

Emirates Driving Company P.J.S.C.

Management Discussion and Analysis Report
30 Jun 2025

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Executive Summary and Overview

Established in 2000, Emirates Driving Company PJSC (EDC) is the leading provider of driver education for the emirate of Abu Dhabi.

Since its establishment, EDC created a strategic partnership with Sweroad, which was governed by the Swedish Transport Administration from 1983 – 2018, for the initial development and continuous improvement of its curricula according to global standards.

EDC consistently delivers the highest standards of training, producing well-qualified drivers to support safe and secure road mobility in the emirate amid rapid population growth and urban development.

The company has formed a joint quality committee with the Abu Dhabi Mobility (formerly ITC) aimed at ensuring its training programs and methodologies align with the Emirate's laws. Moreover, EDC is the primary contributor to the Abu Dhabi Road Safety Education Committee and regularly provides technical input to the Abu Dhabi Mobility.

EDC is now working closely with Abu Dhabi Mobility to launch a new joint strategy, driven from the UAE plan and with the aim of creating safer roads by means of various studies and initiatives. The strategy is founded on the following key topics:

- AI in the field of training development and examination.
- Sustainability in providing education and training services to reduce carbon footprint.
- Modern training techniques.
- Professional competency framework and training qualifications for instructors and driving schools.
- Traffic awareness and education.
- Linking training and traffic engineering regarding drivers' behavior on the road and traffic violations.
- Soft mobility.

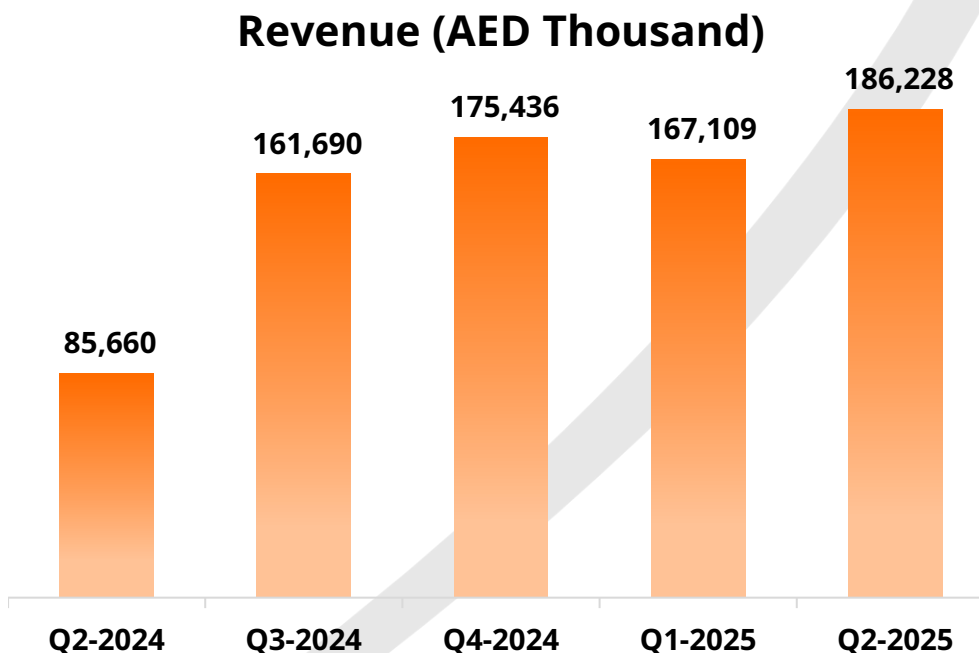
Financial Performance for H1-2025

Summary for Statement of Profit or Loss

AED (in Thousand)	30-Jun-2025	30-Jun-2024	Absolute Growth	% Growth
Revenue	353,337	175,803	177,534	101%
Direct expenses	(125,947)	(36,392)	(89,555)	246%
GROSS PROFIT	227,390	139,411	87,979	63%
General and administrative expenses	(73,077)	(35,941)	(37,136)	103%
Operational Profit	154,313	103,470	50,843	49%
EBITDA	193,525	125,102	68,423	55%
PROFIT BEFORE TAX	184,381	130,928	53,453	41%
PROFIT FOR THE PERIOD	158,907	119,298	39,609	33%

1. Revenue Growth

The Group's revenue grew by 101% year-on-year in H1 2025 compared to H1 2024. This strong performance was driven by the acquisition of a new subsidiary, geographic expansion, a higher number of enrolled students, and operational efficiency improvements.



2. Total Cost

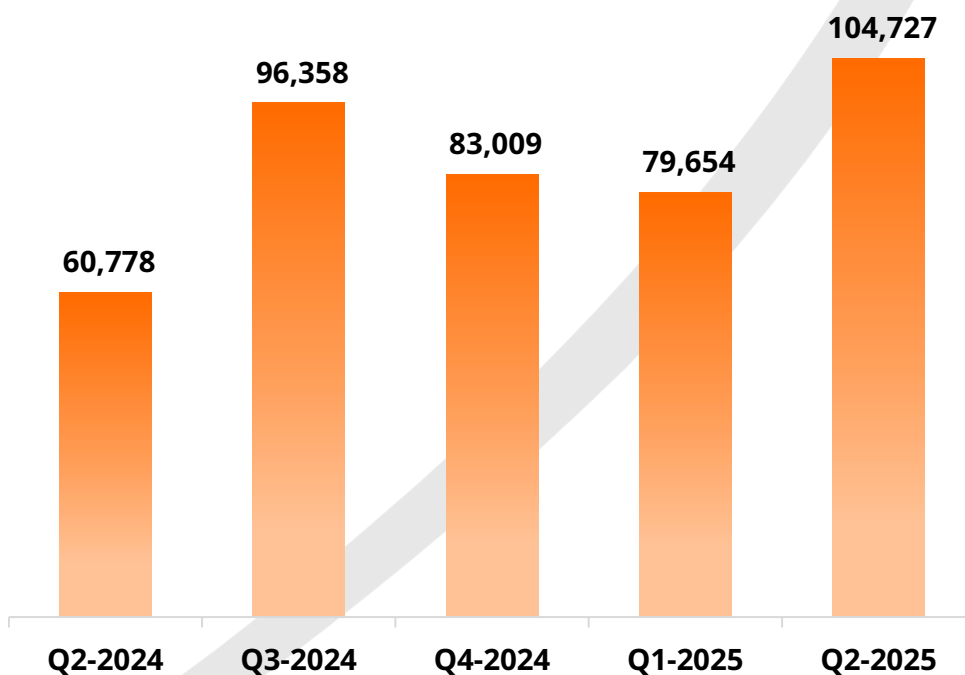
Direct expenses increased by AED 89,555 thousand in H1 2025 compared to H1 2024, while General and Administrative (G&A) expenses rose by AED 37,136 thousand over the same period.

These increases were primarily driven by the expansion in operational scale and the acquisition of a new subsidiary.

3. Profitability

The Group reported a 41% increase in Profit Before Tax reaching AED 184,381 thousand in H1-25 compared to AED 130,928 thousand in H1-24. During H1-25, the Group recorded AED 33,019 thousand from Net gain from financial assets FVPL, Gain on sale of assets held for sale, Rental Income (Net), Interest income and other income.

Profit Before Tax (AED Thousand)



Financial Performance for H1-2025

Summary for Statement of Financial Position

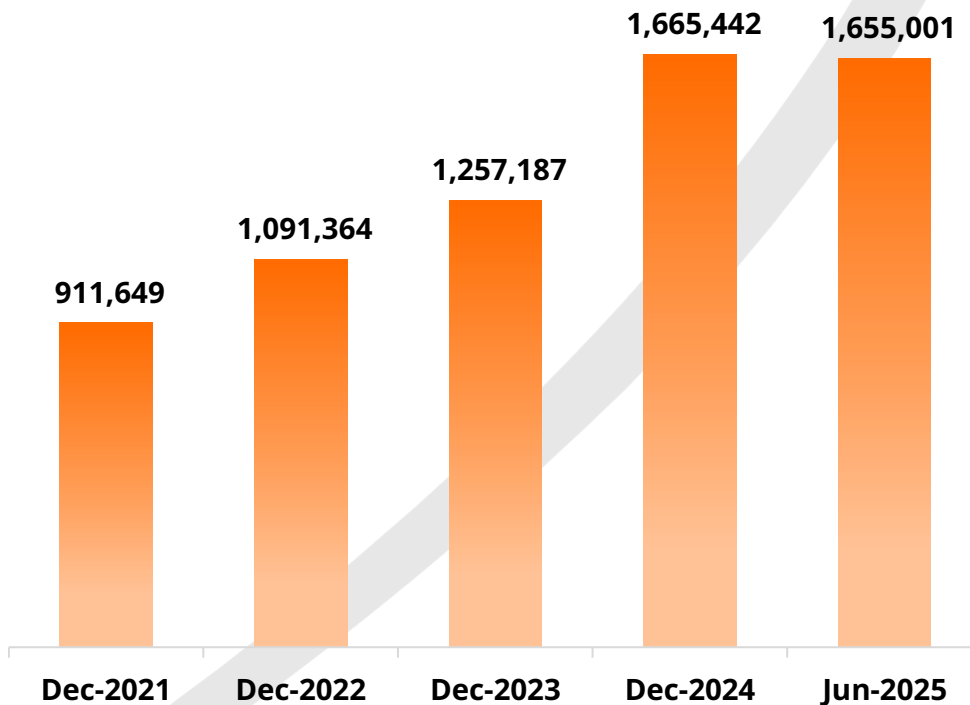
AED (in Thousand)	30-Jun-2025	31-Dec-2024	Absolute Growth	% Growth
Non-current assets	654,198	647,660	6,538	1%
Current assets	1,000,803	1,017,782	(16,979)	-2%
TOTAL ASSETS	1,655,001	1,665,442	(10,441)	-1%
Equity	1,322,545	1,351,210	(28,665)	-2%
Non-current liability	159,966	160,987	(1,021)	-1%
Current liabilities	172,490	153,245	19,245	13%
TOTAL EQUITY AND LIABILITIES	1,655,001	1,665,442	(10,441)	-1%
<i>Cash and bank balances</i>	<i>738,460</i>	<i>721,727</i>	<i>16,733</i>	<i>2%</i>

1. Total Assets

Total assets decreased by 1%, reaching AED 1,655,001 thousand as of H1 2025, down from AED 1,665,442 thousand at year-end 2024.

Cash and cash equivalents stood at AED 738,460 thousand, compared to AED 721,727 thousand at YE 2024.

Total Assets (AED Thousand)



Financial Performance for H1-2025

2. Total Liabilities

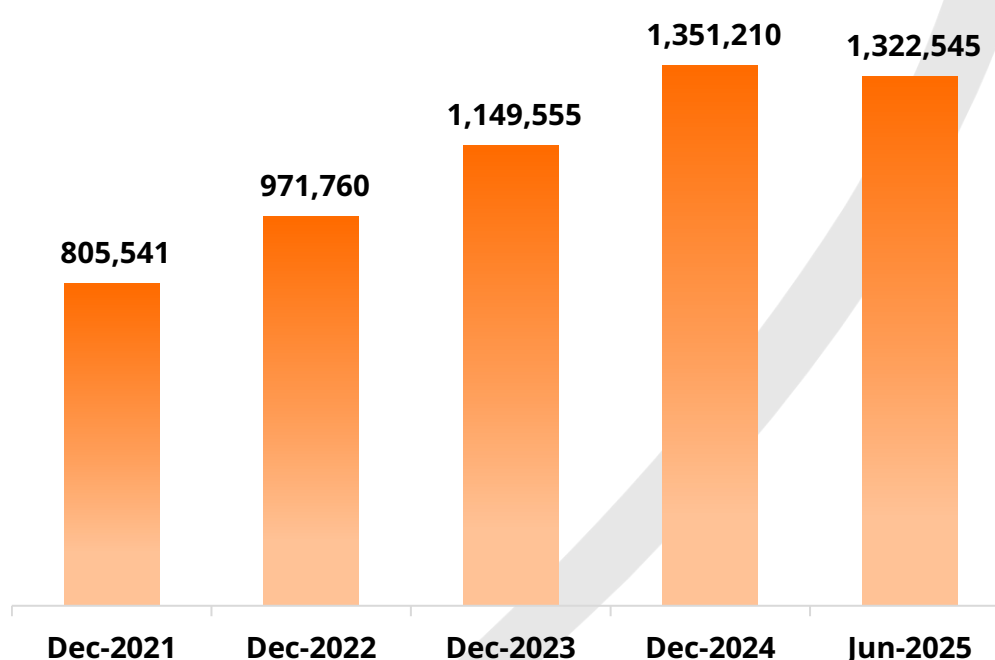
Total Liabilities reached AED 332,458 thousand as of H1-25, compared to AED 314,232 thousand as of YE-24.

3. Total Equity

Total equity declined by 2% to AED 1,322,543 thousand as of H1 2025 (YE 2024: AED 1,351,210 thousand), primarily due to dividend payments, while still reflecting a 64% growth over five years.

Equity attributable to owners decreased to AED 1,206,215 thousand (YE 2024: AED 1,235,512 thousand), and non-controlling interests stood at AED 116,328 thousand (YE 2024: AED 115,698 thousand).

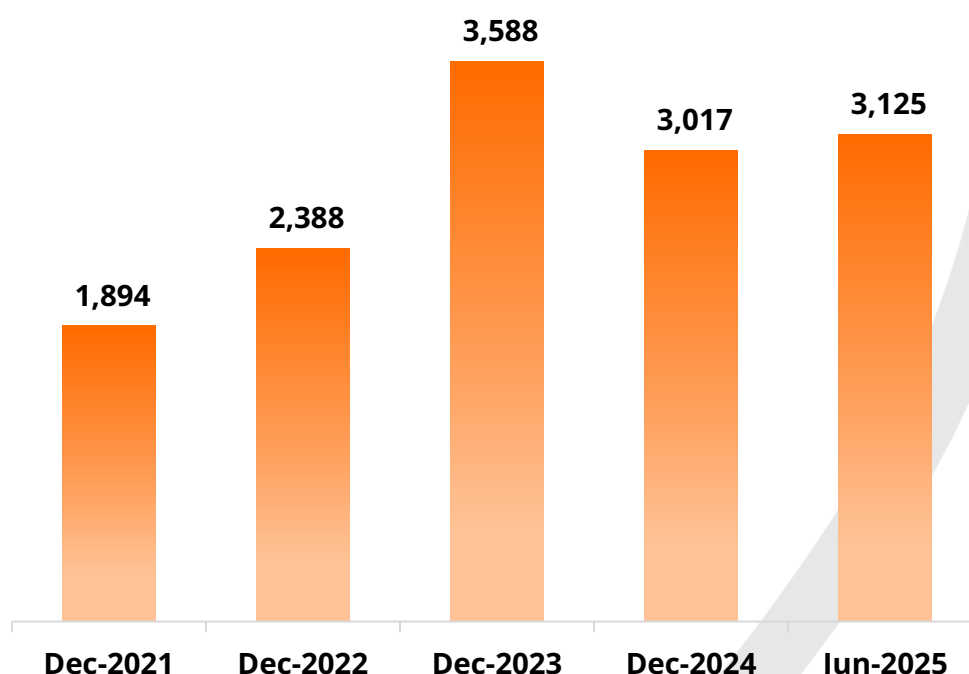
Total Equity (AED Thousand)



Market Capitalization

Market capitalization stood at AED 3,125 million as of June 2025, slightly up from AED 3,017 million at YE 2024. Total market capitalization has increased by a solid 65% over the past five years, reflecting sustained investor confidence and long-term value appreciation.

Market Capitalization (AED Million)



Khaled Mohammad Al Shemeili
Chief Executive Officer