NMDC ENERGY



FY 2024

Management Discussion and Analysis (MD&A)

This Management Discussion and Analysis (MD&A) should be read in conjunction with the audited consolidated financial statements of NMDC Energy PJSC for the period ended 31 December 2024.





Contents

1 Financial Highlights — Pg. 4

2 Free Cash Flow and Working Capital — Pg. 8

3 Backlog — Pg. 10

4 Awarded Projects — Pg. 12

5 Recent Developments — Pg. 14

6 Sustainability and HSE — Pg. 17

Financial Highlights



1

Financial Highlights

FY 2024

NMDC Energy reported robust financial results, reflecting its sustained strong operational performance and strategic expansion into new projects, both locally and internationally.

This demonstrates the company's ability to consistently enhance shareholder value and maintain its leadership role in driving key EPC projects with seamless operational excellence.

Revenue

AED 14,440 mn

82% increase (YOY)

Net Profit

AED 1,406 mn

80% increase (YOY)

Gross Profit

AED 1,797 mn

57% increase (YOY)

EBITDA

AED 1,776 mn

86% increase (YOY)

Total Assets

AED 16.5 bn

27% increase (YOY)



Total Equity

AED 5,219 mn

Free Cash Flow

AED 2,226 mn

Working Capital

AED (1,653 mn)*

*Current assets - current liabilities (excluding cash and debt)

Earning per Share

AED 0.28

Secured Backlog

AED 50.4 bn

New Projects Awarded (FY2024)

c. AED 16 bn

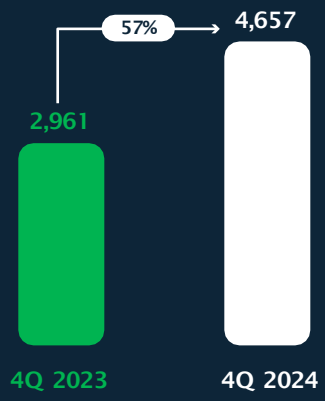
Financial Results
4Q 2024

Revenue

AED 4,657 mn

57% increase (YOY)

Revenue for 4Q 2024 increased by 57% Y-o-Y to AED 4,657 million. Compared to 3Q 2024 revenue increased by 17%

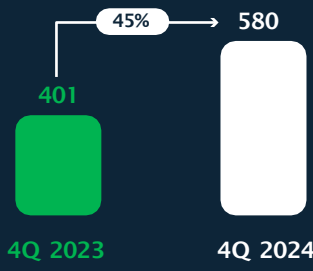


EBITDA

AED 580 mn

45% increase (YOY)

EBITDA for 4Q 2024 increased by 45% Y-o-Y to AED 580 million. Compared to 3Q 2024 EBITDA increased by 7%

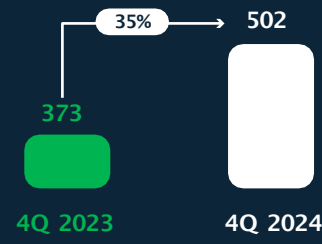


Net Profit

AED 502 mn

35% increase (YOY)

Net Profit for 4Q 2024 increased by 35% Y-o-Y to AED 502 million. Compared to 3Q 2024 Net Profit increased by 25%





Financial Results
FY 2024

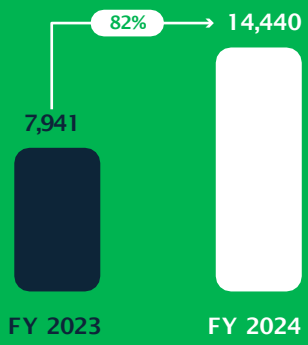


Revenue

AED 14,440 mn

82% increase (YOY)

Revenue increased by 82% in FY2024 to AED 14,440 million

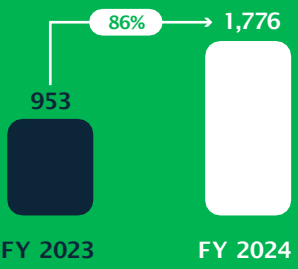


EBITDA

AED 1,776 mn

86% increase (YOY)

EBITDA increased by 86% in FY2024 to AED 1,776 million

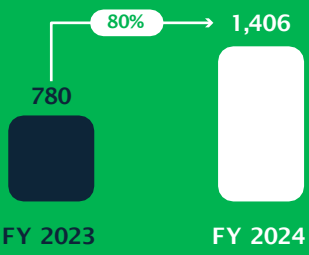


Net Profit

AED 1,406 mn

80% increase (YOY)

Net Profit increased by 80% in FY2024 to AED 1,406 million



Backlog

AED 50.4 bn

As of 31 December 2024, the secured backlog stood at approximately **AED 50.4 billion**, reflecting a robust level of secured revenue.

Free Cash Flow and Working Capital



2

Free Cash Flow and Working Capital

Free Cash Flow

Free cash flow in 4Q 2024 was driven by higher cash generated from operations during the quarter. In FY 2024 free cash flows have increased by 41% given the significant increase in business operations, lower capex and favorable working capital management.

AED MILLION

	4Q 24	4Q 23	FY 24	FY 23
Cash from Operations	1,739	1,403	**2,836**	2,224
Capital Expenditures	(305)	(142)	**(610)**	(645)
Free Cash Flow	1,434	1,261	**2,226**	1,579

Working Capital

Net working capital continued to remain negative as at 31 December 2024 largely driven by increased focus on collections which led to a reduction in debtor days and advances from customers. On an overall basis the business continues to operate with a healthy position from a working capital cycle perspective despite significant growth in operations.



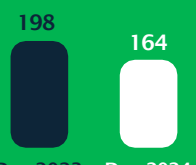
AED MILLION

	31 Dec 2024	31 Dec 2023
Inventories	**250**	236
Trade & Receivables	**5,032**	3,175
Contract Assets	**3,106**	2,209
Other Current Assets	**12**	1,041
Trade & Other Payables	**(8,745)**	(6,028)
Contract Liabilities	**(937)**	(141)
Other Current Liabilities	**(371)**	(851)
Net Working Capital	**(1,653)**	(359)

Days Sales Outstanding



Days Payables Outstanding



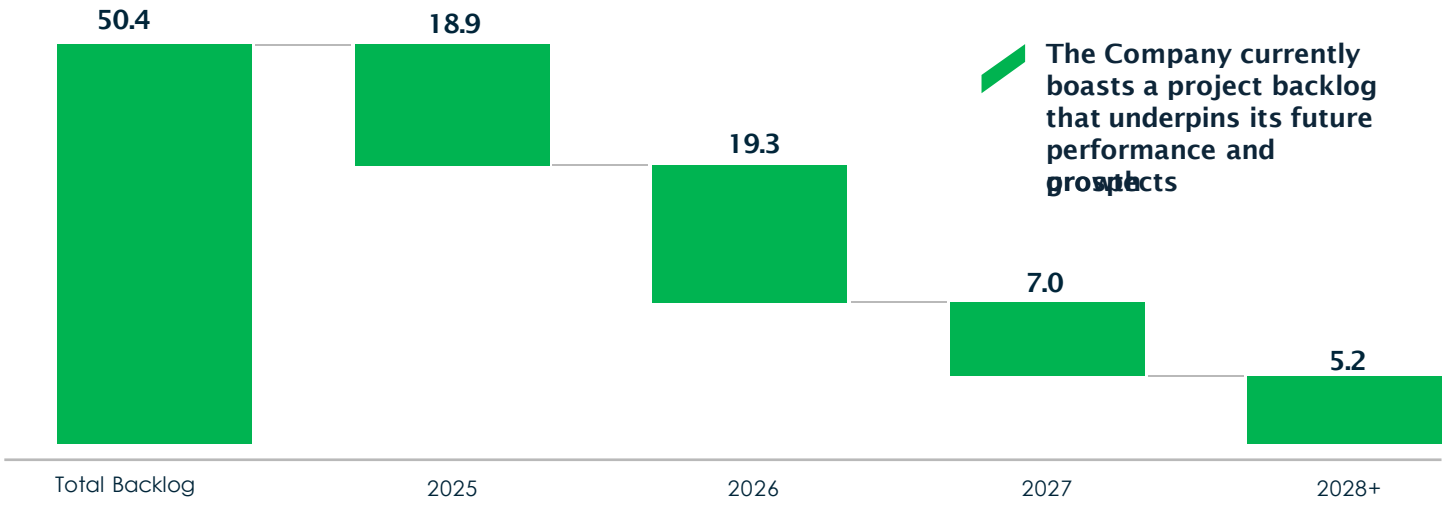
Backlog



3

Backlog

Expected backlog unwinding (AED billion)



The Company currently boasts a project backlog that underpins its future performance and growth prospects

As at 31 December 2024, the Company's secured projects backlog stood at AED 50.4 billion, reflecting a strong pipeline of future projects and secured revenues. Total order intake for the FY2024 amounted to AED 16 billion*, highlighting continued client confidence in the Company's capabilities.

As at 31 December 2024, the Company has identified potential projects in the pipeline amounting to AED 59 billion.

AED 50.4 bn

Secured Backlog

*This excludes Taipower project amounting to AED 4.2 bn which was signed in early January 2025.

Awarded Projects



4

Awarded Projects

Key Awards

Lower Zakum — **AED 2.4 bn**

EPC Works for L TOP Project-1 Lower Zakum Habshan Upper Recovery and Lekhwair + 20 MBD Early Involvement Project.

Lower Zakum — **AED 8.8 bn**

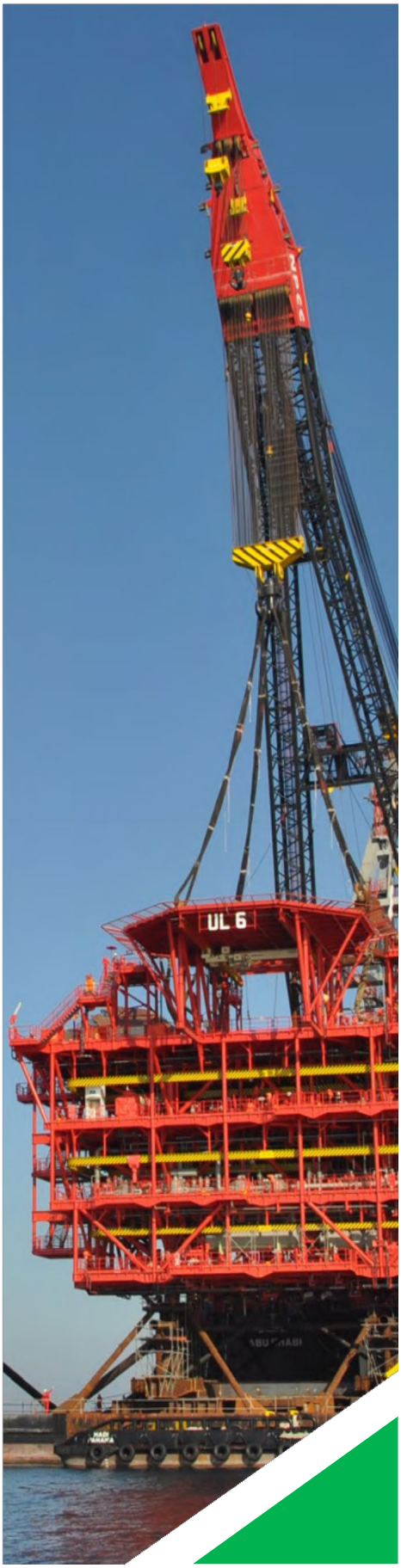
EPC Works for Lower Zakum L TDP-1 EPS-2 and PDP Project

Ruwais LNG — **AED 4.0 bn**

Engineering, Procurement and Construction works of the lower-carbon Ruwais LNG Project.

Estidama — **AED 0.6 bn**

Estidama - Sales Gas Pipeline Network Enhancement New Additional Gas Pipelines and Associated Facilities Inside Abu Dhabi Emirate for EPC Works Package 6 - from Sweihan to Al Shuwaib.





Recent Developments



6

Recent Developments

Key Developments

Taiwan Pipeline Project

In January 2025, NMDC Energy was awarded a massive project from Taiwan Power Company (Taipower), valued at USD 1.14 billion. The EPC contract for Taiwan subsea gas pipeline project, is a strategic contract for pipeline installation, shore approach works and dredging for the Tung-Hsiao Power Plant 2nd stage renewal project.

NMDC Energy will design, construct and install 111 km of linear pipeline at depths ranging from 10 metres to 55 metres. this Award reinforces NMDC Energy's strategy to expand geographically into high-potential markets and reiterates its support and contribution to renewable energy initiatives.





KSA Yard Inauguration

NMDC Energy has inaugurated its state-of-the-art fabrication yard in Ras Al Khair Special Economic Zone in Saudi Arabia, with investment value of AED 200 million. The 400,000 sqm state-of-the-art yard will provide ofshore facilities fabrication as well as onshore modularization.

This includes the construction of ofshore facilities, structures, design and assembly of modular (prefabricated) units onshore, with annual production capacity of 40,000 tons.

2024: Insights

Achievements & Highlights

Successful Energy IPO

- Listing on 11 Sep 2024
- 31 times oversubscribed

Projects Awarded

- 4 mega projects Awarded
- AED 15+ bn

Geographic Expansion

- Taiwan Project award

Downstream

- Ruwais LNG Award

Offshore Wind

- Launched Wind Strategy
- Floating Vessel Tender

Modular Fabrication

- Modular fabrication yard
- 180,000 m2

Strengthening Current market

- 70% increase in Yard Capacity
- KSA yard development
- 100% Increase in Engineering manpower
- 100% Vessels Utilization

AI & Tech Initiatives

- Smart AI Agents
- Connected Workforce
- 360 AI Cameras
- Blind Spot Detector
- AI Safety Analyzer
- Safeen Green

Operational Excellence

- MIITE Quality Standards Award
- Industry 4.0 Digital Leader
- British Safety Award with distinction
- Rospa Safety Award
- ESG AA Rating, Leader
- Yard Modernization Award
- EPC Contractor of the Year 2023

2025

A Year to Thrive and Inspire

- **Client centric approach**
- **Shaping the Energy Eco System**
- **Exceed Expectations**
- **Empower People**
- **Redefining Excellence**
- **100% HSE & Quality**

Sustainability and Health, Safety & Environment



7

Sustainability and Health, Safety & Environment

Sustainability

MSCI Rating

We are proud to announce that NMDC Group, the majority shareholder of NMDC Energy, achieved an MSCI AA ESG rating, (fully supported by NMDC Energy) which reflects the group's commitment to sustainability. As a leader in this field, The Group is striving for excellence and aims to attain an AAA rating.



A company leading its industry in managing the most significant ESG risks and opportunities.

Emission Inventory

We have updated our emissions inventory to enhance the accuracy of our emissions assessment. These insights enable us to focus on minimizing emissions in our operations (Scope 1 and 2) as well as those of our suppliers (Scope 3).

ESG Strategy

To further optimize our sustainability performance, we have developed a comprehensive strategy built on five pillars (two environmental, two social, and one governance). This strategy encompasses a number of initiatives to enhance our overall performance.

Sustainability and Health, Safety & Environment

HSE

IPLOCA Award

NMDC Energy was the winner of the recent 2024 IPLOCA Environmental Award for Blue Carbon Initiative sponsored by Shell. NMDC Energy planted 20,001 mangrove seedlings which can capture 246 tons of CO2 annually.

On site solar panels

We are setting up a pilot to install temporary solar panels on our of-grid project sites. These panels provide a renewable energy source, reducing reliance on diesel generators and minimizing greenhouse gas emissions during project execution.

Electrification

As part of our commitment to sustainability and reducing our environmental impact, we have initiated the electrification of our construction yard. This transition from traditional fuel-based power sources to renewable electricity aligns with our ESG goals.



Disclaimer

This document includes forward-looking statements. The forward-looking statements contained in this document speak only as of the date of this document. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond the control of NMDC Energy (the Company) and all of which are based on current beliefs and expectations about future events. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as “believe”, “expects”, “may”, “could”, “should”, “shall”, “risk”, “intends”, “estimates”, “aims”, “plans”, “predicts”, “continues”, “assumes”, “positioned” or “anticipates” or the negative thereof, other variations thereon or comparable terminology. These forward- looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding intentions, beliefs and current expectations concerning, among other things, results of operations, financial standing, liquidity, prospects, growth, strategies, and dividend policy and the industry in which the Company operates.

These forward-looking statements and other statements contained in this document regarding matters that are not historical facts as of the date of this document involve predictions. No assurance can be given that such future results will be achieved. There is no obligation or undertaking to update these forward-looking statements contained in this document to reflect any change in the expectations or any change in events, conditions, or circumstances on which such statements are based unless required to do so: (i) as a result of an important change with respect to a material point in this document; or (ii) by applicable laws of the UAE.

Actual events or results may difer materially as a result of risks and uncertainties that the Company faces. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed, or implied in such forward-looking statements.

Investor Relations

Hanzada Nessim
Group Head of Investor Relation & Financial Communications
hanzada.nessim@nmdc-group.com

Email
shaima.ali@nmdc-group.com
ir@nmdc-group.com

Address
24th floor, Nation Towers Ofces
Abu Dhabi

Phone
+971 2 566 4316

www.nmdc-energy.com