 | 1,038 |
| Add: Expenses not deductible for tax purposes | 84 | 39 |
| Reversal of expenses not deductible for tax purposes | - | (4,314) |
| Profit subject to tax | 7,028 | - |
| Less: Basic exemption limit | (375) | - |
| Income tax at the statutory income tax rate of 9% | (599) | - |

17 Dividends

On 27 April 2026, the Shareholders of the Group approved during the Group's Annual General Meeting the distribution of 19% of its share capital as cash dividends amounting to AED 40,278 thousand.

On 25 April 2025, the Shareholders of the Group approved during the Group's Annual General Meeting the distribution of 19% of its share capital as cash dividends amounting to AED 40,278 thousand. On 22 May 2025 the Group has distributed the approved dividends to the Shareholders.

18 Fair value of financial instruments

Financial instruments comprise of financial assets and financial liabilities. Financial assets consist of bank balances and cash, trade and other receivables. Financial liabilities consist of trade and other payables, bank overdrafts and lease liabilities.

The fair values of financial instruments are not materially different from their carrying value.

Abu Dhabi Ship Building PJSC

Notes to the interim condensed consolidated financial information *(continued)*

For the three-month period ended 31 March 2026

19 Ongoing regional conflict

During the reporting period, the prevailing regional geopolitical situation has necessitated the prioritisation of support to the UAE Armed Forces and the National Guard Command. While this has impacted certain delivery milestones across selected programs, the Group's core business operations continued without any material interruption. Management continues to actively monitor the situation, including potential supply chain risks should current condition persist.

The Group has assessed the impact on the interim condensed consolidated financial information and concluded that as of the date of the authorisation of these interim condensed consolidated financial information, it has not resulted in any material impact, and the Group continues to maintain adequate liquidity, stable cash flows, and access to sufficient funding sources.

20 Approval of interim condensed consolidated financial information

The interim condensed consolidated financial information was approved and authorized for issue by the Board of Directors on 14 May 2026.