**NMDC Group PJSC**

# Report and interim condensed consolidated financial statements for the three-month period ended 31 March 2025 (Unaudited)

**NMDC Group PJSC**

**Report and interim condensed consolidated financial statements for the three-month period ended 31 March 2025 (Unaudited)**

**Contents** **Pages**


| | |
|---|---|
| Report on review of interim condensed consolidated financial statements | 1 |
| Interim condensed consolidated statement of financial position | 2 – 3 |
| Interim condensed consolidated statement of profit or loss | 4 |
| Interim condensed consolidated statement of comprehensive income | 5 |
| Interim condensed consolidated statement of changes in equity | 6 |
| Interim condensed consolidated statement of cash flows | 7 – 8 |
| Notes to the interim condensed consolidated financial statements | 9 - 35 |

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# REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF NMDC GROUP PJSC

*Introduction*

We have reviewed the accompanying interim condensed consolidated statement of financial position of NMDC Group PJSC (the "Company") and its subsidiaries (together referred to as the "Group") as at 31 March 2025 and the related statements of profit or loss, comprehensive income, changes in equity and cash flows for the three-months period then ended. Management is responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34, "*Interim Financial Reporting*" (IAS 34). Our responsibility is to express a conclusion on this interim 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 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.

*Conclusion*

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

Deloitte & Touche (M.E.)



Mohammad Khamees Al Tah
Registration Number 717
30 April 2025
Abu Dhabi
United Arab Emirates

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

| | Notes | 31 March 2025 AED'000 *(Unaudited)* | 31 December 2024 AED'000 *(Audited)* |
|---|---|---|---|
| **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

| | Notes | 31 March 2025 AED'000 *(Unaudited)* | 31 December 2024 AED'000 *(Audited)* |
|---|---|---|---|
| **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.

## Interim condensed consolidated statement of profit or loss for the three month period ended 31 March 2025

| | Notes | **31 March 2025 AED'000** *(Unaudited)* | 31 March 2024 AED'000 *(Unaudited)* |
|---|---|---|---|
| Revenue from contracts with customers | **12** | **6,223,237** | 5,342,392 |
| Contract costs | | **(5,274,554)** | (4,540,332) |
| **Gross profit** | | **948,683** | 802,060 |
| Share of net results of equity accounted investees | **5** | **22,387** | 21,555 |
| General and administrative expenses | | **(68,084)** | (81,824) |
| Finance income | | **64,698** | 42,331 |
| Finance cost | | **(25,636)** | (36,280) |
| Fair value (loss)/gain on financial assets at fair value through profit or loss | | **(53,436)** | 25,911 |
| Foreign currency exchange gain/(loss) | | **6,076** | (20,446) |
| Other income, net | | **5,643** | 7,246 |
| **Profit before tax** | | **900,331** | 760,553 |
| Income tax expense | **11** | **(116,379)** | (119,490) |
| **Profit for the period** | **13** | **783,952** | 641,063 |
| **Attributable to:** | | | |
| Shareholders of the Company | | **733,435** | 640,573 |
| Non-controlling interests | | **50,517** | 490 |
| **Profit for the period** | | **783,952** | 641,063 |
| **Basic and diluted earnings per share (in AED) attributable to equity holders of the Company** | **15** | **0.87** | 0.78 |

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

## Interim condensed consolidated statement of comprehensive income for the three month period ended 31 March 2025

| | Notes | **31 March 2025 AED'000** *(Unaudited)* | 31 March 2024 AED'000 *(Unaudited)* |
|---|---|---|---|
| **Profit for the period** | | **783,952** | 641,063 |
| **Other comprehensive income** | | | |
| *Items that may be subsequently reclassified to the consolidated statement of profit or loss in subsequent periods:* | | | |
| Fair value gain arising on hedging instruments during the year | | **16,760** | 5,525 |
| Exchange differences arising on translation of foreign operations | | **2,491** | (132,642) |
| **Other comprehensive income/(loss) for the period** | | **19,251** | (127,117) |
| **Total comprehensive income for the period** | | **803,203** | 513,946 |
| **Attributable to:** | | | |
| Shareholders of the Company | | **748,572** | 513,456 |
| Non-controlling interests | | **54,631** | 490 |
| **Total comprehensive income for the period** | | **803,203** | 513,946 |

## Interim condensed consolidated statement of changes in equity for the three month period ended 31 March 2025

| | Share capital AED'000 | Share premium AED'000 | Merger reserve AED'000 | Other reserves AED'000 | Retained earnings AED'000 | Equity attributable to the shareholders of the Company AED'000 | Non-controlling interest AED'000 | Total equity AED'000 |
|---|---|---|---|---|---|---|---|---|
| Balance at 1 January 2024 *(Audited)* | 825,000 | - | 765,000 | 33,303 | 6,976,897 | 8,600,200 | 3,915 | 8,604,115 |
| Profit for the period | | | | | 640,573 | 640,573 | 490 | 641,063 |
| Other comprehensive loss | - | - | - | (127,117) | - | (127,117) | - | (127,117) |
| Total comprehensive income for the period | - | - | - | (127,117) | 640,573 | 513,456 | 490 | 513,946 |
| Dividend (note 16) | - | - | - | - | (618,750) | (618,750) | - | (618,750) |
| Balance at 31 March 2024 *(Unaudited)* | 825,000 | - | 765,000 | (93,814) | 6,998,720 | 8,494,906 | 4,405 | 8,499,311 |
| **Balance at 1 January 2025 *(Audited)*** | **844,379** | **605,421** | **765,000** | **(141,186)** | **9,346,417** | **11,420,031** | **1,205,088** | **12,625,119** |
| Profit for the period | - | - | - | - | **733,435** | **733,435** | **50,517** | **783,952** |
| Other comprehensive income | - | - | - | **15,137** | - | **15,137** | **4,114** | **19,251** |
| Total comprehensive income for the period | - | - | - | **15,137** | **733,435** | **748,572** | **54,631** | **803,203** |
| Dividend (note 16) | - | - | - | - | **(700,835)** | **(700,835)** | **(161,000)** | **(861,835)** |
| **Balance at 31 March 2025 *(Unaudited)*** | **844,379** | **605,421** | **765,000** | **(126,049)** | **9,379,017** | **11,467,768** | **1,098,719** | **12,566,487** |

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

## Interim condensed consolidated statement of cash flows for the three month period ended 31 March 2025

| | Notes | **31 March 2025 AED'000** ***(Unaudited)*** | 31 March 2024 AED'000 *(Unaudited)* |
|---|---|---|---|
| **Operating activities** | | | |
| Profit before tax | | **900,331** | 760,553 |
| *Adjustments for:* | | | |
| Depreciation of property, plant and equipment | **3** | **201,270** | 124,225 |
| Depreciation of right-of-use assets | **4** | **30,774** | 4,054 |
| (Gain)/loss on disposal of property, plant and equipment | | **(515)** | 927 |
| Fair value gain loss/(gain) on financial assets at fair value through profit or loss | | **53,436** | (25,911) |
| Provision for slow moving and obsolete inventories | | **1,171** | 1,169 |
| Share of net results of equity accounted investees | | **(22,387)** | (21,554) |
| Provision for expected credit losses | | **15,915** | 18,301 |
| Finance income | | **(64,698)** | (42,331) |
| Finance costs | | **28,138** | 36,280 |
| Provision for employees' end of service benefits | | **19,505** | 16,404 |
| | | **1,162,940** | 872,117 |
| Income tax paid, net | **11** | **(4,923)** | (1,702) |
| Employees' end of service benefit paid | | **(7,822)** | (2,505) |
| | | **1,150,195** | 867,910 |
| **Working capital changes** | | | |
| Change in inventories | | **(41,572)** | 24,264 |
| Change in trade and other receivables | | **980,436** | (1,748,963) |
| Change in contract assets | | **(322,518)** | (684,513) |
| Change in contract liabilities | | **(1,196,725)** | 1,230,590 |
| Change in trade and other payables | | **705,954** | 621,676 |
| **Net cash generated from operating activities** | | **1,275,770** | 310,964 |

## Interim condensed consolidated statement of cash flows (continued) for the three month period ended 31 March 2025

| | Notes | **2025 AED'000** ***(Unaudited)*** | 2024 AED'000 *(Unaudited)* |
|---|---|---|---|
| **Investing activities** | | | |
| Purchase of property, plant and equipment | **3** | **(498,527)** | (411,790) |
| Proceeds from disposal of property, plant and equipment | | **731** | 1,455 |
| Movement in deposits with original maturity more than three months | | **590,879** | 489,739 |
| Interest received | | **64,698** | 42,332 |
| **Net cash generated from investing activities** | | **157,781** | 121,736 |
| **Financing activities** | | | |
| Repayment of term loans | | **(85,587)** | (85,587) |
| Repayment of lease liabilities | **4** | **(30,611)** | (17,995) |
| Dividend paid | | **(861,835)** | (618,750) |
| Interest paid | | **(22,445)** | (33,065) |
| **Net cash used in financing activities** | | **(1,000,478)** | (755,397) |
| **Net increase/(decrease) in cash and cash equivalents** | | **433,073** | (322,697) |
| Cash and cash equivalents at 1 January | | **4,389,148** | 3,215,394 |
| Effect of foreign exchange rate changes | | **2,310** | (134,905) |
| **Cash and cash equivalents at 31 March** | **8** | **4,824,531** | 2,757,792 |

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

## Notes to the interim condensed consolidated financial statements for the three month period ended 31 March 2025

### 1 General information

National Marine Dredging Company ("NMDC" or the "Company") is a public shareholding Company incorporated in the Emirate of Abu Dhabi. The Company was incorporated by Law No. (10) of 1979, as amended by Decree No. (3) and (9) of 1985 issued by His Highness Sheikh Khalifa Bin Zayed Al Nahyan, who was then the Deputy Ruler of the Emirate of Abu Dhabi. The registered address of the Company is P.O. Box 3649, Abu Dhabi, United Arab Emirates.

These interim condensed consolidated financial statements include the financial performance and position of the Company and its subsidiaries, joint venture and branches (collectively referred to as the "Group"), details of which are set out below.

During 2020, the Company's shareholders accepted an offer from Abu Dhabi Development Holding Company ("ADQ") (an existing shareholder and an entity fully owned by the Government of Abu Dhabi) and other minority shareholders of National Petroleum Construction Company PJSC ("NPCC"), to acquire 100% of the shareholding of NPCC, in exchange for the issuance of 575,000,000 equity shares in the Company to ADQ and the other shareholders of NPCC. This transaction received regulatory approvals on 11 February 2022, and consequently, the Company's share capital stands increased to AED 825,000,000 from that date. As a result of this transaction, the Government of Abu Dhabi became the majority holder of the Company's shares. Subsequently, in May 2022, out of its total shareholding of 58.48% in the Company, ADQ transferred 44.2% to entities in the Alpha Dhabi Holding PJSC ("Alpha") group, a subsidiary of International Holding Company. With this transaction and along with its previous equity shareholding in the Company, Alpha became the majority shareholder of the Company.

On 8 March 2024, during the Annual General Meeting of National Marine Dredging Company PJSC, the shareholders approved the amendment to Article No. (2) of the Articles of Association of the Company relating to the Company's name to be "NMDC Group PJSC", which is subsequently approved by Securities and Commodities Authority.

The Company is primarily engaged in the execution of engineering, procurement and construction contracts, dredging contracts and associated land reclamation works in the territorial waters of the UAE, principally under the directives of the Government of Abu Dhabi (the "Government"). The Group also operates in other jurisdictions in the region including Bahrain, Egypt, Saudi Arabia and India through its subsidiaries, branches and joint operations.

## Notes to the interim condensed consolidated financial statements (continued) for the three month period ended 31 March 2025

### 1 General information (continued)

The Company has investments in the following subsidiaries, branches, joint venture, associates and joint operations:

| *Name* | *Country of incorporation* | *Percentage holding 31 Mar 2025* | *31 Dec 2024* | *Principal activities* |
|---|---|---|---|---|
| ***Subsidiaries of NMDC*** | | | | |
| NMDC Energy PJSC | UAE | **77%**** | 77%** | Engineering Procurement and Construction. |
| Emarat Europe Fast Building Technology System Factory L.L.C. (Emarat Europe) | UAE | **100%** | 100% | Manufacturing and supply of precast concrete. |
| National Marine Dredging Company (Industrial) | UAE | **100%** | 100% | Manufacturing of steel pipes and steel pipe fittings and holding 1% investment in the Group's subsidiaries to comply with local regulations. |
| ADEC Engineering Consultancy L.L.C. | UAE | **100%** | 100% | Consultancy services in the fields of civil, architectural, drilling and marine engineering along with related laboratory services. |
| Abu Dhabi Marine Dredging Co S.P.C. | Bahrain | **100%** | 100% | Offshore reclamation contracts, services for fixing water installation for marine facilities and excavation contracts. |
| National Marine Dredging Company | Saudi Arabia | **100%** | 100% | Dredging and associated land reclamation works, civil engineering, port contracting and marine construction. |
| National Marine and Infrastructure India Private Limited | India | **100%** | 100% | Dredging and associated land reclamation works, civil engineering, port contracting and marine construction. |
| NMDC LTS - L.L.C - S.P.C *** | UAE | **100%** | 100% | Construction, transportation, and logistics services. Including renting heavy machinery, vehicles, ships, and equipment, along with warehousing, water distribution, waste transport, and dry dock management. Additionally, marine operations, labor accommodation, and lifting/loading services for industrial and commercial purposes. |
| NMDC SPC | Oman | 100% | - | Marine services |

## Notes to the interim condensed consolidated financial statements (continued) for the three month period ended 31 March 2025

### 1 General information (continued)

| *Name* | *Country of incorporation* | *Percentage holding* | | *Percentage holding* |
|---|---|---|---|---|
| | | *31 Mar 2025* | *31 Dec 2024* | |
| ***Subsidiaries of NMDC Energy PJSC*** | | | | |
| National Petroleum Construction Co. (Saudi) LTD. | Saudi Arabia | **100%** | 100% | Engineering Procurement and Construction. |
| NPCC Engineering Limited | India | **100%** | 100% | Engineering. |
| ANEWA Engineering Pvt. Ltd. | India | **80%** | 80% | Engineering. |
| NPCC Service Malaysia SDN* | Malaysia | **100%** | 100% | Engineering Procurement and Construction. |
| Al Dhabi for Construction Projects* | Iraq | **100%** | 100% | Engineering Procurement and Construction. |
| NMDC Marine Services L.L.C. S.P.C* | UAE | **100%** | 100% | Marine Logistics Services |
| ***Subsidiary of Emarat Europe*** | | | | |
| Emarat Europe General Contracting - L.L.C - O.P.C | UAE | 100% | 100% | General contracting and construction |
| ***Branches of NMDC*** | | | | |
| National Marine Dredging Company | Egypt | **Branch** | Branch | Dredging and associated land reclamation works, civil engineering, port contracting and marine construction. |
| National Marine Dredging Company | Maldives | **Branch** | Branch | Dredging and associated land reclamation works, civil engineering, port contracting and marine construction. |
| National Marine Dredging Company | Abu Dhabi | **Branch** | Branch | Dredging and associated land reclamation works, civil engineering, port contracting and marine construction. |
| National Marine Dredging Company | Dubai | **Branch** | Branch | Dredging and associated land reclamation works, civil engineering, port contracting and marine construction. |

## Notes to the interim condensed consolidated financial statements (continued) for the three month period ended 31 March 2025

### 1 General information (continued)

| *Name* | *Country of incorporation* | *Percentage holding* | | *Percentage holding* |
|---|---|---|---|---|
| | | *31 Mar 2025* | *31 Dec 2024* | |
| ***Joint Venture*** | | | | |
| The Challenge Egyptian Emirates Marine Dredging Company | Egypt | **49%** | 49% | Dredging and associated land reclamation works, civil engineering, port contracting and marine construction. |
| NT Energies L.L.C | UAE | **51%** | 51% | Engineering and Consultancy |
| ***Associates*** | | | | |
| Principia SAS | France | **33.33%** | 33.33% | Onshore and offshore oil and gas fields and facilities services; and Engineering consultancy. |
| Safeen Survey and Subsea Services LLC | UAE | **49%** | 49% | Marine services related to oil industries. |
| ***Joint Operations of NMDC Energy PJSC*** | | | | |
| Saipem – NPCC - Hail and Ghasha | | **50%** | 50% | Engineering, Procurement and Construction. |
| Technicas – NPCC - Meram | | **50%** | 50% | Engineering, Procurement and Construction |
| Technip – NPCC - Satah Full Field | | **50%** | 50% | Engineering, Procurement and Construction. |
| NPCC – Technip - UZ-750 (EPC-1) | | **40%** | 40% | Engineering, Procurement and Construction. |
| NPCC – Technip UL -2 | | **50%** | 50% | Engineering, Procurement and Construction. |
| NPCC – Technip AGFA | | **50%** | 50% | Engineering, Procurement and Construction. |
| NPCC – Technip JV – US GAS CAP FEED | | **50%** | 50% | Engineering, Procurement and Construction. |
| TJN JV- Ruwais LNG | | **20%** | 20% | Engineering, Procurement and Construction. |

*dormant entities

**During the financial year 2024, the Group has diluted 23% of the shareholding of its subsidiary, NMDC Energy PJSC, through Initial Public Offering (IPO). The shares were allotted and the listing procedures were completed on 11 September 2024.

As per IFRS, the transaction was accounted for as change in ownership interest in a subsidiary without loss of control and treated as equity transaction. Thus, the Group will continue to consolidate NMDC Energy PJSC, and the changes in ownership interest have been reflected in the equity through the transfer of corresponding net assets value to the non-controlling interest.

## Notes to the interim condensed consolidated financial statements (continued) for the three month period ended 31 March 2025

### 1 General information (continued)

| | |
|---|---|
| Reduction in shareholding (%) | 23% |
| | **AED'000** |
| Consideration | 3,103,000 |
| *Less*: carrying value of the shareholding disposed-off | (1,061,969) |
| *Less:* transaction costs paid | (4,176) |
| Difference recognised in retained earnings and other reserves | **2,036,855** |

Consideration includes certain plots of land located in Abu Dhabi, United Arab Emirates recognised at AED 282 million in exchange for equity shares. The legal procedures for the transfer of ownership of the land were on-going as of 31 March 2025.

*** During December 2024, NMDC LTS, wholly owned by NMDC Group, has signed a definitive agreement to acquire a 70% equity stake of the share capital and voting rights of Emdad LLC from its current shareholders. However, it remains subject to a number of conditions and fulfilment of certain requirements including, but not limited to, obtaining required approvals from the regulators and other agencies within and outside UAE, which are expected to be completed in 2025.

### 2 Basis of preparation and critical accounting judgements

#### 2.1 Basis of preparation

The interim condensed consolidated financial statements of the Group are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting.

These interim condensed consolidated financial statements are presented in UAE Dirham ("AED") which is the currency of the primary economic environment in which the Group operates. Each entity in the Group determines its own functional currency. All financial information presented in AED has been rounded to the nearest thousand except otherwise stated.

The interim condensed consolidated financial statements do not include all information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024. In addition, results for the three months period ended 31 March 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

**Notes to the interim condensed consolidated financial statements (continued)**
**for the three month period ended 31 March 2025**

## 2 Basis of preparation and critical accounting judgements (continued)

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

#### 2.2.1 New and revised IFRSs applied with no material effect on the interim condensed consolidated financial statements

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2024, have been adopted in these interim condensed consolidated financial statements. The application of these 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***

The amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

#### 2.2.2 New and revised IFRSs in issue but not yet effective

| **New and revised IFRSs** | **Effective for annual periods beginning on or after** |
|---|---|
| *IFRS 18 Presentation and Disclosures in Financial Statements*<br><br>IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments to IAS 7 and IAS 33 Earnings per Share.<br><br>IFRS 18 introduces new requirements to:<br><br>• present specified categories and defined subtotals in the statement of profit or loss<br>• provide disclosures on management-defined performance measures (MPMs) in the Notes to the interim condensed consolidated financial statements<br>• improve aggregation and disaggregation. | 1 January 2027 |

**Notes to the interim condensed consolidated financial statements (continued)**
**for the three month period ended 31 March 2025**

## 2 Basis of preparation and critical accounting judgements (continued)

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

#### 2.2.2 New and revised IFRSs in issue but not yet effective (continued)

| *New and revised IFRSs* | **Effective for annual periods beginning on or after** |
|---|---|
| *IFRS 19 Subsidiaries without Public Accountability: Disclosures* | 1 January 2027 |

IFRS 19 permits an eligible subsidiary to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements.

A subsidiary is eligible for the reduced disclosures if it does not have public accountability and its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

IFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it.

An entity is only permitted to apply IFRS 19 if, at the end of the reporting period:

- it is a subsidiary (this includes an intermediate parent)
- it does not have public accountability, and
- its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

A subsidiary has public accountability if:

- its debt or equity instruments are traded in a public market or it is in the process of issuing such instruments for trading in a public market (a domestic or foreign stock exchange or an over-the-counter market, including local and regional markets), or
- it holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses (for example, banks, credit unions, insurance entities, securities brokers/dealers, mutual funds and investment banks often meet this second criterion).

Eligible entities can apply IFRS 19 in their consolidated, separate or individual financial statements. An eligible intermediate parent that does not apply IFRS 19 in its consolidated financial statement may do so in its separate financial statements.

**Notes to the interim condensed consolidated financial statements (continued)**
**for the three month period ended 31 March 2025**

## 2 Basis of preparation and critical accounting judgements (continued)

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

#### 2.2.2 New and revised IFRSs in issue but not yet effective (continued)

| New and revised IFRSs | Effective for annual periods beginning on or after |
|---|---|
| *IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information*<br><br>IFRS S1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity. | Effective date not yet decided by the regulator in the United Arab Emirates |
| *IFRS S2 Climate-related Disclosures*<br><br>IFRS S2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity. | Effective date not yet decided by the regulator in the United Arab Emirates |
| *Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments*<br><br>The amendments address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 Financial Instruments. | 1 January 2026 |

**Notes to the interim condensed consolidated financial statements (continued)**
**for the three month period ended 31 March 2025**

## 2 Basis of preparation and critical accounting judgements (continued)

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

#### 2.2.2 New and revised IFRSs in issue but not yet effective (continued)

| *New and revised IFRSs* | **Effective for annual periods beginning on or after** |
|---|---|
| *Annual improvements to IFRS Accounting Standards — Volume 11* | 1 January 2026 |

The pronouncement comprises the following amendments:

- IFRS 1: Hedge accounting by a first-time adopter
- IFRS 7: Gain or loss on derecognition
- IFRS 7: Disclosure of deferred difference between fair value and transaction price
- IFRS 7: Introduction and credit risk disclosures
- IFRS 9: Lessee derecognition of lease liabilities
- IFRS 9: Transaction price
- IFRS 10: Determination of a ‘de facto agent’
- IAS 7: Cost method

The above stated new standards and amendments are not expected to have any significant impact on the interim condensed consolidated financial statements of the Group.

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 interim condensed consolidated financial statements of the Group.

### 2.3 Critical accounting judgments and key sources of estimation uncertainty

The preparation of interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing these interim condensed consolidated financial statements, the significant judgments made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those applied in the consolidated financial statements for the year ended 31 December 2024.

## Notes to the interim condensed consolidated financial statements (continued) for the three month period ended 31 March 2025

### 3 Property, plant and equipment

| | Building and base facilities AED'000 | Dredgers AED'000 | Barges support vessels, plan and pipelines and vehicles AED'000 | Office equipment and furniture AED'000 | Capital work-in-progress AED'000 | Total AED'000 |
|---|---|---|---|---|---|---|
| **2025 *(Unaudited)*** | | | | | | |
| **Cost:** | | | | | | |
| At 1 January 2025 | **644,512** | **2,110,143** | **7,675,475** | **154,643** | **1,066,925** | **11,651,698** |
| Additions | **226** | **-** | **113,641** | **1,821** | **382,839** | **498,527** |
| Transfers | **16,821** | **(1,786)** | **281,147** | **-** | **(296,182)** | **-** |
| Disposals | **(6)** | **(16)** | **(72,578)** | **(42)** | **-** | **(72,642)** |
| **At 31 March 2025** | **661,553** | **2,108,341** | **7,997,685** | **156,422** | **1,153,582** | **12,077,583** |
| **Accumulated depreciation:** | | | | | | |
| **At 1 January 2025** | **432,586** | **371,249** | **3,918,167** | **130,638** | **-** | **4,852,640** |
| Charge for the period | **6,092** | **28,994** | **162,761** | **3,423** | **-** | **201,270** |
| Disposals | **(3)** | **(8)** | **(72,379)** | **(36)** | **-** | **(72,426)** |
| Exchange differences | **-** | **-** | **-** | **(238)** | **-** | **(238)** |
| **At 31 March 2025** | **438,675** | **400,235** | **4,008,549** | **133,787** | **-** | **4,981,246** |
| **Carrying amount:** | | | | | | |
| **At 31 March 2025** | **222,878** | **1,708,106** | **3,989,136** | **22,635** | **1,153,582** | **7,096,337** |
| *2024 (Audited)* | | | | | | |
| Cost: | | | | | | |
| At 1 January 2024 | 653,174 | 1,449,310 | 6,794,555 | 142,600 | 407,822 | 9,447,461 |
| Additions | 2,963 | 638,738 | 753,682 | 13,302 | 838,114 | 2,246,799 |
| Transfers | 494 | 24,537 | 153,839 | 141 | (179,011) | - |
| Disposals | (12,119) | (2,442) | (26,601) | (996) | - | (42,158) |
| Exchange differences | - | - | - | (404) | - | (404) |
| At 31 December 2024 | 644,512 | 2,110,143 | 7,675,475 | 154,643 | 1,066,925 | 11,651,698 |
| Accumulated depreciation: | | | | | | |
| At 1 January 2024 | 419,756 | 261,827 | 3,507,245 | 120,717 | - | 4,309,545 |
| Charge for the year | 23,441 | 111,840 | 436,956 | 10,754 | - | 582,991 |
| Disposals | (10,611) | (2,418) | (26,034) | (542) | - | (39,605) |
| Exchange differences | - | - | - | (291) | - | (291) |
| At 31 December 2024 | 432,586 | 371,249 | 3,918,167 | 130,638 | - | 4,852,640 |
| Carrying amount: | | | | | | |
| At 31 December 2024 | 211,926 | 1,738,894 | 3,757,308 | 24,005 | 1,066,925 | 6,799,058 |

a. Certain items of property, plant and equipment with a carrying value of AED 2,095 million (2024: AED 2,082 million) have been pledged to secure the borrowings of the Group. The Group is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

b. Property, plant and equipment includes fully depreciated assets of AED 2,481 million (2024: AED 2,347 million)

c. Buildings and base facilities are located in Mussafah, Abu Dhabi, UAE on leased land.

**Notes to the interim condensed consolidated financial statements (continued)**
**for the three month period ended 31 March 2025**

## 4 Right -of-use assets and lease liabilities

| | Right-of-use assets (land & equipment) AED'000 | Lease liabilities AED'000 |
|---|---|---|
| At 1 January 2024 *(Audited)* | 330,097 | 340,937 |
| Additions during the year | 199,693 | 199,693 |
| Depreciation expense | (51,181) | - |
| Interest expense | - | 17,480 |
| Payments | - | (76,115) |
| At 1 January 2025 *(Audited)* | **478,609** | **481,995** |
| Additions during the period | **85,782** | **85,782** |
| Modifications during the period | **4,634** | **4,634** |
| Depreciation expense | **(30,774)** | **-** |
| Interest expense | **-** | **5,693** |
| Payments | **-** | **(30,611)** |
| **At 31 March 2025 *(Unaudited)*** | **538,251** | **547,493** |

Lease liabilities are disclosed in the interim condensed consolidated statement of financial position as follows:

| | **31 March 2025 AED'000 *(Unaudited)*** | 31 December 2024 AED'000 *(Audited)* |
|---|---|---|
| Non-current liabilities | **412,664** | 394,591 |
| Current liabilities | **134,829** | 87,404 |
| **Total** | **547,493** | 481,995 |

**Notes to the interim condensed consolidated financial statements (continued)**
**for the three month period ended 31 March 2025**

## 5 Investment in equity-accounted investees

The carrying amounts of the Group's investments in equity accounted investees are as follows:

| | **31 March 2025 AED'000 *(Unaudited)*** | 31 December 2024 AED'000 *(Audited)* |
|---|---|---|
| NT Energies LLC | **77** | 77 |
| Safeen Survey and Subsea Services LLC | **488,031** | 465,644 |
| Principia SAS | **22,818** | 22,818 |
| The Challenge Egyptian Emirates Marine Dredging Company | **18,581** | 18,581 |
| | **529,507** | 507,120 |

The movements in investment in equity accounted investees are as follows:

| | **31 March 2025 AED'000 *(Unaudited)*** | 31 December 2024 AED'000 *(Audited)* |
|---|---|---|
| At beginning of the period/year | **507,120** | 282,389 |
| Acquisition during the year | **-** | 199,026 |
| Dividend received during the year | **-** | (2,645) |
| Foreign exchange movement | **-** | (8,754) |
| Share of profit for the year, net | **22,387** | 37,104 |
| At end of the period/year | **529,507** | 507,120 |

**Notes to the interim condensed consolidated financial statements (continued)**
**for the three month period ended 31 March 2025**

## 6 Trade and other receivables

| | **31 March 2025 AED'000** *(Unaudited)* | 31 December 2024 AED'000 *(Audited)* |
|---|---|---|
| Trade receivables | **7,847,880** | 9,172,376 |
| Retention receivables | **768,326** | 584,047 |
| Less: allowance for expected credit losses | **(86,615)** | (77,877) |
| | **8,529,591** | 9,678,546 |
| Deposits and prepayments | **603,554** | 412,077 |
| Advances paid to suppliers | **2,348,735** | 2,225,831 |
| ICV retention receivables | **508,832** | 424,724 |
| VAT and GST receivables | **27,013** | 148,206 |
| Advances paid to employees | **52,302** | 45,606 |
| Other receivables | **100,446** | 125,305 |
| | **12,170,473** | 13,060,295 |

Receivables, net are expected, on the basis of past experience, to be fully recoverable. It is not the practice of the Group to obtain collateral over receivables and the vast majority are, therefore, unsecured.

Movement in the provision for expected credit losses on trade and retention receivables is as follows:

| | **31 March 2025 AED'000** *(Unaudited)* | 31 December 2024 AED'000 *(Audited)* |
|---|---|---|
| At beginning of the period/year | **77,877** | 27,747 |
| Provision during the period/year | **10,574** | 50,130 |
| Written off | **(1,836)** | - |
| At end of the period/year | **86,615** | 77,877 |

**Notes to the interim condensed consolidated financial statements (continued)**
**for the three month period ended 31 March 2025**

## 7 Contract assets

| | **31 March 2025 AED'000** *(Unaudited)* | 31 December 2024 AED'000 *(Audited)* |
|---|---|---|
| Construction contracts | **4,866,959** | 4,544,441 |
| Less: allowance for expected credit losses | **(30,797)** | (25,456) |
| | **4,836,162** | 4,518,985 |

### 7.1 Construction contracts, net of allowance for expected credit losses

Construction contracts, net of allowance for expected credit losses and discount, are analysed as follows:

| | **31 March 2025 AED'000** *(Unaudited)* | 31 December 2024 AED'000 *(Audited)* |
|---|---|---|
| *Verbal contracts* | | |
| Government of Abu Dhabi and its related entities | **565,802** | 436,531 |
| Equity accounted investees | **84,771** | - |
| Other entities | **77,316** | 6,998 |
| | **727,889** | 443,529 |
| *Signed contracts* | | |
| Government of Abu Dhabi and its related entities | **1,753,690** | 2,097,307 |
| Equity accounted investees | **29,113** | 298,846 |
| Other entities | **2,325,470** | 1,679,303 |
| | **4,108,273** | 4,075,456 |
| | **4,836,162** | 4,518,985 |

**Notes to the interim condensed consolidated financial statements (continued)**
**for the three month period ended 31 March 2025**

## 7 Contract assets (continued)

Movement in the provision for expected credit losses on contract assets is as follows:

| | **31 March 2025 AED'000** *(Unaudited)* | 31 December 2024 AED'000 *(Audited)* |
|---|---|---|
| At beginning of period/year | **25,456** | 23,379 |
| Charge during the period/year, net | **5,341** | 2,077 |
| At end of the period/year | **30,797** | 25,456 |

## 8 Cash and cash equivalents

| | **31 March 2025 AED'000** *(Unaudited)* | 31 December 2024 AED'000 *(Audited)* |
|---|---|---|
| Cash in hand | **3,479** | 3,344 |
| Cash at banks: | | |
| Current accounts | **1,783,304** | 2,090,612 |
| Short term deposits | **3,051,214** | 2,899,537 |
| Cash and bank balances | **4,837,997** | 4,993,493 |
| Less: short-term deposit with original maturity more than three months | **(13,466)** | (604,345) |
| Cash and cash equivalents | **4,824,531** | 4,389,148 |

These short-term deposit deposits, carry interest at prevailing market interest rates.

**Notes to the interim condensed consolidated financial statements (continued)**
**for the three month period ended 31 March 2025**

## 9 Borrowings

| | **31 March 2025 AED'000** *(Unaudited)* | 31 December 2024 AED'000 *(Audited)* |
|---|---|---|
| **Long term borrowings** | | |
| Non-current portion of term loans | **650,113** | 735,700 |
| **Short term borrowings** | | |
| Current portion of term loans | **342,346** | 342,346 |

## 10 Trade and other payables

| | **31 March 2025 AED'000** *(Unaudited)* | 31 December 2024 AED'000 *(Audited)* |
|---|---|---|
| Trade payables | **3,200,127** | 2,364,576 |
| Project and other accruals | **7,186,647** | 6,642,123 |
| Advances from customers | **3,306,526** | 3,630,013 |
| Provisions | **623,896** | 606,611 |
| Retentions payable | **264,732** | 284,454 |
| VAT payables | **121,349** | 460,151 |
| Other payables | **47,993** | 57,390 |
| | **14,751,270** | 14,045,318 |

## 11 Taxation

On 9 December 2022, the United Arab Emirates (UAE) Ministry of Finance ("MoF") released Federal Decree-Law No 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax Law ("CT Law") to enact a new Corporate Tax (CT) regime in the UAE. The new CT regime became effective for accounting periods beginning on or after 1 June 2023. The taxable income of the entities that are in scope for UAE CT purposes are subject to the rate of 9% corporate tax.

**Notes to the interim condensed consolidated financial statements (continued)**
**for the three month period ended 31 March 2025**

## 11 Taxation (continued)

| | **31 March 2025 AED'000** ***(Unaudited)*** | 31 March 2024 AED'000 *(Unaudited)* |
|---|---|---|
| **Current income tax** | | |
| Current income tax charge – net | **133,080** | 119,490 |
| Reversal of provision | **(581)** | - |
| **Total current tax** | **132,499** | 119,490 |
| **Deferred tax** | | |
| Deferred income tax liability reversal | **(16,120)** | **-** |
| **Total income tax expense recognised in consolidated income statement** | **116,379** | 119,490 |

The tax charge for the period ended 31 March 2025 is AED 116 million (31 March 2024: AED 119 million), representing an Effective Tax Rate ("ETR") of 12.92% (31 March 2024: 15.7%). The decrease is mainly pertaining to tax charge on dividend income from a subsidiary which is partially offset by the introduction of DMTT in the UAE.

Movement of the income tax payable is as follow:

| | **31 March 2025 AED'000** ***(Unaudited)*** | 31 December 2024 AED'000 *(Audited)* |
|---|---|---|
| At beginning of the period/year | **358,114** | 93,718 |
| Charge for the period/year, net | **132,499** | 347,655 |
| Prior year adjustments | **-** | (13,382) |
| Movement in deferred tax | **(259)** | (2,715) |
| Exchange difference | **57** | (10,661) |
| Payments during the period/year | **(4,923)** | (56,501) |
| Balance at the end of the period/year | **485,488** | 358,114 |

The tax payable resulting from foreign operations in India, Kuwait, Egypt and Saudi Arabia is calculated in accordance with the taxation laws in the respective countries.

**Notes to the interim condensed consolidated financial statements (continued)**
**for the three month period ended 31 March 2025**

## 11 Taxation (continued)

Recently, in order to align with OECD's Global Minimum Tax effort (Pillar Two), the UAE Ministry of Finance (MoF) has introduced a Domestic Minimum Top-Up Tax of 15% for Multinational Enterprises (MNEs) with effect from financial years starting on or after 1st January 2025. NMDC Group and its subsidiaries/branches are in scope of Pillar Two legislation as it operates in certain jurisdictions that have enacted or substantively enacted Pillar Two legislation and its consolidated revenue exceeds €750 million threshold.

The Group estimates the following tax expense and top-up taxes related to Pillar Two for the period ended 31 March 2025:

| Particulars | **31 March 2025 AED'000** ***(Unaudited)*** |
|---|---|
| Group corporate taxes | **82,552** |
| Top-up taxes in the jurisdictions that have enacted Pillar Two legislation effective 1st January 2025 | **33,827** |
| **Total** | **116,379** |

Furthermore, for the period ended 31 March 2025, the Group has applied the IASB amendment to IAS 12, Income Taxes, which provides a mandatory temporary exception from recognizing or disclosing deferred taxes related to Pillar Two.

## 12 Revenue from contracts with customers

### 12.1 Revenue by activity

| | **UAE AED'000** ***(Unaudited)*** | **International AED'000** ***(Unaudited)*** | **Total AED'000** ***(Unaudited)*** |
|---|---|---|---|
| **Period ended 31 March 2025** | | | |
| Dredging, reclamation and marine construction | **2,488,413** | **184** | **2,488,597** |
| Engineering, procurement and construction | **2,321,404** | **1,413,236** | **3,734,640** |
| **Total** | **4,809,817** | **1,413,420** | **6,223,237** |

## Notes to the interim condensed consolidated financial statements (continued) for the three month period ended 31 March 2025

### 12 Revenue from contracts with customers

### 12.1 Revenue by activity (continued)

| | UAE AED'000 *(Unaudited)* | International AED'000 *(Unaudited)* | Total AED'000 *(Unaudited)* |
|---|---|---|---|
| Period ended 31 March 2024 | | | |
| Dredging, reclamation and marine construction | 3,116,735 | 90,877 | 3,207,612 |
| Engineering, procurement and construction | 1,271,050 | 863,730 | 2,134,780 |
| Total | 4,387,785 | 954,607 | 5,342,392 |

### 12.2 Timing of revenue recognition

| | **31 March 2025 AED'000 *(Unaudited)*** | 31 March 2024 AED'000 *(Unaudited)* |
|---|---|---|
| Services transferred over time | **6,223,237** | 5,342,392 |

### 12.3 Unsatisfied performance obligation

The transaction price allocated to (partially) unsatisfied performance obligations at 31 March 2025 amounted to AED 75.4 billion (31 March 2024: AED 61.8 billion).

### 13 Profit for the period

Profit for the period is stated after:

| | **31 March 2025 AED'000 *(Unaudited)*** | 31 March 2024 AED'000 *(Unaudited)* |
|---|---|---|
| Salaries and other benefits | **849,879** | 659,177 |
| Depreciation of property, plant and equipment (note 3) | **201,270** | 124,225 |
| Depreciation of right-of-use assets (note 4) | **30,774** | 4,054 |

## Notes to the interim condensed consolidated financial statements (continued) for the three month period ended 31 March 2025

### 14 Related party transactions and balances

Related parties include majority Shareholders, equity accounted investees, Directors and key management personnel, management entities engaged by the Group and those enterprises over which majority Shareholders, Directors, the Group or its affiliates can exercise significant influence, or which can exercise significant influence over the Group. In the ordinary course of business, the Group provides services to, and receives services from, such enterprises on terms agreed by management.

Balances with related parties included in the interim condensed consolidated statement of financial position are as follows:

| | **31 March 2025 AED'000 *(Unaudited)*** | 31 December 2024 AED'000 *(Audited)* |
|---|---|---|
| *Due from/to equity accounted investee for project related work:* | | |
| Trade and other receivables | **157,271** | 193,822 |
| Trade and other payables | **185,715** | 120,214 |
| Contract assets | **90,003** | 298,747 |
| *Due from/to other related parties:* | | |
| Trade and other receivables | **3,231,923** | 5,572,937 |
| Contract assets | **432,480** | 159,397 |
| Trade and other payables | **1,616,795** | 2,591,862 |
| Bank balances | **2,966,346** | 3,134,668 |
| Borrowings | **478,283** | 497,760 |

**Notes to the interim condensed consolidated financial statements (continued)**
**for the three month period ended 31 March 2025**

## 14 Related party transactions and balances (continued)

Transactions with related parties included in the interim condensed consolidated statement of profit or loss are as follows:

| | **31 March 2025 AED'000 *(Unaudited)*** | 31 March 2024 AED'000 *(Unaudited)* |
|---|---|---|
| *Other related parties* | | |
| Revenue | **1,391,455** | 1,843,777 |
| Material and services purchased / received | **6,998** | 26,724 |
| Net interest income | **11,102** | 5,248 |
| *Equity accounted investee* | | |
| Revenue earned | **184** | 77,815 |
| Costs incurred | **161,157** | 170,963 |

## 15 Earnings per share

Basic earnings per share has been computed by dividing the profit for the period attributable to the ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

| | **31 March 2025 AED'000 *(Unaudited)*** | 31 March 2024 AED'000 *(Unaudited)* |
|---|---|---|
| Profit attributable to the shareholders of the Company (AED'000) | **733,435** | 640,573 |
| Weighted average number of ordinary shares ('000) | **844,379** | 825,000 |
| Earnings per share attributable to the shareholders of the Company (AED) | **0.87** | 0.78 |

Diluted earnings per share as of 31 March 2025 and 31 March 2024 are equivalent to basic earnings per share.

## Notes to the interim condensed consolidated financial statements (continued) for the three month period ended 31 March 2025

### 16 Dividend

At the annual general meeting held on 18 March 2025, the shareholders approved a dividend of AED 700,835 thousand (AED 0.83 per share) relating to the year ended 31 December 2024 (2023: AED 618,750 thousand). Further, Dividends attributable to non-controlling interest amounting to AED 161,000 thousand was declared in 2024 (2023: Nil).

### 17 Other reserves

| | Legal reserve AED'000 | Restricted reserve AED'000 | Hedging reserve AED'000 | Foreign currency translation reserve AED'000 | Total AED'000 |
|---|---|---|---|---|---|
| At 1 January 2024 *(Audited)* | 412,500 | 1,291 | 14,812 | (395,300) | 33,303 |
| Transfer of 10% of current year profit | 9,690 | - | - | - | 9,690 |
| Fair value gain on revaluation of hedging instruments | - | - | (21,903) | - | (21,903) |
| Cumulative translation adjustment on foreign operations | - | - | - | (161,523) | (161,523) |
| Transfer to non-controlling interests | | | (4,106) | 3,353 | (753) |
| At 1 January 2025 *(Audited)* | **422,190** | **1,291** | **(11,197)** | **(553,470)** | **(141,186)** |
| Fair value gain on revaluation of hedging instruments | - | - | **12,905** | - | **12,905** |
| Cumulative translation adjustment on foreign operations | - | - | - | **2,232** | **2,232** |
| **At 31 March 2025 *(Unaudited)*** | **422,190** | **1,291** | **1,708** | **(551,238)** | **(126,049)** |

**Notes to the interim condensed consolidated financial statements (continued)**
**for the three month period ended 31 March 2025**

## 18 Contingencies and commitments

| | **31 March 2025 AED'000** *(Unaudited)* | 31 December 2024 AED'000 *(Audited)* |
|---|---|---|
| Bank guarantees | **17,912,853** | 17,405,605 |
| Letters of credit | **673,858** | 263,289 |
| Capital commitments | **667,336** | 365,986 |
| Purchase commitments | **7,204,757** | 6,185,651 |

The above letters of credit and bank guarantees issued in the normal course of business.

## 19 Fair value of financial instruments

**Fair value measurement recognized in the consolidated statement of financial position**

The fair values of the Group's financial assets and liabilities as at 31 March 2025 and 31 December 2024 are not materially different from their carrying values at that reporting date.

The following table provides the fair value measurement hierarchy of the Group's financial assets and liabilities which are measured at fair value as at 31 March 2025 and 31 December 2024:

| | **Fair value measurement** | | | |
|---|---|---|---|---|
| | **Total AED'000** *(Unaudited)* | **Quoted prices in active markets (Level 1) AED'000** *(Unaudited)* | **Significant observable inputs (Level 2) AED'000** *(Unaudited)* | **Significant unobservable inputs (Level 3) AED'000** *(Unaudited)* |
| **At 31 March 2025** | | | | |
| Derivative financial assets | **8,958** | - | **8,958** | - |
| Financial assets at fair value through profit or loss (FVTPL) | **587,421** | **587,421** | - | - |
| Investment properties | **322,000** | - | - | **322,000** |

**Notes to the interim condensed consolidated financial statements (continued)**
**for the three month period ended 31 March 2025**

## 19 Fair value of financial instruments (continued)

### Fair value measurement recognized in the consolidated statement of financial position (continued)

| | Fair value measurement | | | |
|---|---|---|---|---|
| | Total<br>AED'000<br>*(Audited)* | Quoted prices in active markets (Level 1)<br>AED'000<br>*(Audited)* | Significant observable inputs (Level 2)<br>AED'000<br>*(Audited)* | Significant unobservable inputs (Level 3)<br>AED'000<br>*(Audited)* |
| At 31 December 2024 | | | | |
| Derivative financial assets | 12,056 | - | 12,056 | - |
| Derivative financial liabilities | (26,597) | - | (26,597) | - |
| Financial assets at fair value through profit or loss (FVTPL) | 640,857 | 640,857 | - | - |
| Investment properties | 322,000 | - | - | 322,000 |

## Notes to the interim condensed consolidated financial statements (continued) for the three month period ended 31 March 2025

### 20 Segment information

**Geographical segment information**

The Group has aggregated its segments into Dredging & Marine and Energy.

The following table shows the Group's segment analysis:

| | | | **31 March 2025** *(Unaudited)* |
|---|---|---|---|
| | **Dredging & Marine AED'000** | **Energy AED'000** | **Group AED'000** |
| Segment revenue | **2,680,580** | **3,734,640** | **6,415,220** |
| Intersegment revenue | **(191,983)** | **-** | **(191,983)** |
| Revenue | **2,488,957** | **3,734,640** | **6,223,237** |
| Segment gross profit | **705,963** | **242,720** | **948,683** |
| Share of net results of equity accounted investees | **-** | **-** | **22,387** |
| General and administrative expenses | **-** | **-** | **(68,084)** |
| Finance income | **-** | **-** | **64,698** |
| Finance cost | **-** | **-** | **(25,636)** |
| Fair value loss on financial assets at fair value through profit or loss | **-** | **-** | **(53,436)** |
| Foreign currency exchange loss | **-** | **-** | **6,076** |
| Other income, net | **-** | **-** | **5,643** |
| Profit before tax for the period | | | **900,331** |
| Income tax charge | **(102,130)** | **(14,249)** | **(116,379)** |
| Profit after tax for the period | | | **783,952** |
| Total assets | **16,425,311** | **16,308,027** | **32,733,338** |
| Total liabilities | **10,749,649** | **9,417,202** | **20,166,851** |

**Notes to the interim condensed consolidated financial statements (continued)**
**for the three month period ended 31 March 2025**

## 20 Segment information (continued)

### Geographical segment information (continued)

| | Dredging & Marine AED'000 | Energy AED'000 | 31 March 2024 *(Unaudited)* Group AED'000 |
|---|---|---|---|
| Segment revenue | 3,235,525 | 2,134,780 | 5,370,305 |
| Intersegment revenue | (27,913) | - | (27,913) |
| Revenue | - | - | 5,342,392 |
| Segment gross profit | 583,462 | 218,598 | 802,060 |
| Share of net results of equity accounted investees | - | - | 21,555 |
| General and administrative expenses | - | - | (81,824) |
| Finance income | | | 42,331 |
| Finance costs | - | - | (36,280) |
| Fair value gain on financial assets at fair value through profit or loss | - | - | 25,911 |
| Foreign currency exchange loss | - | - | (20,446) |
| Other income, net | - | - | 7,246 |
| Profit before tax for the period | | | 760,553 |
| Income tax charge | (46,380) | (73,110) | (119,490) |
| Profit after tax | | | 641,063 |
| | | | 31 December 2024 *(Audited)* |
| Total assets | 16,699,324 | 16,500,427 | 33,199,751 |
| Total liabilities | 9,590,877 | 10,983,755 | 20,574,632 |

## Notes to the interim condensed consolidated financial statements (continued) for the three month period ended 31 March 2025

### 21 Seasonability of results

No income of seasonal nature was recorded in the condensed statement of comprehensive income for the three-month period ended 31 March 2025.

### 22 Approval of the interim condensed consolidated financial statements

The interim condensed consolidated financial statements were approved by the Board of Directors and authorised for issue on 29 April 2025.