

NMDC Group PJSC

**Report and interim condensed
consolidated financial statements
for the three-month period ended
31 March 2026 (*Unaudited*)**

NMDC Group PJSC

Report and interim condensed consolidated financial statements for the three-month period ended 31 March 2026 (*Unaudited*)

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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 2026 and the related statements of profit or loss, comprehensive income, changes in equity and cash flows for the three-month period then ended. Management is responsible for the preparation and presentation of this 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 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 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 condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Deloitte & Touche (M.E.)



Faeza Sohawon
Registration Number 5508
29 April 2026
Abu Dhabi
United Arab Emirates

**Interim condensed consolidated statement of financial position
as at 31 March 2026**

	Notes	31 March 2026 AED'000 (Unaudited)	31 December 2025 AED'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	3	7,349,313	7,380,670
Investment properties		322,000	322,000
Right-of-use assets	4	618,172	664,262
Goodwill		154,266	154,303
Investments in equity accounted investees	5	604,954	575,581
Deferred tax assets		2,873	3,281
Retention receivables		1,240,927	1,186,239
Total non-current assets		10,292,505	10,286,336
Current assets			
Inventories		883,695	885,896
Trade and other receivables	6	13,907,505	16,750,473
Contract assets	7	7,070,124	6,061,850
Financial assets at fair value through profit or loss		617,576	700,682
Derivative financial assets		4,219	19,543
Cash and bank balances	8	6,887,220	4,979,659
Total current assets		29,370,339	29,398,103
Total assets		39,662,844	39,684,439
EQUITY AND LIABILITIES			
Equity			
Share capital		844,379	844,379
Share premium		605,421	605,421
Merger reserve		765,000	765,000
Other reserves	17	(140,567)	(92,686)
Retained earnings		11,791,681	12,271,262
Equity attributable to the shareholders of the Company		13,865,914	14,393,376
Non-controlling interests	30	1,321,990	1,487,983
Net equity		15,187,904	15,881,359

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 2026**

	Notes	31 March 2026 AED'000 (Unaudited)	31 December 2025 AED'000 (Audited)
Liabilities			
Non-current liabilities			
Provision for employees' end of service benefits		606,861	590,842
Borrowings	9	395,043	468,940
Deferred tax liability		10,600	-
Lease liabilities	4	422,639	475,697
Total non-current liabilities		1,435,143	1,535,479
Current liabilities			
Trade and other payables	10	15,855,771	16,515,130
Contract liabilities		5,034,113	4,417,079
Income tax payable	11	653,310	652,899
Borrowings	9	453,070	480,270
Bank overdraft	8	823,619	-
Lease liabilities	4	219,914	202,223
Total current liabilities		23,039,797	22,267,601
Total liabilities		24,474,940	23,803,080
Total equity and liabilities		39,662,844	39,684,439

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 Zaghoul
 Group Chief Executive
 Officer


Sreemont Prasad Barua
 Group Chief Financial
 Officer

**Interim condensed consolidated statement of profit or loss
for the three-month period ended 31 March 2026**

	Notes	31 March 2026 AED'000 (Unaudited)	31 March 2025 AED'000 (Unaudited)
Revenue	12	6,645,396	6,223,237
Contract costs		(6,099,074)	(5,274,554)
Gross profit		546,322	948,683
Share of net results of equity accounted investees	5	29,373	22,387
General and administrative expenses		(80,314)	(68,084)
Finance income		24,942	64,698
Finance cost		(29,059)	(25,636)
Fair value loss on financial assets at fair value through profit or loss		(83,106)	(53,436)
Foreign currency exchange (loss)/gain		(6,774)	6,076
Other income, net		3,094	5,643
Profit before tax		404,478	900,331
Income tax expense	11	(17,211)	(116,379)
Profit for the period	13	387,267	783,952
Attributable to:			
Shareholders of the Company		364,799	733,435
Non-controlling interests		22,468	50,517
Profit for the period		387,267	783,952
Basic and diluted earnings per share (in AED) attributable to equity holders of the Company	15	0.43	0.87

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 2026**

	31 March 2026 AED'000 (Unaudited)	31 March 2025 AED'000 (Unaudited)
Notes		
Profit for the period	387,267	783,952
Other comprehensive income		
<i>Items that may be subsequently reclassified to the consolidated statement of profit or loss in subsequent periods:</i>		
Fair value (loss)/gain arising on hedging instruments during the period	(14,296)	16,760
Exchange differences arising on translation of foreign operations	(37,987)	2,491
Other comprehensive (loss)/income for the period	(52,283)	19,251
Total comprehensive income for the period	334,984	803,203
Attributable to:		
Shareholders of the Company	316,918	748,572
Non-controlling interests	18,066	54,631
Total comprehensive income for the period	334,984	803,203

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

**Interim condensed consolidated statement of changes in equity
for the three-month period ended 31 March 2026**

	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
At 1 January 2025 <i>(Audited)</i>	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)
At 31 March 2025 <i>(Unaudited)</i>	844,379	605,421	765,000	(126,049)	9,379,017	11,467,768	1,098,719	12,566,487
At 1 January 2026 <i>(Audited)</i>	844,379	605,421	765,000	(92,686)	12,271,262	14,393,376	1,487,983	15,881,359
Profit for the period	-	-	-	-	364,799	364,799	22,468	387,267
Other comprehensive loss	-	-	-	(47,881)	-	(47,881)	(4,402)	(52,283)
Total comprehensive income/(loss) for the period	-	-	-	(47,881)	364,799	316,918	18,066	334,984
Dividend (note 16)	-	-	-	-	(844,380)	(844,380)	(184,059)	(1,028,439)
At 31 March 2026 <i>(Unaudited)</i>	844,379	605,421	765,000	(140,567)	11,791,681	13,865,914	1,321,990	15,187,904

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 2026**

	Notes	31 March 2026 AED'000 (Unaudited)	31 March 2025 AED'000 (Unaudited)
Operating activities			
Profit before tax		404,478	900,331
<i>Adjustments for:</i>			
Depreciation of property, plant and equipment	3	226,506	201,270
Depreciation of right-of-use assets	4	46,480	30,774
Gain on disposal of property, plant and equipment		-	(515)
Fair value gain loss on financial assets at fair value through profit or loss		83,106	53,436
Provision for slow moving and obsolete inventories		(378)	1,171
Share of net results of equity accounted investees		(29,373)	(22,387)
Provision for expected credit losses		(27,297)	15,915
Finance income		(24,942)	(64,698)
Finance costs		31,296	28,138
Provision for employees' end of service benefits		22,939	19,505
		<hr/> 732,815	<hr/> 1,162,940
Income tax paid, net	11	(5,653)	(4,923)
Employees' end of service benefit paid		(6,920)	(7,822)
		<hr/> 720,242	<hr/> 1,150,195
Working capital changes			
Change in inventories		2,579	(41,572)
Change in trade and other receivables		2,822,092	980,436
Change in contract assets		(1,014,789)	(322,518)
Change in contract liabilities		617,033	(1,196,725)
Change in trade and other payables		(658,403)	705,954
		<hr/> 2,488,754	<hr/> 1,275,770
Net cash generated from operating activities			

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

**Interim condensed consolidated statement of cash flows (continued)
for the three-month period ended 31 March 2026**

	Notes	2026 AED'000 (Unaudited)	2025 AED'000 (Unaudited)
Investing activities			
Purchase of property, plant and equipment	3	(195,546)	(498,527)
Proceeds from disposal of property, plant and equipment		257	731
Movement in deposits with original maturity more than three months		(11,392)	590,879
Interest received		24,942	64,698
Net cash (used in)/generated from investing activities		(181,739)	157,781
Financing activities			
Repayment of term loans		(101,096)	(85,587)
Repayment of lease liabilities	4	(42,334)	(30,611)
Dividend paid		(1,028,439)	(861,835)
Interest paid		(24,719)	(22,445)
Net cash used in financing activities		(1,196,588)	(1,000,478)
Net increase in cash and cash equivalents		1,110,427	433,073
Cash and cash equivalents at 1 January		4,937,937	4,389,148
Effect of foreign exchange rate changes		(37,877)	2,310
Cash and cash equivalents at 31 March	8	6,010,487	4,824,531

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 2026**

1 General information

NMDC Group PJSC (“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 was 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. The Group also operates in other jurisdictions in the region including Taiwan, Philippines, Bahrain, Egypt, Saudi Arabia and India through its subsidiaries, branches and joint operations.

Details of the Company holding in investments in subsidiaries, branches, joint venture, associates and joint operations remain unchanged from the year ended 31 December 2025 except for the following:

<i>Name</i>	<i>Country of incorporation</i>	<i>Percentage holding</i>		<i>Principal activities</i>
		<i>31 Mar 2026</i>	<i>31 Dec 2025</i>	
Subsidiary of NMDC INFRA - L.L.C - O.P.C (formerly "Emarat Europe General Contracting LLC OPC")				
NMDCCC Contracting LLC	UAE	51%	-	Contracting and construction

Branches of NMDC Group PJSC

NMDC Group PJSC Philippine Branch	Philippines	Branch	-	Dredging and associated land reclamation works, civil engineering, port contracting and marine construction.
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**Notes to the interim condensed consolidated financial statements (continued)
for the three-month period ended 31 March 2026****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 2025. In addition, results for the three months period ended 31 March 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026.

2.2.1 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 2026, have been adopted in 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.

Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments

The amendments address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 *Financial Instruments*.

Amendments IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity

The amendments aim at enabling entities to include information in their financial statements that in the IASB’s view more faithfully represents contracts referencing nature-dependent electricity.

Annual improvements to IFRS Accounting Standards — Volume 11

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

**Notes to the interim condensed consolidated financial statements (continued)
for the three-month period ended 31 March 2026**

2 Basis of preparation and critical accounting judgements (continued)

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

2.2.2 New and revised IFRSs in issue but not yet effective

<u>New and revised IFRSs</u>	<u>Effective for annual periods beginning on or after</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
 <i>IFRS Sustainability Disclosure Standards</i>	
IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information	Effective date not yet decided by the regulator in the United Arab Emirates
IFRS S2 Climate-related Disclosures	Effective date not yet decided by the regulator in the United Arab Emirates

The above stated new standards and amendments are not expected to have any significant impact, other than IFRS 18, will have a material impact on the interim condensed consolidated interim financial statements. The Group is currently working to identify the impacts IFRS 18 will have on the interim condensed consolidated interim financial statements and its notes.

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 interim 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 2025, except for the below:

In late February and early March 2026, a significant regional and geopolitical conflict erupted in the Middle East. The evolving situation has introduced heightened risks related to logistics, energy supply, insurance coverage, and increased volatility in oil prices. The ultimate extent and duration of these effects remain uncertain and are dependent on future developments.

**Notes to the interim condensed consolidated financial statements (continued)
for the three-month period ended 31 March 2026**

2 Basis of preparation and critical accounting judgements (continued)

2.3 Critical accounting judgments and key sources of estimation uncertainty (continued)

Management has conducted a preliminary assessment of the potential impact of these geopolitical developments on the Group's operations, financial performance, supply chain and operational activities. Based on such assessment, appropriate provisions for additional costs have been recorded in the interim financial statements for the period, which have had an adverse impact on the Group's revenues and profit margins for the period. This decline in margin is primarily attributable to cost overruns and impact of idle hours affecting offshore and onshore activities. Furthermore, certain contracts have experienced delays in revenue recognition due to extended project timelines and lower than expected percentages of completion.

The Group has implemented mitigation measures, including supply chain reconfiguration, optimized resource deployment, and close coordination with clients and authorities to realign schedules. Contractual and insurance positions are also under review to manage risk exposure. The Group is also currently evaluating potential claims on its customers arising from project delays and cost variations but have not included any positive impact of such claims in the results for the period. The Group maintains strong operational resilience and remains committed to safeguarding its workforce and protecting long-term shareholder value.

Given the evolving nature of the situation, the duration and full extent of the potential impact on the Group's financial performance and position cannot be reliably estimated at this stage. Management continues to closely monitor developments and will update its critical accounting judgements and estimates, as necessary.

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
2026 (Unaudited)						
Cost:						
At 1 January 2026	922,103	2,110,015	9,091,748	222,854	859,226	13,205,946
Additions	-	-	32,453	3,465	159,628	195,546
Transfers	124,194	38,031	37,385	2,037	(201,647)	-
Disposals	(151)	-	(108)	(3)	-	(262)
Exchange difference	-	-	-	(815)	-	(815)
At 31 March 2026	1,046,146	2,148,046	9,161,478	227,538	817,207	13,400,415
Accumulated depreciation:						
At 1 January 2026	462,904	482,816	4,716,074	163,482	-	5,825,276
Charge for the period	11,219	37,837	173,152	4,298	-	226,506
Disposals	-	-	(5)	-	-	(5)
Exchange differences	-	-	-	(675)	-	(675)
At 31 March 2026	474,123	520,653	4,889,221	167,105	-	6,051,102
Carrying amount:						
At 31 March 2026	572,023	1,627,393	4,272,257	60,433	817,207	7,349,313

**Notes to the interim condensed consolidated financial statements (continued)
for the three-month period ended 31 March 2026**

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
<i>2025 (Audited)</i>						
Cost:						
At 1 January 2025	644,512	2,110,143	7,675,475	154,643	1,066,925	11,651,698
Additions	32,149	1,674	757,209	11,160	614,744	1,416,936
Acquisition of a subsidiary	-	-	195,069	19,208	-	214,277
Transfers	245,448	(1,786)	540,080	38,701	(822,443)	-
Disposals	(6)	(16)	(76,085)	(42)	-	(76,149)
Exchange differences	-	-	-	(816)	-	(816)
At 31 December 2025	922,103	2,110,015	9,091,748	222,854	859,226	13,205,946
Accumulated depreciation:						
Charge for the year	432,586	371,249	3,918,167	130,638	-	4,852,640
Acquisition of a subsidiary	30,321	111,575	733,180	15,865	-	890,941
Disposals	-	-	137,706	17,619	-	155,325
Exchange differences	(3)	(8)	(72,979)	(36)	-	(73,026)
Charge for the year	-	-	-	(604)	-	(604)
At 31 December 2025	462,904	482,816	4,716,074	163,482	-	5,825,276
Carrying amount:						
At 31 December 2025	459,199	1,627,199	4,375,674	59,372	859,226	7,380,670

- a. Certain items of property, plant and equipment with a carrying value of AED 1,750 million (2025: AED 2,035 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 3,172 million (2025: AED 2,878 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 2026**

4 Right -of-use assets and lease liabilities

	Right-of-use assets (land & equipment) AED'000	Lease liabilities AED'000
At 1 January 2025 <i>(Audited)</i>	478,609	481,995
Additions during the period	370,849	370,849
Modifications during the period	(8,553)	(9,970)
Acquisition of a subsidiary	3,931	3,542
Depreciation expense	(180,574)	-
Interest expense	-	23,266
Payments	-	(191,762)
	<hr/>	<hr/>
At 1 January 2026 <i>(Audited)</i>	664,262	677,920
Additions during the period	4,664	4,664
Modifications during the period	(4,274)	(4,274)
Depreciation expense	(46,480)	-
Interest expense	-	6,577
Payments	-	(42,334)
	<hr/>	<hr/>
At 31 March 2026 <i>(Unaudited)</i>	618,172	642,553
	<hr/> <hr/>	<hr/> <hr/>

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

	31 March 2026 AED'000 <i>(Unaudited)</i>	31 December 2025 AED'000 <i>(Audited)</i>
Current liabilities	219,914	202,223
Non-current liabilities	422,639	475,697
	<hr/>	<hr/>
Total	642,553	677,920
	<hr/> <hr/>	<hr/> <hr/>

**Notes to the interim condensed consolidated financial statements (continued)
for the three-month period ended 31 March 2026**

5 Investment in equity-accounted investees

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

	31 March 2026 AED'000 (Unaudited)	31 December 2025 AED'000 (Audited)
Safeen Survey and Subsea Services LLC	559,982	530,609
Principia SAS	21,080	21,080
The Challenge Egyptian Emirates Marine Dredging Company	22,710	22,710
NT Energies LLC	1,182	1,182
	604,954	575,581

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

	31 March 2026 AED'000 (Unaudited)	31 December 2025 AED'000 (Audited)
At beginning of the period/year	575,581	507,120
Dividend received during the period/year	-	(2,871)
Foreign exchange movement	-	3,358
Share of profit for the period/year, net	29,373	67,974
At end of the period/year	604,954	575,581

**Notes to the interim condensed consolidated financial statements (continued)
for the three-month period ended 31 March 2026**

6 Trade and other receivables

	31 March 2026 AED'000 (Unaudited)	31 December 2025 AED'000 (Audited)
Trade receivables	7,324,583	10,688,167
Retention receivables	1,237,828	1,179,356
Less: allowance for expected credit losses	(91,557)	(125,369)
	<u>8,470,854</u>	<u>11,742,154</u>
Deposits and prepayments	864,597	711,474
Advances paid to suppliers	2,452,648	3,125,368
ICV retention receivables	890,748	804,030
VAT and GST receivables	145,738	46,678
Advances paid to employees	50,488	102,601
Other receivables	1,032,432	218,168
	<u>13,907,505</u>	<u>16,750,473</u>

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 2026 AED'000 (Unaudited)	31 December 2025 AED'000 (Audited)
At beginning of the period/year	125,369	77,877
Provision assumed on acquisition	-	14,824
Reversal/(charge) for the period/year	(33,812)	34,504
Written off	-	(1,836)
	<u>91,557</u>	<u>125,369</u>

**Notes to the interim condensed consolidated financial statements (continued)
for the three-month period ended 31 March 2026**

7 Contract assets

	31 March 2026 AED'000 (Unaudited)	31 December 2025 AED'000 (Audited)
Construction contracts	7,137,503	6,122,744
Less; allowance for expected credit losses	(67,379)	(60,894)
	<u>7,070,124</u>	<u>6,061,850</u>

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 2026 AED'000 (Unaudited)	31 December 2025 AED'000 (Audited)
<i>Verbal contracts</i>		
Government of Abu Dhabi and its related entities	650,737	564,256
Other entities	27,857	34,175
	<u>678,594</u>	<u>598,431</u>
<i>Signed contracts</i>		
Government of Abu Dhabi and its related entities	3,401,830	2,525,739
Equity accounted investees	17,475	20,067
Other entities	2,972,225	2,917,613
	<u>6,391,530</u>	<u>5,463,419</u>
	<u>7,070,124</u>	<u>6,061,850</u>

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

	31 March 2026 AED'000 (Unaudited)	31 December 2025 AED'000 (Audited)
At beginning of period/year	60,894	25,456
Charge during the period/year, net	6,485	35,438
	<u>67,379</u>	<u>60,894</u>

**Notes to the interim condensed consolidated financial statements (continued)
for the three-month period ended 31 March 2026**

8 Cash and cash equivalents

	31 March 2026 AED'000 (Unaudited)	31 December 2025 AED'000 (Audited)
Cash in hand	3,275	3,476
Cash at banks:		
Current accounts	4,373,787	1,321,818
Short term deposits	2,510,158	3,654,365
Cash and bank balances	<u>6,887,220</u>	<u>4,979,659</u>
Less: bank overdrafts	(823,619)	-
Less: restricted cash	(14,000)	(14,000)
Less: short-term deposit with original maturity more than three months	(39,114)	(27,722)
Cash and cash equivalents	<u><u>6,010,487</u></u>	<u><u>4,937,937</u></u>

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

9 Borrowings

	31 March 2026 AED'000 (Unaudited)	31 December 2025 AED'000 (Audited)
Long term borrowings		
rent portion of term loans	<u>395,043</u>	<u>468,940</u>
Short term borrowings		
portion of term loans	<u><u>453,070</u></u>	<u><u>480,270</u></u>

**Notes to the interim condensed consolidated financial statements (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	3,474,993	3,440,666
Project and other accruals	7,012,427	7,701,618
Advances from customers	4,152,042	3,951,997
Provisions	600,088	829,166
Retentions payable	265,027	270,716
VAT payables	302,644	209,217
Other payables	48,550	111,750
	<u>15,855,771</u>	<u>16,515,130</u>

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.

	31 March 2026 AED'000 (Unaudited)	31 March 2025 AED'000 (Unaudited)
Current income tax		
Current income tax charge – net	37,521	99,253
Pillar Two tax charge	17,179	33,827
	<u>54,700</u>	<u>133,080</u>
Deferred tax		
Deferred tax charge (reversal)*	10,600	(16,120)
Group corporate taxes, net	65,300	116,960
Reversals related to prior period adjustments	(48,089)	(581)
	<u>17,211</u>	<u>116,379</u>
Total income tax expense recognised in consolidated income statement	17,211	116,379

* Deferred tax charge for the current period has been recognised in respect of temporary differences arising on unremitted retained earnings of a subsidiary in India.

**Notes to the interim condensed consolidated financial statements (continued)
for the three-month period ended 31 March 2026**

11 Taxation (continued)

The decrease is mainly on account of reversal of excess provision during the period, amounting to AED 48 million, carried at 31 December 2025.

Movement of the income tax payable is as follow:

	31 March 2026 AED'000 (Unaudited)	31 December 2025 AED'000 (Audited)
At beginning of the period/year	652,899	358,114
Charge for the period/year	54,700	616,389
Acquisition of a subsidiary	-	4,521
Reversals related to prior period adjustments	(48,089)	(28,606)
Exchange difference	(30)	291
Payments	(5,653)	(264,793)
Other movements	(517)	(33,017)
	<hr/> 653,310 <hr/>	<hr/> 652,899 <hr/>

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

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 2026:

Particulars	31 March 2026 AED'000 (Unaudited)	31 March 2025 AED'000 (Unaudited)
Group corporate taxes, net	32	82,552
Top-up taxes in the jurisdictions that have enacted Pillar Two legislation effective 1 st January 2025	17,179	33,827
Total	<hr/> 17,211 <hr/>	<hr/> 116,379 <hr/>

Furthermore, for the period ended 31 March 2026, 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.

**Notes to the interim condensed consolidated financial statements (continued)
for the three-month period ended 31 March 2026**

12 Revenue from contracts with customers

12.1 Revenue by activity

	UAE AED'000 <i>(Unaudited)</i>	International AED'000 <i>(Unaudited)</i>	Total AED'000 <i>(Unaudited)</i>
Period ended 31 March 2026			
Dredging, reclamation and marine construction	1,664,014	17,557	1,681,571
Engineering, procurement and construction	3,688,687	1,275,138	4,963,825
Total	5,352,701	1,292,695	6,645,396
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

12.2 Timing of revenue recognition

	31 March 2026 AED'000 <i>(Unaudited)</i>	31 March 2025 AED'000 <i>(Unaudited)</i>
Services transferred over time	6,645,396	6,223,237

12.3 Unsatisfied performance obligation

The transaction price allocated to (partially) unsatisfied performance obligations at 31 March 2026 amounted to AED 55.4 billion (31 December 2025: AED 57.9 billion).

**Notes to the interim condensed consolidated financial statements (continued)
for the three-month period ended 31 March 2026**

13 Profit for the period

Profit for the period is stated after:

	31 March 2026 AED'000 (Unaudited)	31 March 2025 AED'000 (Unaudited)
Salaries and other benefits	740,011	849,879
Depreciation of property, plant and equipment (note 3)	226,506	201,270
Depreciation of right-of-use assets (note 4)	46,480	30,774

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 2026 AED'000 (Unaudited)	31 December 2025 AED'000 (Audited)
<i>Due from/to equity accounted investee for project related work:</i>		
Trade and other receivables	93,872	139,016
Trade and other payables	83,911	13,597
Contract assets	10,046	12,517
<i>Due from/to other related parties:</i>		
Trade and other receivables	22,557	19,920
Trade and other payables	86,363	157,464
Bank balances	1,905,212	3,033,783
Borrowings	419,847	419,847

**Notes to the interim condensed consolidated financial statements (continued)
for the three-month period ended 31 March 2026**

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 2026 AED'000 (Unaudited)	31 March 2025 AED'000 (Unaudited)
<i>Other related parties</i>		
Revenue	2,847	1,391,455
Material and services purchased / received	120,261	6,998
Net interest (cost) income	(26,719)	11,102
<i>Equity accounted investee</i>		
Revenue earned	-	184
Costs incurred	271,566	161,157

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 2026 AED'000 (Unaudited)	31 March 2025 AED'000 (Unaudited)
Profit attributable to the shareholders of the Company (AED'000)	364,799	733,435
Weighted average number of ordinary shares ('000)	844,379	844,379
Earnings per share attributable to the shareholders of the Company (AED)	0.43	0.87

Diluted earnings per share as of 31 March 2026 and 31 March 2025 are equivalent to basic earnings per share.

**Notes to the interim condensed consolidated financial statements (continued)
for the three-month period ended 31 March 2026**

16 Dividend

At the annual general meeting held on 5 March 2026, the shareholders approved a dividend of AED 844,380 thousand (AED 1 per share) relating to the year ended 31 December 2025 (2025: AED 700,835 thousand (AED 0.83 per share)). Further, dividend attributable to non-controlling interest amounting to AED 184,059 thousand was declared relating to the year ended 31 December 2025 (2025: AED 161,000 thousand).

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 2025 (<i>Audited</i>)	422,190	1,291	(11,197)	(553,470)	(141,186)
Fair value gain on revaluation of hedging instruments	-	-	26,757	-	26,757
Cumulative translation adjustment on foreign operations	-	-	-	21,743	21,743
At 1 January 2026 (<i>Audited</i>)	422,190	1,291	15,560	(531,727)	(92,686)
Fair value gain on revaluation of hedging instruments	-	-	(11,008)	-	(11,008)
Cumulative translation adjustment on foreign operations	-	-	-	(36,873)	(36,873)
At 31 March 2026 (<i>Unaudited</i>)	422,190	1,291	4,552	(568,600)	(140,567)

18 Contingencies and commitments

	31 March 2026 AED'000 (<i>Unaudited</i>)	31 December 2025 AED'000 (<i>Audited</i>)
Bank guarantees	18,617,321	19,650,275
Letters of credit	674,468	830,373
Capital commitments	753,717	1,293,005
Purchase commitments	6,000,663	5,744,358

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

**Notes to the interim condensed consolidated financial statements (continued)
for the three-month period ended 31 March 2026**

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 2026 and 31 December 2025 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 2026 and 31 December 2025:

	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 2026				
Derivative financial assets	4,219	-	4,219	-
Financial assets at fair value through profit or loss (FVTPL)	617,576	617,576	-	-
Investment properties	322,000	-	-	322,000

	Fair value measurement			
	Total AED'000	Quoted prices in active markets (Level 1) AED'000	Significant observable inputs (Level 2) AED'000	Significant unobservable inputs (Level 3) AED'000
As at 31 December 2025				
Derivative financial assets	19,543	-	19,543	-
Financial assets at fair value through profit or loss (FVTPL)	700,682	700,682	-	-
Investment properties	322,000	-	-	322,000

**Notes to the interim condensed consolidated financial statements (continued)
for the three-month period ended 31 March 2026**

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 2026		
	<i>(Unaudited)</i>		
	Dredging & Marine	Energy	Group
	AED'000	AED'000	AED'000
Segment revenue	1,882,604	4,963,825	6,846,429
Intersegment revenue	(201,033)		(201,033)
Revenue	<u>1,681,571</u>	<u>4,963,825</u>	<u>6,645,396</u>
Segment gross profit	417,117	129,205	546,322
Share of net results of equity accounted investees	-	-	29,373
General and administrative expenses	-	-	(80,314)
Finance income	-	-	24,942
Finance cost	-	-	(29,059)
Fair value loss on financial assets at fair value through profit or loss	-	-	(83,106)
Foreign currency exchange loss	-	-	(6,774)
Other income, net	-	-	3,094
Profit before tax for the period	<u>92,229</u>	<u>312,249</u>	<u>404,478</u>
Income tax charge	(5,182)	(12,029)	(17,211)
Profit after tax for the period	<u>87,047</u>	<u>300,220</u>	<u>387,267</u>
Total assets	<u>20,281,305</u>	<u>19,381,539</u>	<u>39,662,844</u>
Total liabilities	<u>12,888,704</u>	<u>11,586,236</u>	<u>24,474,940</u>

**Notes to the interim condensed consolidated financial statements (continued)
for the three-month period ended 31 March 2026**

20 Segment information (continued)

Geographical segment information (continued)

	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	<u>2,488,597</u>	<u>3,734,640</u>	<u>6,223,237</u>
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	<u>669,074</u>	<u>231,257</u>	<u>900,331</u>
Income tax charge	(102,130)	(14,249)	(116,379)
Profit after tax for the period	<u>566,944</u>	<u>217,008</u>	<u>783,952</u>
Total assets	<u>19,269,230</u>	<u>20,415,209</u>	<u>39,684,439</u>
Total liabilities	<u>11,931,558</u>	<u>11,871,522</u>	<u>23,803,080</u>

21 Seasonality of results

No income of seasonal nature was recorded in the condensed statement of comprehensive income for the three-month period ended 31 March 2026.

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 2026.