NMDC ENERGY PJSC
(formerly National Petroleum Construction Company)

REVIEW REPORT AND CONDENSED CONSOLIDATED
INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED
30 SEPTEMBER 2024
(UN-AUDITED)

NMDC Energy PJSC
(formerly National Petroleum Construction Company)

Review report and condensed consolidated interim financial information
30 September 2024

Contents Pages

Report on review of condensed consolidated interim financial information	1
Condensed consolidated interim statement of financial position	2-3
Condensed consolidated interim statement of profit or loss	4
Condensed consolidated interim statement of comprehensive income	5
Condensed consolidated interim statement of changes in equity	6
Condensed consolidated interim statement of cash flows	7
Notes to the condensed consolidated interim financial statements	8 - 27

Deloitte & Touche (M.E.)
Level 11, Al Sila Tower
Abu Dhabi Global Market Square
Al Maryah Island
P.O. Box 990
Abu Dhabi
United Arab Emirates

Tel: +971 (0) 2 408 2424
Fax:+971 (0) 2 408 2525
www.deloitte.com

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION TO THE SHAREHOLDERS OF NMDC ENERGY PJSC (formerly National Petroleum Construction Company)

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of NMDC Energy PJSC (formerly National Petroleum Construction Company) (the "Company") and its subsidiaries (the "Group") as of 30 September 2024, and the related statements of profit or loss and comprehensive income, changes in equity and cash flows for the nine-month period then ended, and material accounting policy information and other explanatory notes. Management is responsible for the preparation and fair 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 International Standard on Review Engagements 2410, *"Review of Interim Financial Information Performed by the Independent Auditor of the Entity".* A review of 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 condensed interim financial information is not prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting".

Other Matter

The comparative information presented in the condensed consolidated interim statements of profit or loss and comprehensive income, changes in equity and cash flows and the related notes has not been reviewed or audited.

Deloitte & Touche (M.E.)



Faeza Sohawon
Registration Number 5508
25 October 2024
Abu Dhabi
United Arab Emirates

Akbar Ahmad (1141), Cynthia Corby (995), Faeza Sohawon (5508), Firas Anabtawi (5482), Georges Najem (809), Jazala Hamad (1267), Mohammad Jallad (1164), Mohammad Khamees Al Tah (717), Musa Ramahi (872), Mutasem M. Dajani (726), Nurani Subramanian Sundar (5540), Obada Alkowatly (1056) and Rama Padmanabha Acharya (701) are registered practicing auditors with the UAE Ministry of Economy.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
As at 30 September 2024

	Notes	30 September 2024 (Unaudited) AED'000	31 December 2023 (Audited) AED'000
ASSETS			
Non-current assets			
Property, plant and equipment	**5**	**3,198,958**	3,041,366
Right-of-use assets	**6**	**369,333**	286,599
Investment in equity accounted investees	**7**	**21,489**	24,134
Goodwill		**5,057**	5,057
Total non-current assets		**3,594,837**	3,357,156
Current assets			
Inventories		**250,400**	235,889
Trade and other receivables	**8**	**5,758,960**	3,174,717
Due from a related party	**17**	**190,545**	1,015,829
Contract assets	**9**	**2,996,698**	2,208,519
Derivative financial assets		**12,852**	24,602
Cash and bank balances	**10**	**2,845,376**	3,003,586
Total current assets		**12,054,831**	9,663,142
Total assets		**15,649,668**	13,020,298
EQUITY AND LIABILITIES			
Equity and reserves			
Share capital	**11**	**2,500,000**	100,000
Statutory reserve	**12**	**50,000**	50,000
Restricted reserve	**12**	**1,291**	1,291
Currency translation reserve		**(14,508)**	(14,059)
Hedging reserve		**12,852**	14,812
Retained earnings		**2,194,136**	4,442,642
Equity attributable to the shareholders of the Company		**4,743,771**	4,594,686
Non-controlling interest		**6,443**	3,915
Total equity		**4,750,214**	4,598,601
Liabilities			
Non-current liabilities			
Term loans	**13**	**381,961**	580,287
Provision for employees' end of service benefits	**14**	**304,652**	260,343
Lease liabilities	**6**	**333,583**	297,866
Total non-current liabilities		**1,020,196**	1,138,496

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

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
As at 30 September 2024

	Notes	30 September 2024 (Unaudited) AED'000	31 December 2023 (Audited) AED'000
Current liabilities			
Trade and other payables	**15**	**9,045,331**	6,027,781
Term loans	**13**	**264,434**	264,434
Due to a related party	**17**	**-**	757,558
Derivative financial liability		**-**	9,790
Lease liabilities	**6**	**49,992**	9,733
Contract liabilities		**332,716**	141,287
Income tax payable	**16**	**186,785**	72,618
Total current liabilities		**9,879,258**	7,283,201
Total liabilities		**10,899,454**	8,421,697
Total equity and liabilities		**15,649,668**	13,020,298

Mohamed Hamad Ghanem Hamad Almehairi
Chairman

Ahmed Al Dhaheri
Chief Executive Officer

Sreemont Prasad Barua
Group Chief Financial Officer

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

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS
For the nine-month period ended 30 September 2024

	Notes	*3 months ended 30 September*		*9 months ended 30 September*	
		2024	*2023*	***2024***	*2023*
		AED'000	*AED'000*	***AED'000***	*AED'000*
		(Unaudited)	*(Unaudited)*	***(Unaudited)***	*(Unaudited)*
Contract revenue	**20**	**3,975,212**	1,890,161	**9,783,376**	4,980,633
Direct costs		**(3,539,693)**	(1,677,087)	**(8,780,413)**	(4,489,240)
Gross profit		**435,519**	213,074	**1,002,963**	491,393
General and administrative expenses		**(13,578)**	(26,741)	**(76,470)**	(70,715)
Other income, net		**67,061**	(11,820)	**105,992**	10,625
Finance income		**28,775**	21,712	**83,044**	65,132
Finance costs		**(14,682)**	(19,001)	**(49,085)**	(57,976)
Depreciation of right-of-use assets	**6**	**(3,463)**	(2,883)	**(10,388)**	(8,650)
Foreign currency exchange losses		**13,389**	(5,376)	**(5,177)**	(18,327)
Profit before tax		**513,021**	168,965	**1,050,879**	411,482
Income tax expense, net	**16**	**(111,424)**	(4,950)	**(146,857)**	(4,391)
Profit for the period		**401,597**	164,015	**904,022**	407,091
Profit attributable to:					
Shareholders of the Company		**400,593**	164,010	**901,494**	406,100
Non-controlling interests		**1,004**	5	**2,528**	991
Profit for the period		**401,597**	164,015	**904,022**	407,091
Basic and diluted earnings per share attributable to equity holders of the Company	**18**	**0.30**	0.12	**0.68**	0.30

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

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME
For the nine-month period ended 30 September 2024

	3 month ended 30 September		***9 months ended 30 September***	
	2024	*2023*	**2024**	2023
	AED'000	*AED'000*	**AED'000**	AED'000
	(Unaudited)	*(Unaudited)*	***(Unaudited)***	*(Unaudited)*
Profit for the period	**401,597**	164,015	**904,022**	407,091
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss:				
Fair value (loss)/gain arising on hedging instruments during the period	**(7,365)**	(7,000)	**(1,960)**	10,159
Foreign exchange difference on translation of foreign operations	**(12,309)**	(607)	**(449)**	(1,578)
Total other comprehensive income	**(19,674)**	(7,607)	**(2,409)**	8,581
Total comprehensive income for the period	**381,923**	156,408	**901,613**	415,672
Non-controlling interests	**(1,004)**	(5)	**(2,528)**	(991)
Total comprehensive income for the period - attributable to the Shareholders of the Company	**380,919**	156,403	**899,085**	414,681

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

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

For the nine-month period ended 30 September 2024

	Share capital AED'000	Statutory reserve AED'000	Restricted reserve AED'000	Currency translation reserve AED'000	Hedging reserve 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 2023 (audited)	100,000	50,000	1,291	(12,399)	(5,489)	3,663,053	3,796,456	3,080	3,799,536
Profit for the period	-	-	-	-	-	406,100	406,100	991	407,091
Other comprehensive (loss)/income for the period	-	-	-	(1,578)	10,159		8,581	-	8,581
Total comprehensive (loss)/income for the period	-	-	-	(1,578)	10,159	406,100	414,681	991	415,672
Balance at 30 September 2023 (unaudited)	100,000	50,000	1,291	(13,977)	4,670	4,069,153	4,211,137	4,071	4,215,208
Balance at 1 January 2024 (audited)	**100,000**	**50,000**	**1,291**	**(14,059)**	**14,812**	**4,442,642**	**4,594,686**	**3,915**	**4,598,601**
Profit for the period	-	-	-	-	-	901,494	901,494	2,528	904,022
Other comprehensive loss for the period	-	-	-	(449)	(1,960)	-	(2,409)	-	(2,409)
Total comprehensive (loss)/income for the period	-	-	-	(449)	(1,960)	901,494	899,085	2,528	901,613
Issue of share capital (note 1)	2,400,000	-	-	-	-	(2,400,000)	-	-	-
Dividend (note 19)	-	-	-	-	-	(750,000)	(750,000)	-	(750,000)
Balance at 30 September 2024 (unaudited)	**2,500,000**	**50,000**	**1,291**	**(14,508)**	**12,852**	**2,194,136**	**4,743,771**	**6,443**	**4,750,214**

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

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
For the nine-month period ended 30 September 2024

	Notes	**30 September** ***2024*** ***AED '000*** ***(Unaudited)***	30 September *2023* *AED '000* *(Unaudited)*
OPERATING ACTIVITIES			
Profit before tax		**1,050,879**	411,482
Adjustments for:			
Depreciation of property, plant and equipment	**5**	**147,158**	139,249
Depreciation of right-of-use assets	**6**	**29,764**	8,650
Gain on disposal of property, plant and equipment		**(978)**	(290)
Provision for slow moving and obsolete inventories		**885**	642
Provision for expected credit losses on trade receivable and contract assets		**747**	64
Finance costs, net		**(31,701)**	(7,156)
Provision for employees' end of service benefits	**14**	**51,311**	26,609
Share of profit of a joint venture		**-**	(490)
		1,248,065	578,760
Income tax paid, net		**(32,690)**	(11,203)
Employees' end of service benefit paid	**14**	**(7,002)**	(12,357)
		1,208,373	555,200
Working capital changes:			
Change in inventories		**(15,396)**	3,135
Change in trade and other receivables		**(2,584,311)**	365,502
Change in due from/to a related party, net		**67,726**	-
Change in contract assets		**(788,858)**	(759,670)
Change in contract liabilities		**191,429**	267,831
Change in trade and other payables		**3,017,549**	388,967
Net cash generated from operating activities		**1,096,512**	820,965
INVESTING ACTIVITIES			
Purchase of property, plant and equipment	**5**	**(304,769)**	(502,949)
Proceeds from disposal of property, plant and equipment		**978**	900
Movement in deposit with original maturity more than three months	**10**	**494,104**	(490,000)
Interest received		**83,044**	65,132
Dividend received from associate		**2,645**	1,337
Net cash generated from/(used in) investing activities		**276,002**	(925,580)
FINANCING ACTIVITIES			
Repayment of term loans	**13**	**(198,326)**	(198,326)
Repayment of lease liabilities	**6**	**(48,108)**	(20,498)
Dividend paid	**19**	**(750,000)**	-
Interest paid		**(39,756)**	(48,705)
Net cash used in financing activities		**(1,036,190)**	(267,529)
Net increase/(decrease) in cash and cash equivalents		**336,324**	(372,144)
Cash and cash equivalents at the beginning of the period		**2,498,069**	1,681,864
Net foreign exchange difference		**(430)**	(1,561)
Cash and cash equivalents at the end of the period	**10**	**2,833,963**	1,308,159
Non-cash transaction			
Increase in share capital	**1**	**2,400,000**	-

1 GENERAL INFORMATION

NMDC Energy PJSC (formerly "National Petroleum Construction Company") ("NMDC Energy" or the "Company") was established on 2 April 1973 as a limited liability Company in the Emirate of Abu Dhabi, UAE. In 1987, the legal status of the Company was changed to a Public Joint Stock Company by the application of the Abu Dhabi Law No. (2) of 1987. The registered address of the Company is P.O. Box 3649, Abu Dhabi, United Arab Emirates.

These condensed consolidated interim financial statements include the financial performance and position of the Company, its subsidiaries and joint ventures (collectively referred to as the "Group').

The principal activities of the Group include engineering, procurement and construction (EPC) services in the development of offshore and onshore oil and gas fields for the Arabian Gulf and the regional markets.

The Company was owned by General Holding Corporation PJSC ("SENAAT") and Chimera Investments LLC. In 2021, NMDC Group PJSC (formerly National Marine Dredging Company) ("NMDC" or "Parent Company") acquired all the share of the Company and became the sole shareholder of the Company. The Parent Company is a public shareholding company incorporated in the Emirate of Abu Dhabi 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.

During the current period, the name of the Company was changed from National Petroleum Construction Company to NMDC Energy PJSC. This change of name was registered with the concerned authority on 6 February 2024.

In August 2024, the Company announced its intention to float its shares on the Abu Dhabi Securities Exchange ("ADX") through an Initial Public Offering (IPO), pursuant to the resolution of the shareholder of the Company. The shareholder approved the listing and the sale by way of offer to the public of part of its share capital in the Company. The subscription period commenced on 30 August 2024 and closed on 4 September 2024 and trading of the shares commenced on 11 September 2024.

Prior to the IPO, the Board of Directors of the Parent Company approved the updated Article of Association dated 23 August 2024, with the adoption of the following:

- the nominal value of the shares to be reduced to AED 0.50 per share from AED 1 per share;
- the share capital of the Company to be increased to AED 2,500,000 thousand from AED 100,000 thousand, by the way of capitalising from the retained earnings of the Company amounting to AED 2,400,000 thousand;
- the number of shares to be increased to 5,000,000 thousand shares from 100,000 thousand shares;
- all the Company's shares, including the new shares, shall be of equal ranking to one another in rights and obligations.

Upon completion of the IPO, the Parent Company continues to own a majority 77% stake in the Company, and 20.15% are subscribed through ADX. Furthermore, the Parent Company transferred 2.85% of shares as in kind consideration in connection with acquisition of certain plots of land for commercial use.

1 GENERAL INFORMATION (continued)

Name	*Country of incorporation*	*Percentage holding* 2024	2023	*Principal activities*
Subsidiaries				
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
Abu Dhabi for Construction Projects*	Iraq	**100%**	100%	Engineering Procurement and Construction
Al Dhabi Construction Projects LLC*	Iraq	**100%**	100%	Engineering Procurement and Construction
NMDC Marine Services L.L.C. S.P.C*	UAE	**100%**	100%	Marine Logistics Services
*dormant entities				
Joint Ventures				
NT Energies L.L.C	UAE	**51%**	51%	Engineering and Consultancy
Associates				
Principia SAS	France	**33.33%**	33.33%	Engineering and consultancy
Joint Operations				
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.
JTN Ruwais LNG		**20%**	-	Engineering, Procurement and Construction.

2 Application of new and revised International Financial Reporting Standards (IFRS)

2.1 New and revised IFRSs applied with no material effect on the condensed consolidated interim 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 condensed consolidated interim 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 to IAS 1 Presentation of Financial Statements - Classification of Liabilities as Current or Non-current
- Amendment to IFRS 16 Leases - Lease Liability in a Sale and Leaseback
- Amendments to IAS 1 Presentation of Financial Statements - Non-current Liabilities with Covenants
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements

2 Application of new and revised International Financial Reporting Standards (IFRS) (continued)

2.2 New and revised IFRS 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	1 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
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)
Amendment to IAS 21 - Lack of Exchangeability	1 January 2025
Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments	1 January 2026
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 these condensed consolidated interim financial statements.

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 these condensed consolidated interim financial statements.

3 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.

3 Basis of preparation (continued)

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 2023. In addition, results for the nine-months period ended 30 September 2024 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024.

The Group has consistently applied the accounting policies as applied by the Group in the annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of the following new material accounting policy information.

Current income tax
Income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date and generate taxable income.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax
Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

4 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 2023 except for the adoption of the following new accounting judgement:

Balances due from/to a related party as disclosed in note 17 are reported on a net basis in the accompanying condensed consolidated financial information. Management has established that a legally enforceable right to set off such amounts exist, and the Company intends to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

5 PROPERTY, PLANT AND EQUIPMENT

	Buildings AED'000	Plant, barges and vehicles AED'000	Furniture and office equipment AED'000	Capital work in progress AED'000	Total AED'000
2024 (Unaudited)					
Cost					
1 January 2024	577,094	5,750,829	127,336	234,370	6,689,629
Additions	-	11,568	5,523	287,678	304,769
Transfers	-	49,464	-	(49,464)	-
Disposal	-	(15,945)	-	-	(15,945)
Exchange difference	-	-	(73)	-	(73)
30 September 2024	**577,094**	**5,795,916**	**132,786**	**472,584**	**6,978,380**
Accumulated depreciation					
1 January 2024	391,383	3,147,216	109,664	-	3,648,263
Charge for the period	11,620	130,087	5,451	-	147,158
Disposal/write-offs	-	(15,945)	-	-	(15,945)
Exchange difference	-	-	(54)	-	(54)
30 September 2024	**403,003**	**3,261,358**	**115,061**	**-**	**3,779,422**
Carrying amount					
At 30 September 2024	**174,091**	**2,534,558**	**17,725**	**472,584**	**3,198,958**
2023 (Audited)					
Cost					
1 January 2023	542,765	5,171,840	116,357	224,310	6,055,272
Additions	67	39,365	10,746	594,671	644,849
Transfers	34,262	550,016	333	(584,611)	-
Disposal/write-offs	-	(10,392)	-	-	(10,392)
Exchange difference	-	-	(100)	-	(100)
31 December 2023	577,094	5,750,829	127,336	234,370	6,689,629
Accumulated depreciation					
1 January 2023	378,519	3,027,542	101,973	-	3,508,034
Charge for the year	12,864	129,456	7,767	-	150,087
Disposal/write-offs	-	(9,782)	-	-	(9,782)
Exchange difference	-	-	(76)	-	(76)
31 December 2023	391,383	3,147,216	109,664	-	3,648,263
Carrying amount					
At 31 December 2023	185,711	2,603,613	17,672	234,370	3,041,366

Certain items of property, plant and equipment with a carrying value of AED 1,366 million (2023: AED 1,450 million) have been pledged to secure the borrowings of the Group (note 13). The Group is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

6 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Right-of-use assets

	30 September 2024 AED'000 *(Unaudited)*	31 December 2023 AED'000 *(Audited)*
Balance at the beginning of the period/year	**286,599**	294,262
Additions during the period/year	**112,498**	4,642
Depreciation expense	**(29,764)**	(12,305)
Balance at the end of the period/year	**369,333**	286,599

Lease liabilities

	30 September 2024 AED'000 *(Unaudited)*	31 December 2023 AED'000 *(Audited)*
Balance at the beginning of the period/year	**307,599**	311,718
Additions during the period/year	**112,497**	4,637
Interest expense	**11,587**	12,402
Payments	**(48,108)**	(21,158)
Balance at the end of the period/year	**383,575**	307,599

The interest and depreciation on right-of-use assets are charged to profit and loss for the period ended 30 September 2024 as follows:

	Depreciation expense AED'000	**Interest expense AED'000**
Direct cost	**19,376**	**2,258**
General and administrative expenses	**10,388**	**9,329**
	29,764	**11,587**

The interest and depreciation are charged to profit and loss for the period ended 30 September 2023 as follows:

	Depreciation expense AED'000	Interest expense AED'000
General and administrative expenses	8,650	9,271

6 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

	30 September 2024 AED'000 *(Unaudited)*	31 December 2023 AED'000 *(Audited)*
Lease liabilities– classification		
Current	**49,992**	9,733
Non-current	**333,583**	297,866
	383,575	307,599

7 INVESTMENT IN EQUITY ACCOUNTED INVESTEES

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

	30 September 2024 AED'000 *(Unaudited)*	31 December 2023 AED'000 *(Audited)*
NT Energies	**77**	77
Principia SAS	**21,412**	24,057
	21,489	24,134

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

	30 September AED'000 *(Unaudited)*	31 December AED'000 *(Audited)*
At 1 January	**24,134**	23,667
Acquisition during the period/year	**-**	77
Share of profit for the period/year	**-**	1,727
Dividend received during the period/year	**(2,645)**	(1,337)
Balance at the end of the period/year	**21,489**	24,134

During the prior year 2023, the Group signed an agreement with France-based company Technip Energies to establish a Joint Venture, NT Energies. The Group owns 51% share in the Joint Venture.

The Group acquired 33% shares of the Principia SAS ("Principia") a Company registered in Marseille, France from IGEN SARL (which owns 16.67% of the share capital of Principia) and GRENERGY SARL (which owns 16.67 % of the share capital of Principia) (together, referred to as "Sellers") in the sale purchase agreement dated 23 September 2016 with effect from 27 July 2016.

8 TRADE AND OTHER RECEIVABLES

	30 September 2024 AED'000 *(Unaudited)*	31 December 2023 AED'000 *(Audited)*
Trade receivables	**2,447,851**	1,201,880
Less: allowance for expected credit losses	**(2,356)**	(2,288)
	2,445,495	1,199,592
Advances to suppliers	**2,386,708**	1,017,951
Prepayments	**462,628**	553,072
Contract retentions	**373,763**	263,288
VAT and GST receivables, net	**24,933**	31,689
Advances paid to employees	**14,142**	15,067
Other receivables	**51,291**	94,058
	5,758,960	3,174,717

Included in trade and other receivables are amounts of AED nil (2023: AED 354.3 million) due from a related party disclosed in note 17 to the condensed consolidated interim financial information.

The average credit period on contract revenue is 45 days. No interest is charged on outstanding trade receivables.

The Group always measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. None of the trade receivables that have been written off is subject to enforcement activities.

8 TRADE AND OTHER RECEIVABLES (continued)

Movement in the allowance for expected credit losses:

	30 September 2024 AED'000 *(Unaudited)*	31 December 2023 AED'000 *(Audited)*
At beginning of the period/year	**2,288**	288
Charge for the period/year	**68**	2,000
At end of the period/year	**2,356**	2,288

9 CONTRACT ASSETS

	30 September 2024 AED'000 *(Unaudited)*	31 December 2023 AED'000 *(Audited)*
Construction contracts	**2,998,068**	2,209,210
Less: allowance for expected credit losses	**(1,370)**	(691)
	2,996,698	2,208,519

Movement in the allowance for expected credit losses:

	30 September 2024 AED'000 *(Unaudited)*	31 December 2023 AED'000 *(Audited)*
At beginning of the period/year	**691**	483
Charge for the period/year	**679**	208
At end of the period/year	**1,370**	691

10 CASH AND BANK BALANCES

	30 September 2024 AED'000 *(Unaudited)*	31 December 2023 AED'000 *(Audited)*	30 September 2023 AED'000 *(Unaudited)*
Cash in hand	**508**	691	618
Cash at banks	**690,914**	427,783	587,020
Short-term deposits	**2,153,954**	2,575,112	1,210,521
Cash and bank balances	**2,845,376**	3,003,586	1,798,159
Less: short-term deposits with maturity of more than three months	**(11,413)**	(505,517)	(490,000)
Cash and cash equivalents	**2,833,963**	2,498,069	1,308,159

Short-term deposits carry interest at prevailing market interest rates.

Included in cash and bank balances are amounts of AED 2,615 million (31 December 2023: AED 2,209 million) held with a related party as disclosed in note 17 to the condensed consolidated interim financial information.

11 SHARE CAPITAL

As disclosed in the note 1, the share capital of the Company was increased during the period and the Company's authorised and issued share capital is 5,000,000 thousand shares with a par value of AED 0.50 each as at 30 September 2024 (2023:100,000 thousand shares with a par value of AED 1 each);

	30 September 2024 AED'000 *(Unaudited)*	31 December 2023 AED'000 *(Audited)*
Authorised, issued and paid-up capital	**2,500,000**	100,000

12 STATUTORY RESERVE AND RESTRICTED RESERVE

In accordance with the provisions of the UAE Federal Decree Law No. (32) of 2021, 10% of profit for the year is to be transferred to the statutory reserve, until such reserve reaches 50% of the issued and fully paid-up capital of the Company. The Company intends to transfer the 10% of the net profit to the statutory reserve at the year-end. This reserve is not available for distribution.

The statutory reserves of the subsidiaries have been transferred to the restricted reserve as these amounts are not available for distribution.

13 TERM LOANS

	30 September 2024 AED'000 *(Unaudited)*	31 December 2023 AED'000 *(Audited)*
Non-current portion	**381,961**	580,287
Current portion	**264,434**	264,434
	646,395	844,721

On February 27, 2020, the Company signed a syndicated loan agreement amounting to USD 500 million (AED 1,836 million), carrying effective interest rate of Term SOFR plus 0.90% (2023: Term SOFR plus 0.90 %). The total syndicated loan agreement consists of two portions: Conventional amounting to USD 167 million, and Islamic amounting to USD 333 million. The outstanding amount of this loan as at 30 September 2024 is USD 176 million which is equivalent to AED 646 million. In accordance with the terms of the agreement between the two parties, the loan is repayable in quarterly installments starting from September 2020 and is expected to be fully repaid by March 2027. The loan is secured against mortgage of 5 vessels of the Company.

Reconciliation of movements of liabilities to cash flows arising from financing activities:

	30 September 2024 AED'000 *(Unaudited)*	31 December 2023 AED'000 *(Audited)*
Balance at the beginning of the period/year	**844,721**	1,109,155
Loan repayment	**(198,326)**	(264,434)
Balance at the end of the period/year	**646,395**	844,721

14 PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS

The movement in the provision for employees' end of service benefits is as follows:

	30 September 2024 AED'000 *(Unaudited)*	31 December 2023 AED'000 *(Audited)*
Balance at the beginning of the period/year	**260,343**	239,393
Charge for the period/year	**51,311**	40,490
Paid during the period/year	**(7,002)**	(19,540)
Balance at the end of the period/year	**304,652**	260,343

15 TRADE AND OTHER PAYABLES

	30 September 2024 AED'000 *(Unaudited)*	31 December 2023 AED'000 *(Audited)*
Job and other accruals	**4,629,623**	3,151,971
Advances received on contracts	**3,427,754**	2,451,068
Trade payables	**482,954**	116,363
VAT payables	**195,030**	96,542
Provision for employees leave salary	**94,471**	64,722
Provision for board remuneration and employee bonus	**44,276**	52,850
Provision for air fare	**48,106**	37,319
Retentions payable	**90,306**	20,537
Warranty provision	**14,093**	14,093
Provision for future losses	**3,919**	686
Other payables	**8,504**	13,723
Other miscellaneous accruals	**6,295**	7,907
	9,045,331	6,027,781

Included in trade and other payables are amounts of AED 227.6 million (31 December 2023: AED 459.5 million) due to entities disclosed in note 17 to the condensed consolidated interim financial statements.

16 TAXATION

	30 September 2024 AED'000 *(Unaudited)*	30 September 2023 AED'000 *(Unaudited)*
Current income tax charge		
Current income tax charge – net	**146,857**	4,391

Movement of the income tax payable is as follow:

	30 September 2024 AED'000 *(Unaudited)*	31 December 2023 AED'000 *(Audited)*
Balance at the beginning of the period/year	**72,618**	66,765
Charge for the period/year	**160,239**	36,178
Reversals during the period/year	**(13,382)**	(11,397)
Refund received during the period/year	**-**	11,839
Payments during the period/year	**(32,690)**	(30,767)
Balance at the end of the period/year	**186,785**	72,618

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 CT regime in the UAE. The new CT regime has become effective for accounting periods beginning on or after 1 September 2023. As the Group's accounting year ends on 31 December, the first tax period is from 1 January 2024 to 31 December 2024, with the respective tax return to be filed on or before 30 September 2025.

The taxable income of the entities that are in scope for UAE CT purposes will be subject to the rate of 9% corporate tax. The application of the Global Minimum Tax rate of 15% in FY2024 is dependent on the implementation of Base Erosion Profit Shifting (BEPS 2) - Pillar Two rules by the countries where the Group operates and the enactment of Pillar Two rules by the UAE MoF.

The tax charge for the period ended 30 September 2024 is AED 146.9 million (30 September 2023: AED 4.3 million), representing an Effective Tax Rate ("ETR") of 14% (30 September 2023: 1%).

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

17 RELATED PARTY TRANSACTIONS AND BALANCES

The Group, in the ordinary course of business, entered into a variety of transactions at agreed terms and conditions, with Companies, entities or individuals that fall within the definition of "related parties" as defined in IAS 24 *Related Party Disclosures*. Related parties comprise the Shareholder, key management staff and business entities related to them, companies under common ownership and/or common management and control, their Directors and key management personnel.

Related party balances are disclosed in notes 8, 10 & 15 to the condensed consolidated interim financial statements.

	3 months ended 30 September		**9 months ended 30 September**	
	2024	2023	**2024**	2023
	AED'000	AED'000	**AED'000**	AED'000
	(Unaudited)	*(Unaudited)*	***(Unaudited)***	*(Unaudited)*
Related party transactions				
Contract revenues	**-**	2,490	**-**	10,145
Material and services purchased	**78,279**	53,239	**206,110**	111,569
Sub-contract costs	**91,988**	100,745	**464,726**	319,910
Interest income, net	**24,327**	7,322	**65,446**	26,148
Dividend paid (note 19)	-	**-**	**750,000**	**-**
Share of profit from an associate	**-**	490	**-**	490
Other income	**64,286**	**-**	**64,286**	-

17 RELATED PARTY TRANSACTIONS AND BALANCES (continued)

At the reporting date, balances with related parties were as follows:

Due from / to parent company

	Due from balance		Due to balance	
	30 September 2024	31 December 2023	**30 September 2024**	31 December 2023
	AED'000	*AED'000*	***AED'000***	*AED'000*
	(Unaudited)	*(Audited)*	***(Unaudited)***	*(Audited)*
NMDC Group PJSC (NMDC)	**190,545***	1,015,829	-	757,558

*As of the reporting period, balances due from a related party are presented on a net basis as a legally enforceable right to set off such amounts exist, and the Management intends to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

Due from/to other related parties:

	30 September 2024	31 December 2023
	AED'000	AED'000
	(Unaudited)	*(Audited)*
Trade and other receivables	**-**	354,361
Trade and other payables	**227,632**	459,551
Bank balances	**2,614,647**	2,208,535

18 EARNINGS PER SHARE

	3 months ended 30 September		9 months ended 30 September	
	2024	2023	**2024**	2023
	AED'000	AED'000	**AED'000**	AED'000
	(Unaudited)	*(Unaudited)*	***(Unaudited)***	*(Unaudited)*
Profit attributable to the shareholders of the Company *(AED'000)*	**400,593**	164,010	**901,494**	406,100
Weighted average number of ordinary shares *('000)*	**1,334,307**	1,334,307	**1,334,307**	1,334,307
Earnings per share attributable to the shareholders of the Company *(AED)*	**0.30**	0.12	**0.68**	0.30

Diluted earnings per share as of 30 September 2024 and 30 September 2023 are equivalent to basic earnings per share.

18 EARNINGS PER SHARE (continued)

The weighted average number of ordinary shares outstanding during the period and for comparative period have been adjusted for the effect of capitalization arising from the issuance of 4,900,000 thousand ordinary shares on 24 July 2024.

19 DIVIDEND

At the National Marine Dredging Company's Board meeting held on 12 February 2024, the Board approved a dividend of AED 750,000 thousand (and paid in full during the period), relating to the previous years (2023: AED nil).

20 CONTRACTS REVENUE

	3 months ended 30 September		**9 months ended 30 September**	
	2024	2023	**2024**	2023
	AED'000	AED'000	**AED'000**	AED'000
	(Unaudited)	*(Unaudited)*	***(Unaudited)***	*(Unaudited)*
Revenue by project type				
Energy	**3,975,212**	1,890,161	**9,783,376**	4,980,633
Revenue by activity				
Engineering, procurement and construction	**3,975,212**	1,890,161	**9,783,376**	4,980,633
Timing of revenue recognition				
Revenue recognised over the period	**3,975,212**	1,890,161	**9,783,376**	4,980,633
Revenue by geography				
UAE	**2,505,663**	1,119,891	**6,088,385**	3,043,957
International	**1,469,549**	770,270	**3,694,991**	1,936,676
	3,975,212	1,890,161	**9,783,376**	4,980,633

20.1 UNSATISFIED PERFORMANCE OBLIGATION

The transaction price allocated to (partially) unsatisfied performance obligations at 30 September 2024 amounted to AED 50,082 million (30 September 2023: AED 41,409 million).

21 PROFIT FOR THE PERIOD

Profit for the period is stated after:

	3 months ended 30 September		9 months ended 30 September	
	2024	2023	**2024**	2023
	AED'000	AED'000	**AED'000**	AED'000
	(Unaudited)	*(Unaudited)*	***(Unaudited)***	*(Unaudited)*
Salaries and other benefits	**456,635**	447,009	**1,265,305**	964,099
Depreciation of property, plant and equipment (note 5)	**48,627**	46,071	**147,158**	139,249
Depreciation of right-of-use assets (note 6)	**(3,793)**	2,883	**29,764**	8,650

22 CONTINGENT LIABILITIES AND COMMITMENTS

	30 September 2024	31 December 2023
	AED'000	*AED'000*
	(Unaudited)	*(Audited)*
Letters of guarantee	**14,387,431**	11,703,758
Letters of credit	**90,401**	147,319
Capital commitments	**178,298**	145,058
Purchase commitments	**6,812,768**	5,378,558
Lease commitments	**54,420,804**	-

23 SEGMENT INFORMATION

Geographical segment information

The Group has aggregated its geographical segments into UAE and International. UAE segment includes projects in the UAE, while international segment includes operations in Kingdom of Saudi Arabia, Bahrain, India, and Kuwait.

The following table shows the Group's geographical segment analysis:

	UAE AED'000	International AED'000	30 September 2024 Group AED'000
Segment revenue	**6,088,384**	**3,694,992**	**9,783,376**
Segment gross profit	**498,503**	**504,460**	**1,002,963**
General and administrative expenses	-	-	**(76,470)**
Other income, net	-	-	**105,992**
Finance income	-	-	**83,044**
Finance costs	-	-	**(49,085)**
Depreciation of right-of-use assets	-	-	**(10,388)**
Foreign currency exchange loss	-	-	**(5,177)**
Profit before tax for the year	**517,098**	**533,781**	**1,050,879**
Income tax charge	**(133,838)**	**(13,019)**	**(146,857)**
Profit after tax	**383,260**	**520,762**	**904,022**
Total assets	**11,772,926**	**3,876,742**	**15,649,668**
Total liabilities	**8,391,391**	**2,508,063**	**10,899,454**

23 SEGMENT INFORMATION (continued)

	UAE AED'000	International AED'000	30 September 2023 Group AED'000
Segment revenue	3,044,260	1,936,373	4,980,633
Segment gross profit	329,183	162,210	491,393
General and administrative expenses	-	-	(70,715)
Other income, net	-	-	23,883
Finance income	-	-	65,132
Finance costs	-	-	(57,976)
Depreciation of right-of-use assets	-	-	(8,650)
Foreign currency exchange loss	-	-	(18,327)
Profit before tax for the year	213,306	198,176	411,482
Income tax charge	-	(4,391)	(4,391)
Profit after tax	213,306	193,785	407,091

	UAE AED'000	International AED'000	31 December 2023 Group AED'000
Total assets	9,517,355	3,502,943	13,020,298
Total liabilities	5,781,292	2,640,405	8,421,697

24 SEASONABILITY OF RESULTS

No income of seasonal nature was recorded in the condensed consolidated interim statement of comprehensive income for the nine-month period ended 30 September 2024 (30 September 2023: nil).

25 RECLASSIFICATION

Certain comparative figures for the year ended 31 December 2023 have been reclassified for consistency with the current year presentation. This reclassification had no effect on the reported results of the Group for the year ended 31 December 2023.

26 APPROVAL OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The condensed consolidated interim financial statements were approved by the Board of Directors and authorised for issue on 23 October 2024.