



Management Discussion and Analysis (MD&A)

1Q 2025



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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

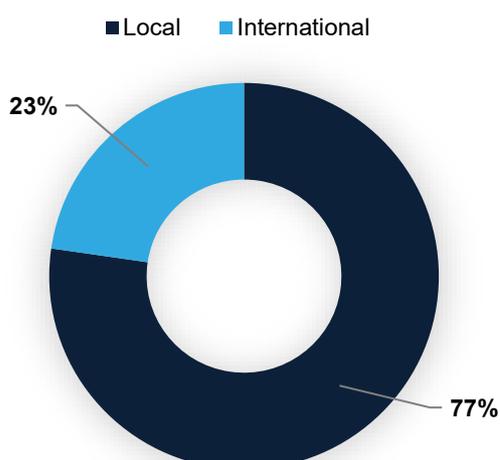
1Q 2025 Income Statement

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%	

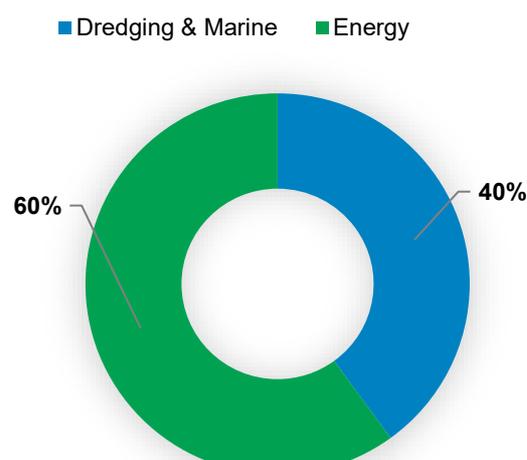
- A strong start for the year, with NMDC Group reporting revenues of AED 6.2 billion, up 16% Y-o-Y in 1Q25; with solid revenue contribution from Energy and Dredging & Marine business units, particularly from Energy which represented 60% of total revenues in 1Q25.
- Group EBITDA reached AED 1.1 billion, 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



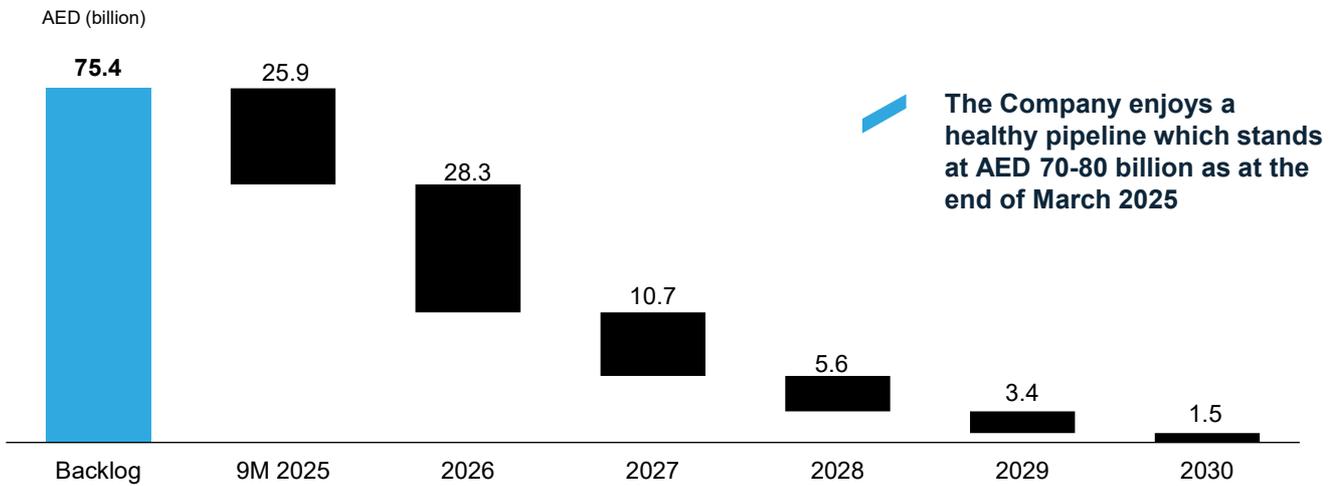
AED14.8 bn*

Awarded Projects

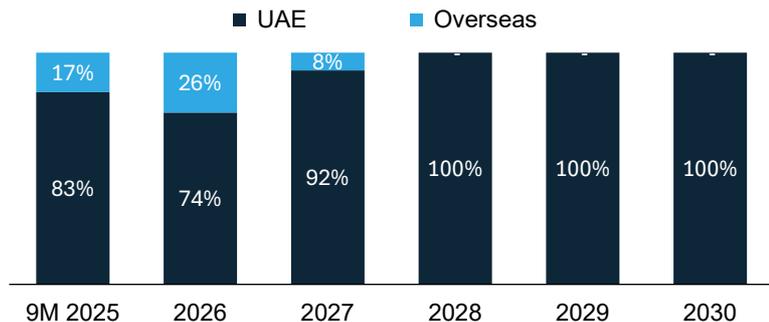
Total Awarded Projects in 1Q25 AED 14.8 billion

*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

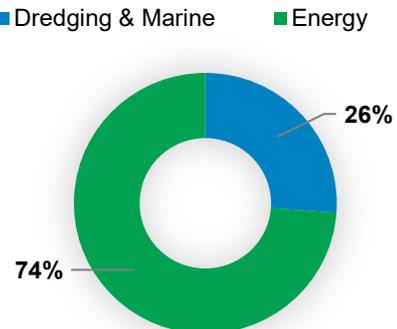


Backlog Breakdown

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



NMDC Group reports robust financial results for 1Q 2025

- **Revenues at AED 6.2 billion, up 16% Y-o-Y**
- **Net Profit at AED 784 million, up 22% Y-o-Y**
- *First quarter of 2025 reflects the Group's consistently resilient performance, driven by an increasingly active project pipeline, group-wide business diversification and international expansion efforts*
- *NMDC Group signs an agreement with Consolidated Contractors Operations (Cyprus) Limited to establish a new company focused on onshore oil and gas, marine construction, and integrated mega infrastructure development, in full collaboration with NMDC Energy, NMDC D&M and NMDC INFRA*

Abu Dhabi, UAE; 29 April 2025: NMDC Group, a global leader in engineering, procurement, construction, and marine dredging (ADX: NMDC), has reported resilient financial results for the period ending 31 March 2025. The Group achieved 22% year-on-year increase in net profit for the quarter, from AED 641 million in 1Q 2024 to AED 784 million in 1Q 2025.

Revenues climbed to AED 6.2 billion, up 16% year-on-year from the corresponding period of 2024. Earnings per share rose 12 % to AED 0.87, and total assets stood at AED 32.7 billion at the end of March 2025. By the end of the quarter, NMDC Group's backlog stood at AED 75.4 billion, with a healthy pipeline of projects.

During 1Q 2025, NMDC Group marked several strategic milestones, which included the inauguration of an advanced 400,000 sqm state-of-the-art yard fabrication yard in Ras Al Khair, Saudi Arabia. NMDC Group's subsidiary, NMDC Energy, was awarded a prestigious EPC contract by Taiwan Power Company (Taipower) for pipeline installation, shore approach works and dredging for the Tung-Hsiao Power Plant 2nd Stage Renewal Project.

NMDC Group continued to build on its expertise and offering, where it signed an agreement to establish a new company "NMDCCC" in partnership with Consolidated Contractors Operations (Cyprus) Limited "CCC", who are a leading diversified company carrying out engineering, procurement, construction, development and investment activities internationally. Headquartered in Abu Dhabi, NMDCCC will provide a world-class, full-spectrum EPC powerhouse with unmatched global capabilities, and will operate within the UAE, with branches in Dubai and outside the UAE.

Under the agreement, the new company, with an ownership structure of 50% for each of the partners, will provide end-to-end EPC services, enhancing project delivery for major National Oil Companies (NOCs) with expertise in onshore oil and gas, marine construction, and integrated mega infrastructure development. NMDCCC's capabilities will span across the construction of refineries, plants, ports, bridges, roads and industrial zones.

This agreement marks a milestone towards growing NMDC Group's presence globally and in offering a full spectrum of complementary services, in 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 execution capabilities and reducing turnaround time to better serve clients.

His Excellency Mohamed Thani Murshed Ghannam Al Rumaithi, Chairman of the Board of Directors of NMDC Group, said: "NMDC Group continues to build on its unstoppable momentum by delivering impressive financial results and successive strategic milestones during the first quarter of 2025. The results demonstrate how ambitious we have been, both at home and abroad, as we have inaugurated new partnerships, projects, and facilities that have brought further depth to our business. Collectively, NMDC Group's market-leading diversified businesses have also come to reflect the forward-focused aspirations of the UAE and its people, and as we look optimistically ahead, we'll continue to apply our vast capabilities in ways that will drive sustainable growth and economic progress for the UAE and further afield."

Eng. Yasser Zaghloul, CEO of NMDC Group, stated: "We are delighted to continue our strong journey by starting 2025 strong, with our solid performance reflecting significant operational milestones as well as our ambitious pursuit of impactful growth. We can confidently say that we strengthened our position in long-standing markets and that we diversified both vertically and horizontally, as well as geographically. We are pleased to announce the launch of NMDCCC, which we believe is a milestone towards the execution of our strategy to unlock greater potential for the Group by increasing our market share, providing us with greater access into new markets, in addition to allowing us to better meet the needs of and better serve our clients."

He added: "The notable growth in our Net Profit is a key indicator of the strength of our business as well as our market-leading capabilities, particularly how these continue to resonate across the energy and marine landscape. What is more, our success is also defined by trust, where shareholders and partners continue to value our expertise. As we look ahead, we'll continue to strengthen our vital relationships with government, client, investor, partner, and supplier stakeholders into the remainder of 2025 and beyond."

In parallel to its growth activities and financial performance, NMDC has worked hard to implement several organizational initiatives to future proof its business. The Group has welcomed successful health & safety results, it has embarked on training and development programs for its employees, it has advanced sustainability initiatives, and it has embedded innovative technologies across its business.

1Q 2025 Highlights

International Expansion

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.

Taiwan

NMDC Energy was awarded a prestigious EPC contract by Taiwan Power Company (Taipower) for pipeline installation, shore approach works and dredging for the Tung-Hsiao Power Plant 2nd Stage Renewal Project. The \$1.136 billion project involves the design, construction and installation of 111 kilometres of linear subsea pipeline at depths ranging from 10 metres to 55 metres, stretching between Taichung and Tung-Hsiao on Taiwan's west coast.

KSA

NMDC inaugurated an advanced fabrication yard in Ras Al Khair, Saudi Arabia. The 400,000 sqm state-of-the-art yard, part of the Ras Al Khair Special Economic Zone, boasts a production capacity of 40,000 tonnes per year and will provide offshore facilities fabrication as well as onshore modularization. NMDC Energy invested AED 200 million into its Ras Al Khair yard to provide productive, safe and environmentally sound facilities, and it will embed the latest technologies to deliver efficiencies and reduce environmental impact.

Operational Updates

HSE Performance: NMDC Group achieved 28.6 million hours with zero fatalities, reaffirming its strong commitment to safety and operational excellence. This includes a significant contribution of 8.8 million manhours by NMDC Dredging & Marine.

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.

Audits & Inspections: NMDC LTS passed the OVMS safety and marine logistics prequalification audit with zero non-compliances. It has achieved 100% completion of internal HSE audits as per the annual audit plan.

IT Achievements: NMDC's Technology Hub & AI Solutions Department reached several significant milestones, including the launch and operationalization of the initial phase of ERTIQAA for end users. Additionally, the team rolled out various AI-driven solutions to enhance innovation and efficiency throughout its operations.

Sustainability

NMDC has continued monitoring of GHG Inventory (Scopes 1, 2, and 3) in line with GHG Protocol. The Group has implemented solar energy systems at some projects, reducing CO₂ emissions by 210 tons per quarter and improving air quality for site personnel. In partnership with Yas SeaWorld Research Centre, NMDC Group is preparing two key marine conservation projects, one which involves green turtle tracking and another involving seagrass mapping.

Quality Achievements

NMDC Group has maintained its quality management system certification to ISO 9001 and FANR accreditation. The Ras Al Khair Fabrication Yard has recently achieved certification to ISO 9001, and began the process for the subsequent prequalification 'ARAMCO's 9com'. Furthermore, the Group successfully hosted the ARAMCO 2nd Offshore Project Quality Forum. The event was attended by ARAMCO, major contractors, and equipment suppliers from around the world. Additionally, quality personnel from all business units have been certified in the training of 'ASME NQA-1 Awareness' and 'Counterfeit, Fraudulent, and Suspect Items (CFSI)'. The Group is also preparing NMDC LTS for NQA-1 audit by ENEC. Meanwhile, NMDC Construction completed the ADQCC recertification audit and retained its certification.

ENDS