NMDC Energy
Management Discussion & Analysis



3Q/9M 2025 Earnings Release

NMDC Energy reports 9M2025 results, with revenues increasing 33% to reach AED13.0 billion and net profit up 5% to AED951 million

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Key Highlights

REVENUES
AED **13.0** billion
9M25 33% Y-o-Y

EBITDA
AED **1.3** billion
9M25 6% Y-o-Y

NET PROFIT
AED **951** million
9M25 5% Y-o-Y

BACKLOG
AED **45.6** billion
Sep-25

EPS
AED **0.19**
9M25 5% Y-o-Y

RoAE
27.1%
*Trailing Earnings

AWARDED PROJECTS
AED **13.9** billion
9M25

TOTAL ASSETS
AED **19.1** billion
16% YTD

TOTAL EQUITY
AED **5.5** billion
6% YTD

CASH & BANKS
AED **3.6** billion
-15% YTD

FREE CASH FLOW
AED **326** million
9M25

CAPEX
AED **396** million
9M25

NET WORKING CAPITAL
AED **(1.2)** billion
Sep-25

NMDC Energy Stock Data*

Closing Price	Market Cap.	Price/ Earnings	Average Target Price	Upside to TP
AED **2.43**	AED **12.2** bn	**8.4** x	AED **3.48**	**43%**
-14% YTD		*Trailing Earnings		

*Calculation based on 30th September 2025 closing price

Financial Results

INCOME STATEMENT

AED (million)	3Q25	2Q25	3Q24	Y-o-Y	Q-o-Q	9M25	9M24	Y-o-Y
Revenue	4,846	4,431	3,975	22%	9%	13,012	9,783	33%
EBITDA*	472	485	543	-13%	-3%	1,266	1,196	6%
EBITDA Margin	*9.7%*	*10.9%*	*13.7%*			*9.7%*	*12.2%*	
Net Profit Before Tax	392	408	513	-24%	-4%	1,031	1,051	-2%
Net Profit after Tax	368	366	402	-9%	0%	951	904	5%
Net Profit Margin	*7.6%*	*8.3%*	*10.1%*			*7.3%*	*9.2%*	
Net Profit Attributable to Shareholders	367	366	401	-8%	0%	949	901	5%
Minorities	0.3	0.5	1.0	-66%	-29%	1.6	2.5	-36%

* Calculated by adding back net finance cost (income) and Depreciation & Amortization to net profit before tax

9M 2025

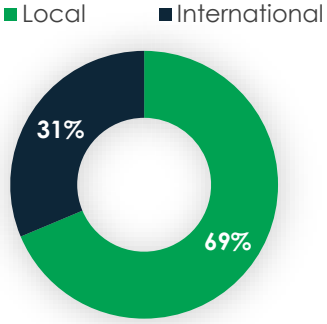
- A third quarter of buoyant performance took 9M25 revenues up 33% Y-o-Y to reach AED13.0 billion. This was underpinned by strong execution of backlog that echoes strong execution capabilities.
- EBITDA reached AED1.3 billion, up 6% Y-o-Y in 9M25; with EBITDA margin coming at 9.7% in 9M25.
- Net profit after tax came at AED951 million, up 5% Y-o-Y; with this reflecting a net profit margin of 7.3%.

3Q2025

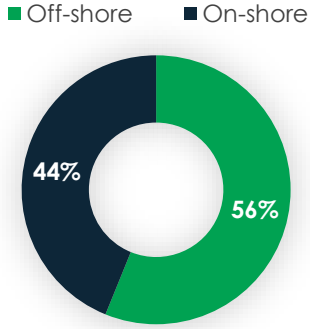
- NMDC Energy reported revenues of AED4.8 billion in 3Q25, higher 22% Y-o-Y, on the back of strong backlog execution.
- EBITDA came at AED472 million in 3Q25, with an EBITDA margin of 9.7%, lower Y-o-Y; as the comparable quarter included the booking of an exceptionally high margin project.
- NMDC Energy reported net profit of AED368 million in 3Q25, lower 9% Y-o-Y. This decline reflect the relatively higher comparable quarter, that included exceptionally high margin project.

Revenue Breakdown

Local Vs. International



Off-shore Vs. On-shore



* Calculations based on 9M2025 revenues

Financial Results

BALANCE SHEET

AED (million)	Sept- 25	Dec- 24	YTD
Current Assets	14,924	12,617	18%
Non-current Assets	4,214	3,918	8%
Total Asset	**19,138**	**16,535**	**16%**
Current Liabilities	12,812	10,318	24%
Non-current Liabilities	815	998	(18%)
Total Liabilities	**13,627**	**11,316**	**20%**
Total Equity	**5,510**	**5,219**	**6%**
Cash	3,591	4,215	(15%)
Net Cash	3,209	3,635	(12%)

- Cash and bank balances decreased to AED3.6 billion by the end of September 2025, to reflect payments to suppliers to expedite material delivery, loan repayments, tax payments and the AED700 million of dividends distribution.

- Total equity rose 6% to AED5.5 billion by the end of September as compared to year end FY24; mainly reflecting the increase in retained earnings on the back of 9M25 net profits, and despite the AED700 million of cash dividends paid during the year.

FREE CASH FLOW

AED (million)	3Q25	2Q25	1Q25	9M25	9M24
Cash Flow from Operations	(1,168)	2,259	(369)	722	1,097
Capital Expenditures	(191)	(104)	(101)	(396)	(305)
Free Cash Flow	**(1,359)**	**2,155**	**(470)**	**326**	**792**

NET WORKING CAPITAL

AED (million)	Sept- 25	June- 25	Mar- 25	Dec- 24
Inventories	279	243	245	250
Trade and other receivables	6,582	5,669	5,736	5,033
Contract Assets	4,011	3,443	3,352	3,106
Other Current Assets	461	33	9	12
Trade & Other Payables	(11,454)	(10,806)	(9,212)	(8,745)
Contract Liabilities	(766)	(866)	(798)	(937)
Other Current Liabilities	(328)	(522)	(357)	(372)
Net Working Capital*	**(1,216)**	**(2,805)**	**(1,025)**	**(1,653)**

* Excludes cash and borrowings and includes financial assets

- Free cash flow came at AED326 million in 9M25, pressured by negative change in net working capital and capex spending.

- Capex spending came at AED396 million in 9M25, related to KSA yard and UAE yards upgrade, equipment purchase and maintenance capex.

- Net working capital stood at AED(1.2) billion at the end of September 2025, from AED(2.8) billion in June 2025. This Q-o-Q movement reflects the increase in trade receivable, contract assets, due from related party, and advances to suppliers, which outweighed the increase in trade payables and job accruals.

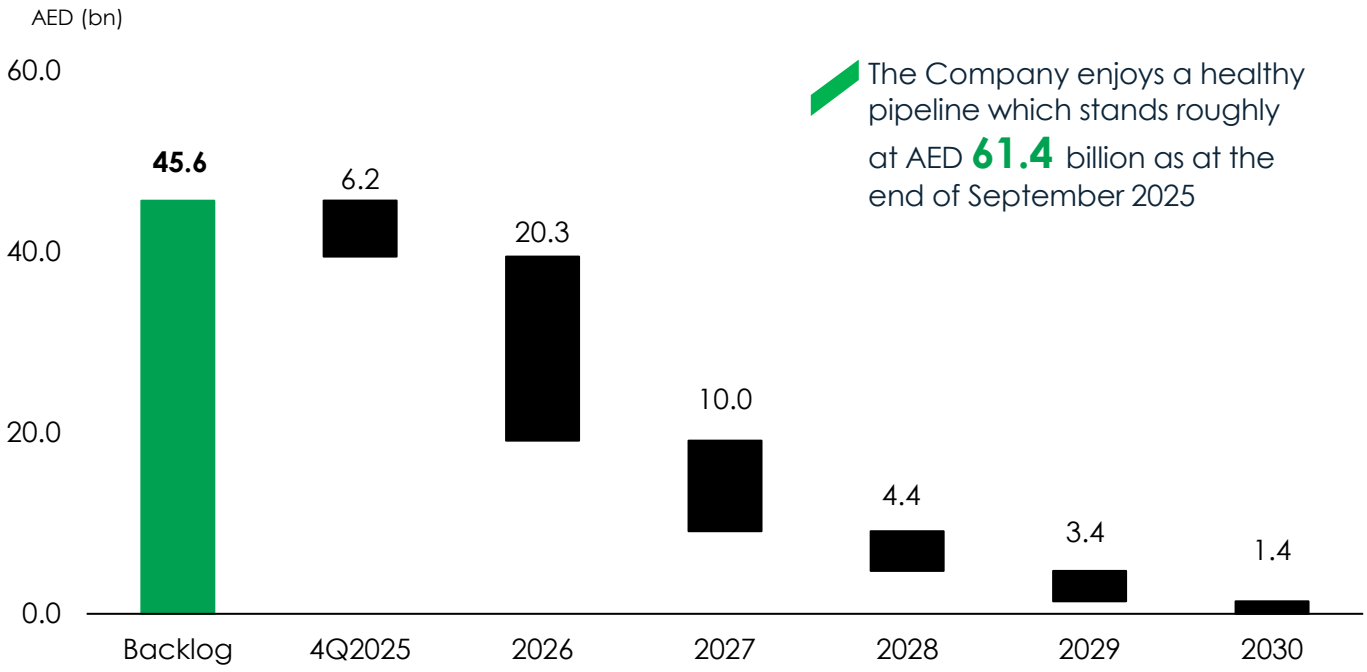
Project Awards and Backlog

Awarded Projects

EPC work off-shore project	UAE	AED 9.7 billion
EPC Work - subsea gas pipeline	Taipower - Taiwan	AED 4.2 billion
Total Awarded Projects in 9M25		**AED 13.9 billion**

*No awarded projects in 3Q25

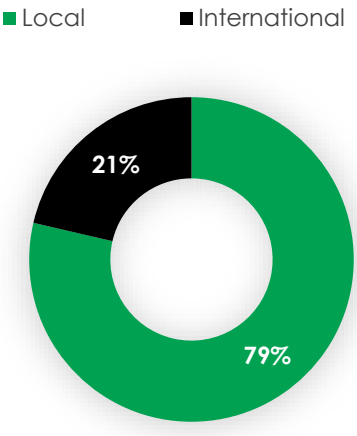
Expected Backlog Unwinding



The Company enjoys a healthy pipeline which stands roughly at AED **61.4** billion as at the end of September 2025

Backlog Breakdown

Local Vs. International



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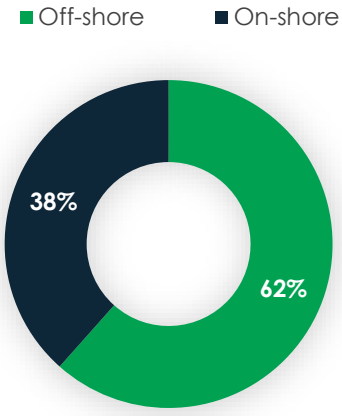

Business Development

First steel cut ceremony- Ras Al Khair Fabrication Yard in KSA

In July, NMDC Energy officially commenced fabrication activities at its newly developed yard in Ras Al-Khair, Saudi Arabia — a major milestone in its regional expansion. The first steel cut at the 400,000 sqm facility marks the start of operations, reinforcing the company's commitment to supporting Saudi Arabia's industrial growth and energy ambitions. Featuring advanced automation and digital systems, the yard provides fabrication, rigging, maintenance, and modularization services for complex energy infrastructure. It supports both offshore and onshore projects with an annual production capacity of 40,000 tons.



USD 2.6 billion Local Project Award

NMDC Energy was awarded a AED9.7 billion local project in March 2025. The project involves off-shore EPC work and is expected to be completed within 57 months commencing 31st March 2025. This comes as a testament for NMDC Energy's operational excellence and resilient long-standing relationship with our clients.

Taiwan Pipeline Awarded Project

In January 2025, NMDC Energy has been awarded a contract by Taiwan Power Company (Taipower) for the installation of subsea gas pipelines, for the second-phase renewal project of the Tung-Hsiao Power Plant in Taiwan. NMDC Energy will be responsible for the design, construction, and installation of marine pipelines at depths ranging from 10 to 55 meters, extending between Taichung and Tung-Hsiao on Taiwan's west coast. This massive project, valued at $1.136 billion, enhances NMDC Energy's presence in Taiwan and actively supports its contributions to renewable energy initiatives.



A 3-year extension for the Long-Term Agreement with Aramco

NMDC Energy continues to strengthen its long-lasting relationship with Aramco, with a 3-year extension to its Long-Term Agreement ("LTA") and an option for an additional 3 years. NMDC Energy has been involved in multiple projects with Aramco since their previous LTA was signed in 2016. The services provided by NMDC Energy under the LTA cover detailed engineering, material procurement, fabrication, transportation, installation, and pre-commissioning of offshore facilities in connection with projects to be executed within Saudi Arabian territorial waters.



Achievements & Recognitions

MSCI ESG Rating of "A"

NMDC Energy achieved its first-ever MSCI ESG Rating of "A", marking a major milestone in its sustainability journey and reflecting strong ESG governance, responsible operations, and proactive management of environmental and social risks.
The company's ESG Committee is driving the Sustainability Strategy (2025–2027) to further enhance Scope 3 data accuracy, integrate low-carbon technologies, strengthen disclosure transparency, and reinforce HSE culture — all aimed at advancing toward an upgraded "AA" rating in the coming years.



NMDC Energy Inclusion in MSCI EM Small Cap. Index

NMDC Energy was successfully qualified and included in MSCI Emerging Markets Small Cap. Index and MSCI UAE Small Cap. Index (the Global provider of equity, fixed income, real estate indices) during their rebalancing event in February 2025. This resulted in passive funds flowing into NMDC Energy during first quarter of 2025. The inclusion comes post NMDC Energy's listing on ADX in September 2024.

Oil & Gas Middle East Awards 2025

EPC Contractor of the Year (2022-2025)

Yard Modernization Company of the Year (2024-2025)



MEED Energy Project of the Year
MEED Projects Award



NMDC Energy Forbes Middle East Top 100 Listed Companies



ASIAN OIL&GAS AWARDS

Asian Oil & Gas Awards
Hail & Ghasha & Al Safety



Energy Company of the Year
The 2025 Sustainability Innovation Awards
(Construction Business News)

Make It In The Emirates (MIITE) 2025

NMDC Energy awarded ICV Excellence Award

NMDC Energy received the ICV Excellence Award in the category of Semi-Governmental Manufacturers at the Make it in Emirates forum in Abu Dhabi. The ICV Excellence Award recognizes manufacturers that have obtained the In Country Value certification and it celebrates their efforts to support the growth and development of local industries, businesses, communities, and talent in the UAE.



NMDC Energy and Al Gharbia Sign an MoU

NMDC Energy signed a strategic Memorandum of Understanding (MoU) with Al Gharbia, the Abu Dhabi based advanced pipeline manufacturer, to explore ways to accelerate pipe production in the UAE to meet local and regional demand. The partnership forms part of the MIITE mandate to drive industrial growth in the UAE, and it serves as another example of the increasing level of synergy between key local players in the UAE's industrial and energy landscape.



NMDC Energy and Hilong Sign an MoU

NMDC Energy signed a Memorandum of Understanding (MoU) to explore collaboration with Shanghai Hilong Shine New Materials Co. LTD (Hilong), a company committed to R&D and manufacturing related to high-end coating and new materials for industrial heavy-duty anti corrosion, at the Make it in Emirates forum in Abu Dhabi. Both entities will explore the possibility of establishing Joint Venture agreements to conduct operations together in the UAE and the Kingdom of Saudia Arabia.



Sustainability & HSE

3D-Printed Artificial Reefs for Marine Enhancement

- Designed 3D-printed artificial reef layouts—including an ADNOC-logo pattern—at the Ruwais LNG Project to enhance marine habitats and support environmental branding.

Quality Bonding Event

- NMDC Energy hosted a Quality Bonding Event with ADNOC's Quality Departments aiming to Enhance collaboration between both entities & Promote knowledge-sharing.

HSE Performance

- Delivered 107.3 million workhours with zero fatalities, underscoring a strong safety culture and operational discipline.

Marine Biodiversity Protection

- Sustained efforts in sea turtle rescue and conservation at Hail & Ghasha.

Emergency Preparedness & HSE Drills

- Carried out drills to assess operational readiness and response capabilities, including H_2S Exposure, Rescue at Height, Abandon Ship, Fire, Spill Response, Heat Stress, Medivac, and Environmental Spill Simulations.

HSE Awareness & Emergency Readiness

- Facilitated ESG and sustainability training to improve staff awareness and engagement.

Green Engagement – Adopt a Plant Campaign

- Launched to involve staff in workplace greening and environmental stewardship.

Staff Sustainability Capacity Building

- Sustainability & ESG training to foster a culture of care, continuous learning, and stronger alignment with the ESG Strategy.

Mangrove Planting to Support Biodiversity

- Ongoing coastal restoration with mangrove planting, supporting ARAMCO's environmental goals, carbon capture, marine biodiversity, and Net Zero targets.

GHG Emissions Management

- Ongoing monitoring and tracking of emissions; 3rd party audit initiated as per GHG Protocol.

Waste Reduction

- Installed three waste converters to minimize environmental impact.

Decarbonization Initiatives

- Continued electrification of cranes and equipment to reduce emissions.

Disclaimer

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

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

Actual events or results may 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.

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