



شركة الحفريات
البحرية الوطنية
NATIONAL MARINE
DREDGING COMPANY

NATIONAL MARINE DREDGING COMPANY PJSC RESULTS FOR THE THREE MONTHS ENDED 31 March 2019

Abu Dhabi, UAE – 14 MAY 2019. National Marine Dredging Company PJSC ("NMDC" or the "Group"), a leading contractor for dredging, land reclamation and marine civil construction, published its consolidated results for the period ended 31 March 2019, as set out below:

SUMMARY FINANCIAL RESULTS (In AED Millions)

	Three months ended 31 March		
	2019	2018	Variance
Revenue	324	333	-9
Gross profit	28	29	-1
Net profit	18	14	+4

HIGHLIGHTS

- Q1 2019 revenue of AED 324 million is in line with that for the corresponding prior period, AED 333 million.
- Net profit at AED 18 million showed an improvement from AED 14 million in the corresponding prior period.
- In Q1 2019, the Group was awarded the high-profile Hail and Ghasha Artificial Islands project by Abu Dhabi National Oil Company, in addition to 2 projects by Abu Dhabi Ports Company (Mugharraq Port Marine Development and Refurbishment of Al Sila Port), and 2 projects for development activities on Al Yasat Island and Jubail Island.
- NMDC signed agreements for the construction of a new hopper dredger with capacity of 8000m³, and a backhoe dredger, which are expected to be delivered in April/May 2020.

In Q1 2019, the Group commenced start-up (planning, procurement and recruitment) activities on the Hail and Ghasha Artificial Islands Project, while continuing to make progress on the Khalifa Port South Quay Development and Foreshore Works for Abu Dhabi Ports Company, which was started at the end of Q4 2018. Other ongoing government-related infrastructure projects made significant progress in the period or were completed - Deepening of Existing Channels in East of Abu Dhabi, Ras Al Ghurab South Island Development, Umm Al Nar Mangrove Dredging, Ruwais Resort Island and Delma Port Marine Works. Other notable non-government projects in the UAE included preparatory dredging works for Tristar for the new highway that will connect Reem Island to Eastern Mangroves.

In terms of International projects, the activity is focused on Egypt with 3 projects in progress in the period; Manzalah Lake Development, Adabiya Port Dredging and Damietta Port where we are utilizing NMDC's hopper dredger Arzana. Additional projects are in the pipeline.

A total amount of AED 106 million was invested in property, plant and equipment during the three months ended 31 March 2019, which mostly comprised the first instalments paid for the hopper dredger and the backhoe dredger. Following the recent award of Hail and Ghasha project, the Group reactivated two rock barges that were previously classified as 'held for sale', to be utilized on the project. The vessels that are still laid up are planned to be divested and continue to be classified as 'held for sale'.



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MANAGEMENT EXPLANATION ON THE AUDITOR'S REVIEW CONCLUSION

With reference to the Auditor's Report on the interim financial information – "Qualified Conclusion" & "Emphasis of Matter" – Management would like to highlight that the Group is executing strategic projects for the Government of Abu Dhabi and/or Government related entities. The Group is involved in the projects from concept design to final construction and the nature of these projects is such that they require time from conceptualization to finalization with the clients. Discussions and negotiations with clients for finalization of the billing arrangements are continuing and the billings for a significant amount of the unbilled receivables is currently at an advanced stage of approval. Management expects that progress will be made on securing approvals for billing, in the coming periods.

For and on behalf of
National Marine Dredging Company


Yasser Nasr Zaghloul
Chief Executive Officer



About National Marine Dredging Company:

NMDC is a leading contractor in the field of dredging and marine civil construction. The Group delivers a range of services including the construction of port infrastructure, land reclamation, coastal defense and deepening and maintenance of waterways. The Group owns and operates a modern fleet of dredgers supported by a wide range of auxiliary equipment including tugs, workboats, barges and survey vessels. NMDC employs 2100 professionals.

For more information, please visit www.nmdc.com, or contact:

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