



First Quarter 2026

Management Discussion & Analysis Report

For the Three-Month Period
Ended 31st March 2026

Key Financial Highlights

IHC delivered a strong start to 2026, reporting revenue of AED 31.4bn, up 33.2% year-on-year, underpinned by broad-based segment performance and disciplined execution across the Group.

- Profit before tax surged 84.4% to AED 9.0bn, and profit after tax increased 98.5% from AED 4.1bn to AED 8.2bn.
- With total assets reaching AED 445.3bn and earnings per share of AED 2.32, up 246.3% year-on-year.

Q1'26 Key Financials

Revenue

₹ 31.4bn

+33.2% YoY

Gross Profit

₹ 7.9bn

+35.1% YoY

Equity

₹ 249.1bn

-0.6% QoQ

Debt

₹ 94.8bn

+12.3% QoQ

Profit Before Tax

₹ 9.0bn

+84.4% YoY

Net Income

₹ 8.2bn

98.5% YoY

Cash & Bank
Balances

₹ 74.7bn

-0.2% QoQ

Earnings per
Share

₹ 2.32

+246.3% YoY

Total Assets

₹ 445.3bn

+3.9% QoQ

Total Liabilities

₹ 196.2bn

+10.3% QoQ

IHC's financial performance in Q1 2026 reflects the structural strength of a portfolio built on active investment, dynamic value networks, and a sector-agnostic approach to capital deployment. Unlike a traditional holding company, IHC takes a proactive role in identifying and connecting assets that generate compounding value across the Group. Our results this quarter are not incidental. They are the product of a long-term investment philosophy anchored in diversification, disciplined allocation, and a deep commitment to creating sustainable benefit for shareholders, partners, and the communities we serve.

Portfolio Overview

Since its founding in 1999, IHC has grown into the UAE's most valuable listed company, with a market capitalization of AED 855 billion. IHC is more than a holding company, operating as an active investor-operator that is redefining the traditional holding company model and representing a new generation of investors.

IHC's disciplined approach to capital deployment and portfolio construction has positioned the Group as Abu Dhabi's most diversified listed conglomerate, with over 1,300+ subsidiaries spanning key sectors of the national economy. Guided by the Group's long-term investment philosophy, IHC continues to drive value through acquisitions, organic growth, and active portfolio management, broadening its footprint across strategic growth frontiers.

IHC's strength lies in its ability to look beyond the stand-alone value of assets for opportunities and to work across them. Enabling these Dynamic Value Networks demands agility and speed to align companies, mobilise capital and capabilities, and unlock even greater returns. Below are our direct subsidiaries, listed on the ADX:

Alpha Dhabi

Alpha Dhabi Holding (ADH) is one of the region's largest and fastest-growing listed investment platforms, connecting investors to the exceptional returns of a dynamic and vibrant economy. ADH's investments are diversified across 8 primary pillars: climate capital, real estate, healthcare, industries, construction, hospitality, energy, and investments.

2PointZero Group

2PointZero Group PJSC is a next-generation investment powerhouse focused on Energy and Consumer, two multi-trillion-dollar sectors that power everyday life and form the foundation of the new economy. Its AI-enabled, diversified portfolio is built for efficiency, synergy, and compounding returns.

Emirates Stallions Group

ESG is a diversified UAE group uniting more than 45 subsidiaries across Manpower and Accommodation, Real Estate, Design and Manufacturing, Landscaping, and Agriculture. With projects in over 15 countries and a workforce of over 15,000 personnel, ESG delivers integrated, cross-industry solutions that support national development and global expansion.

EasyLease

EasyLease is a leading provider of integrated mobility solutions across the UAE and the wider GCC. Operating one of the region's largest managed fleets, exceeding 40,000 vehicles, EasyLease enables businesses to scale efficiently through flexible, technology-enabled leasing and mobility services.

Palms Sports

Palms Sports, the largest sports training and management company in the MEA region, is a diversified conglomerate operating across different verticals to include private security, education, events & marketing, tech & AI, and healthcare.

Al Seer Marine

Al Seer Marine is a global maritime organization headquartered in Abu Dhabi. Its extensive service portfolio encompasses commercial shipping, yacht management, boat building, large-scale 3D printing, unmanned vessel platforms and capabilities, and cutting-edge technological innovations.

Balance Sheet

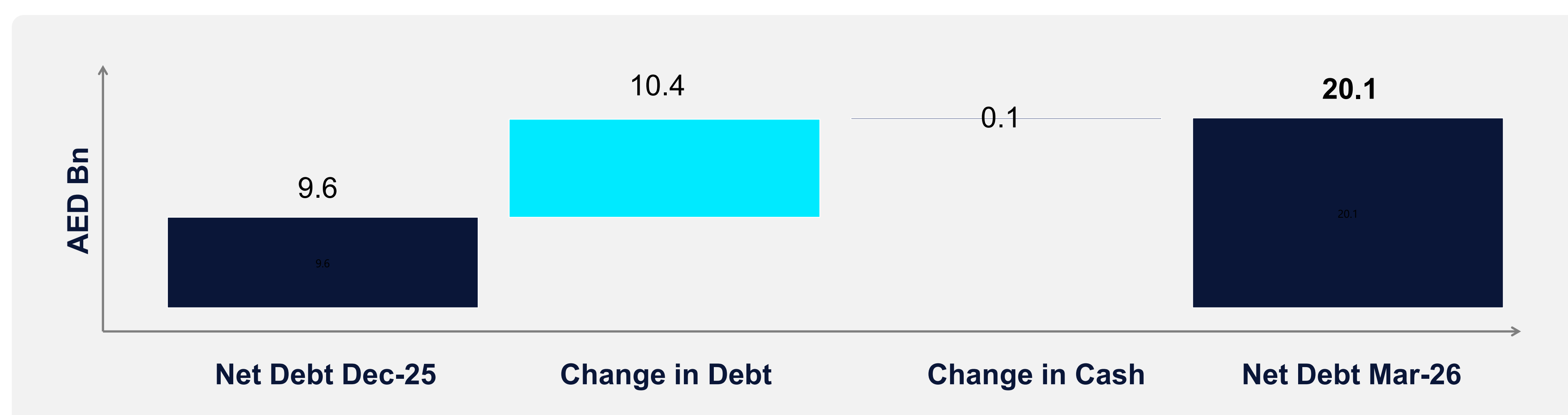
IHC's overarching goal in its approach to dynamic portfolio management is maximizing shareholder returns while maintaining its healthy balance sheet structure. IHC reported a growth of 3.9% in its total assets base.

The expansion of our assets reflects the synergies derived from our growing portfolio and key partnerships across our diversified verticals. The Real Estate & Construction and Financial Services segments witnessed a notable expansion in their asset base. Additionally, Total Equity, cash and owner's equity remained flat, a testament of our on-going commitment to upholding shareholder value.

AED bn	31 Mar 2026	31 Dec 2025	QoQ change %
Total Assets	445.3	428.6	3.9%
Cash and Bank Balances	74.7	74.9	-0.2%
Total Liabilities	196.2	177.9	10.3%
Total Debt (Borrowings, Sukuk and Hybrid notes)	94.8	84.4	12.3%
Total Equity	249.1	250.7	-0.6%
Owner's Equity	151.6	152.8	-0.8%

ROA	ROE ²	ROCE	Quick Ratio	Debt/Equity
9.0% (8.4%) ¹	17.8% (15.2%) ¹	12.6% (11.8%) ¹	2.7x (2.9x) ¹	0.4x (0.3x) ¹

- Total debt increased to AED 94.8bn as of March 2026 as compared to AED 84.4bn in the last quarter, driven primarily by an increase in non-convertible sukuk issuance of AED 7.4bn and borrowings of AED 3bn. The total debt consists of c.76.5% of borrowings in the form of term loans, credit facility, bank overdraft and trust receipts. The remaining 22.7% is in the form of non-convertible sukuk and 0.8% is in the form of finance liability.
- Overall, the net debt of IHC increased by AED 10.5bn to AED 20.1bn, with the cash position remaining nearly flat and debt increasing by AED 10.4 bn.
- Return on assets (ROA) increased from 8.4% in December 2025 to 9.0% in March 2026. Return on Equity (ROE) improved from 15.2% in December 2025 to 17.8% in March 2026 and Return on Capital Employed (ROCE) improved to 12.6% in March 2026 from 11.8% in December 2025.
- IHC's operational results underscore continued execution of its strategic priorities and its ongoing commitment to driving sustainable growth and long-term shareholder value.



Note: All Figures are in AED bn, except otherwise noted
 QoQ: Mar 2026 vs. Dec 2025
 1: March 2026 vs. Dec 2025
 2: LTM Owner's net profit over average LTM Owner's equity

Income Statement

During the three-month period ended 31 March 2026, IHC delivered strong quarterly results, with profit after tax and earnings per share (EPS) showing substantial year-on-year growth.

Revenue for the quarter reached AED 31.4 billion, compared to AED 23.6 billion in the same period last year, an increase of AED 7.8 billion, while the EPS for the quarter increased to AED 2.32 per share as compared to AED 0.67 in the same period of last year, a substantial increase of 246.3%.

AED bn	Q1 2026	Q1 2025	YoY % Change
Revenue	31.4	23.6	33.2%
Gross profit	7.9	5.9	35.1%
SG&A	(3.4)	(2.0)	69.4%
Profit before tax	9.0	4.9	84.4%
Profit after tax	8.2	4.1	98.5%
EPS (AED)	2.32	0.67	246.3%

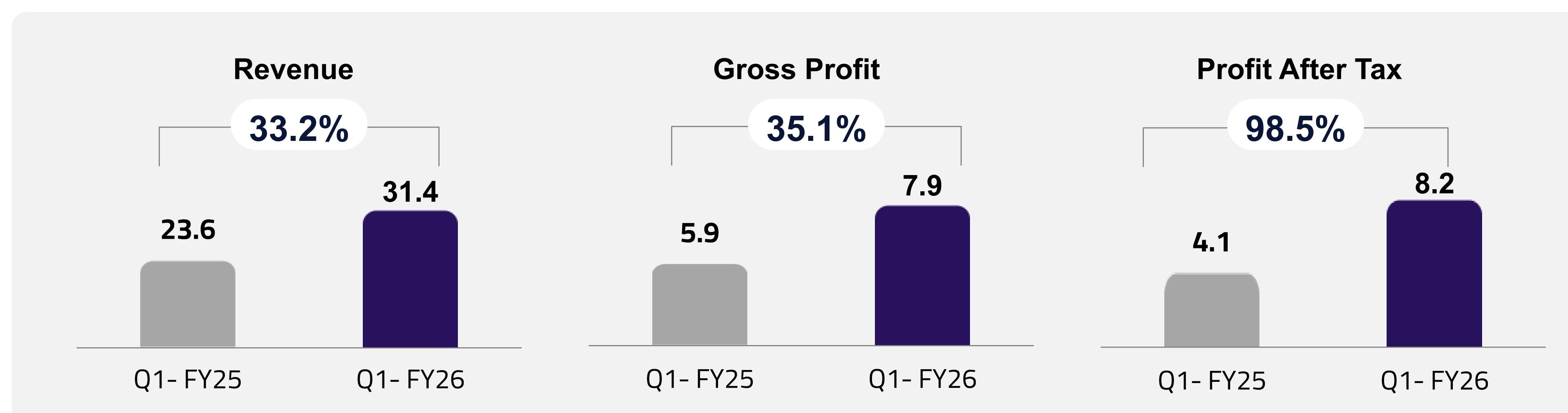
For the three-month period between 1 January and 31 March 2026

IHC delivered a solid three-month performance characterized by sustained top-line growth, margin improvement, and strong contributions across all core segments, reinforcing the quality and depth of its earnings base.

Revenue increased 33.2% driving higher gross profit of AED 7.9bn and margin increased slightly from 24.8% to 25.2%. Operating costs increased, with SG&A up 69.4% to AED 3.4bn.

Bottom-line performance was significantly stronger, with profit before tax surging 84.4% to AED 9.0bn and net income nearly doubling from AED 4.1bn to AED 8.2bn.

Earnings per share also experienced a significant increase of 246.3%, increasing from AED 0.67 in Q1 2025 to AED 2.32 in Q1 2026.



Segment Analysis (Q1 2026 vs Q1 2025)

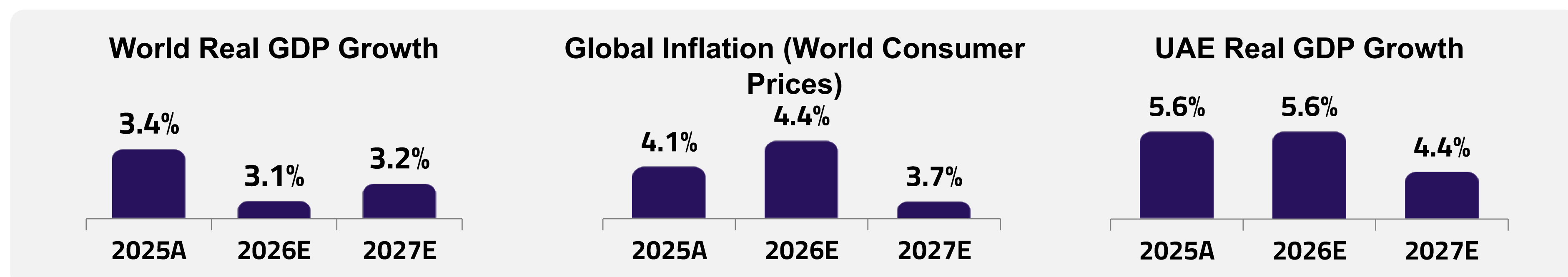
- **Energy and Mining** revenue increased more than fourfold, from AED 1.1bn to AED 5.4bn.
- **Hospitality and Leisure** revenue grew 126.8%, from AED 1.2bn to AED 2.7bn.
- **Technology** recorded revenue growth of 54.1%, increasing from AED 650m to AED 1.0bn.
- **Real Estate and Construction** segment saw revenue growth of 18.3% from AED 9.2bn to AED 10.8bn.
- **Food segment** revenue grew 20.3% from AED 1.4bn to AED 1.6bn.
- **Financial Services** recorded revenue growth of 47.6% increasing from AED 900m to AED 1.3bn.
- **Marine & Dredging** revenue growth of 4.6% increasing from AED 6.6bn to AED 6.9bn.
- **Services and Other segment** revenue declined 42.5% from AED 2.9bn to AED 1.7bn

Economic Outlook

Global Trends

The outbreak of war in the Middle East at the end of February 2026 has thrown the global economy off course at a moment when it was otherwise performing well. Over the preceding year, headwinds from higher trade barriers and elevated uncertainty had been offset by tailwinds from technology-related investment, accommodative financial conditions, and fiscal and monetary policy support and the IMF had been on course to revise global growth forecasts upward. The war has halted that momentum. The IMF's April 2026 WEO presents a "reference forecast" in lieu of a traditional baseline predicated on the conflict being limited in duration, intensity, and scope, with disruptions assumed to fade by mid-2026. Under this reference forecast, global growth is projected at 3.1% in 2026 and 3.2% in 2027, down from 3.4% in 2025, and well below the pre-pandemic (2000–19) historical average of 3.7%. The 2026 forecast represents a downward revision of 0.2 percentage points relative to the January 2026 WEO Update.

The impact is sharply uneven across regions. The conflict region bears the most direct impact as the Middle East and Central Asia is projected to see growth collapse from 3.6% in 2025 to just 1.9% in 2026, with the 2026 downward revision amounting to 2.0 percentage points relative to January, before a sharp rebound to 4.6% in 2027 as energy production and transportation are assumed to normalise. Across advanced economies, growth is projected at 1.8% in 2026 and 1.7% in 2027. The impact of the conflict is modest at the group level, lowering 2026 growth by only 0.2 percentage points. In emerging market and developing economies, growth is expected to fall to 3.9% in 2026, a downward revision of 0.3 percentage points versus January, before recovering to 4.2% in 2027. Additionally, global headline inflation is projected to rise from 4.1% in 2025 to 4.4% in 2026, before resuming its decline to 3.7% in 2027. The 2026 figure represents a 0.7 percentage point upward revision relative to the October 2025 WEO.



Regional Trends

Looking into 2026, the CBUAE projected real GDP growth of 5.6%, broadly in line with 2025, driven by continued non-hydrocarbon expansion and a further rebound in oil production. On the hydrocarbon side, GDP is forecast to grow 7.3%. Meanwhile, non-hydrocarbon growth is expected at 5.1%, with financial and insurance services, manufacturing, construction, and real estate remaining the principal contributors. This combination of a cyclical hydrocarbons rebound alongside a structurally diversifying non-oil economy is relatively rare in the region and underpins the UAE's growth premium over its GCC peers. In its March 2026 report, the CBUAE highlighted three key structural support pillars: resilient non-hydrocarbon expansion, continued AI adoption with meaningful scope to lift productivity across financial services, logistics, and government-linked sectors, and generally supportive global financial conditions. At the sector level, the UAE's competitive rental yields consistently outperforming primary global markets continue to attract sustained international capital inflows into real estate. This is reflected in Abu Dhabi residential transactions, which rose 54.6% year-on-year in 2025, and in Dubai, where total real estate sales value increased by 30.7%. However, risks to the outlook are primarily external. The outbreak of war in the Middle East at the end of February 2026 has introduced a material new uncertainty not captured in the CBUAE's report, which had a mid-February cut-off. Reflecting this shift, the UAE PMI declined to 53.0 in March from 54.5 in February, the sharpest month-on-month deceleration since mid-2025 as new order growth moderated, business confidence weakened, and output expectations were revised downward. The Dubai PMI followed a similar trajectory. At the regional level, the IMF's April 2026 WEO revised Middle East and Central Asia growth forecasts down by 2.0 percentage points relative to January, to 1.9%, with the most acute impact concentrated in economies exposed to infrastructure disruption and reliance on the Strait of Hormuz. Overall, despite ongoing geopolitical tensions, the UAE appears relatively well-positioned to absorb external shocks, supported by its diversified revenue base, substantial sovereign buffers, economic flexibility, and status as both a net energy exporter and a regional financial hub.

Key Developments in Quarter 1 2026

Transfer of subsidiaries to Judan Financial Holding RSC.

During the period, the Group realigned its financial services segment by transferring its shareholding in IHC West Investment, International Resure Holding and Augmen Enterprise to Judan Financial Holding RSC LTD, consolidating into one major segment designed to maximize returns and accelerate future growth.

MG Ventures Holding LLC, acquired a 61.84% equity interest in PI9 SARL

Effective 28 February 2026, MG Ventures Holding LLC, acquired a 61.84% equity interest in PI9 SARL (“PI9”) for consideration of AED 703,989 thousand. PI9 is a private limited liability company, registered in Luxembourg and is engaged in the manufacturing of packaging materials serving beauty, fashion, luxury and nutraceuticals.

Beltone Capital Acquired 100% equity interest in Baobab S.A.

Effective 1 January 2026, Beltone Capital, a subsidiary, acquired a 100% equity interest in Baobab S.A. (“Baobab”) for consideration of AED 865,782 thousand. Baobab is a simplified joint stock company, registered in France and is engaged in the provision of financial services including microfinancing.

IHC Share Buyback Program

During the General Assembly Meeting held on 16 March 2026, the shareholders approved a new buy back program allowing the repurchase of AED 5bn worth of IHC shares.

Increase in Shareholding in International Resource Holding

The Group’s shareholding in International Resource Holding RSC Ltd increased by 0.90% following an in-kind consideration, comprising the conversion of a loan to equity and a future financing commitment.

Other acquisitions made by the Group in the period

Other acquisitions made by the group during the period include Thai T-Shirt Factory, Hedge 5, Tazaa Quality, Tazaa Healthy and Low Energy, for a total consideration of AED 47,818 thousand.

Agreement between Sowwah Sqaure Investment and Gaia Retail Partners

During the year ended 31 December 2025, the Group entered into an agreement whereby the counterparty contributes Sowwah Square Investment - Sole Proprietorship LLC to Gaia Retail Partners Holding Ltd. (“Gaia Retail”), a wholly owned subsidiary of the Group, in exchange for 25% ownership interest in Gaia Retail. The transaction resulted in an increase in investment properties by AED 2,625,761 thousand.

IHC Beyond The Numbers

Aldar Anchors the Real Estate Agenda at Abu Dhabi Sustainability Week 2026

Aldar's appointment as Exclusive Real Estate Partner for ADSW 2026 placed it at the centre of a global summit convening 50,000+ participants from 170 countries to advance climate action and energy transition. By bringing its industry-first deployment of hydrogen-based steel rebar, its sustainability-linked supplier incentive programme, and the Real Estate Climate Pledge into a global dialogue, Aldar positioned decarbonised property development as a lever for the UAE Net Zero 2050 Strategy

Emirates Mobility Earns Diamond Sustainability Label for Decarbonising Public Transport

Emirates Driving Company received the Diamond-tier classification at the Abu Dhabi Sustainability Labels at ADSW 2026, placing it alongside Aldar and Emirates Steel as one of the emirate's institutional sustainability leaders. By rolling out ChargePoint EV charging stations from the Integrated Transport Centre tender and embedding AI-driven driver training to reduce accidents and emissions, Emirates Mobility is repositioning the country's largest public mobility operator around clean fuel and lower-carbon urban movement.

IHC Unites with Global Citizen to End Extreme Poverty at Scale

IHC signed a multi-year strategic partnership with Global Citizen, the world's largest movement to end extreme poverty, at IHC House during the World Economic Forum Annual Meeting 2026 in Davos, with H.E. Mariam Almheiri, Vice Chair and Managing Director of 2PointZero, simultaneously appointed to Global Citizen's Global Board of Directors. The partnership opens a direct channel for mobilising broader coalitions around poverty alleviation, youth empowerment, and sustainability globally.

Esyasoft Becomes the UAE's Third Unicorn by Powering the Global Energy Transition

The World Economic Forum named Esyasoft the UAE's third unicorn at Davos 2026, reflecting the global scale of its AI-driven smart-grid, metering, and EV-charging platforms, and the company followed up with a strategic partnership with ABB E-mobility to accelerate EV charging deployments worldwide.

Burjeel Builds the UAE's First Adult Critical Care Nursing Residency

Burjeel Holdings secured the UAE and region's first National Institute for Health Specialties accreditation for an Adult Critical Care Nursing Residency Program, establishing a structured, nationally recognised pathway for advanced clinical practice. By embedding regulated specialty training into nursing career pathways and building on prior NHS accreditations across internal medicine, general surgery, orthopaedics, and hematology-oncology, Burjeel directly strengthens the long-term sustainability and Emiratisation of the UAE healthcare workforce.

IHC Group Delegation Participated at the World Economic Forum Annual Meeting 2026

IHC's presence at the World Economic Forum Annual Meeting produced another landmark presence at Davos. IHC House served as a platform for dialogue and collaboration, hosting engagements with global leaders, investors, and policymakers. Through meetings and discussions across sectors, IHC strengthened partnerships and showcased its Dynamic Value Networks approach, connecting capital and capability to support long-term value creation and translate global dialogue into investment and economic opportunities.

NMDC Group Wins Gold Sustainability Label for Marine and Energy-Transition Stewardship

The Abu Dhabi Chamber awarded NMDC Group and NMDC Energy Gold-tier recognition at ADSW 2026 for sustainability performance across marine construction, hydrogen and carbon capture, and biodiversity restoration. By combining mangrove rehabilitation, the Barakah artificial reef partnership with ENEC, and a dedicated Carbon Capture Plant under a single ESG framework, NMDC turns one of the UAE's largest EPC platforms into a delivery vehicle for the national Net Zero 2050 Strategy.



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Investor Relations

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