



Emirates Driving Company P.J.S.C.

Management Discussion and Analysis Report
31 MAR 2026

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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 found 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 Q1-2026

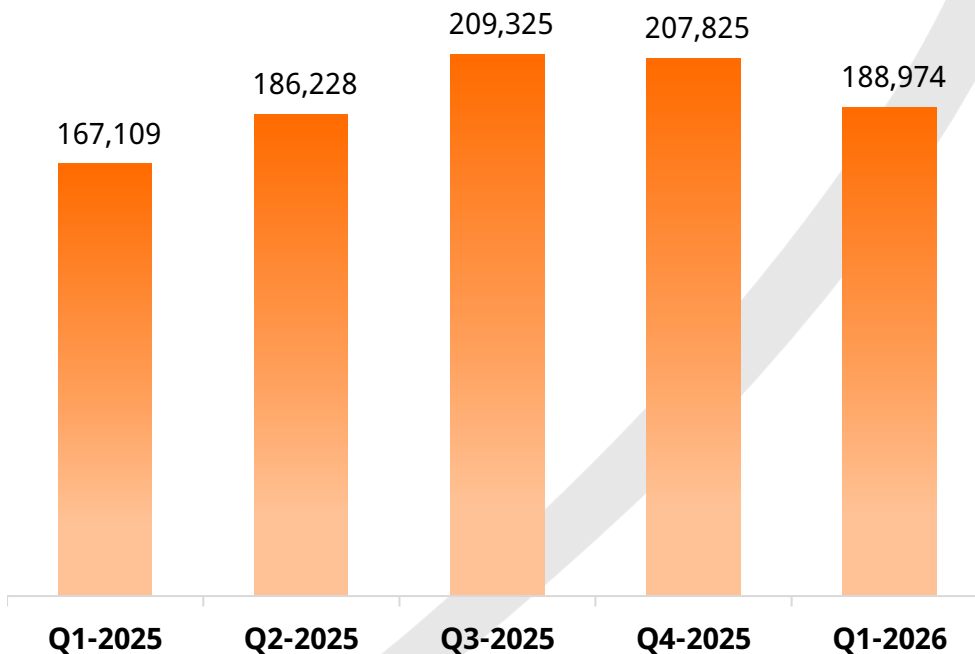
Summary for Statement of Profit or Loss

AED (in Thousand)	31-Mar-2026	31-Mar-2025	Absolute Growth	% Growth
Revenue	188,974	167,109	21,865	13%
Direct expenses	(68,319)	(61,307)	(7,012)	11%
GROSS PROFIT	120,655	105,802	14,853	14%
General and administrative expenses	(41,648)	(34,658)	(6,990)	20%
Operational Profit	79,007	71,144	7,863	11%
EBITDA	93,719	83,730	9,989	12%
PROFIT BEFORE TAX	86,285	79,654	6,631	8%
PROFIT FOR THE PERIOD	74,562	68,802	5,760	8%

1. Revenue Growth

The Group's revenue grew by 13% in Q1 2026 compared to Q1 2025. This strong performance was driven by an increase in enrolled students in 2026.

Revenue (AED Thousand)



Financial Performance for Q1-2026

2. Total Cost

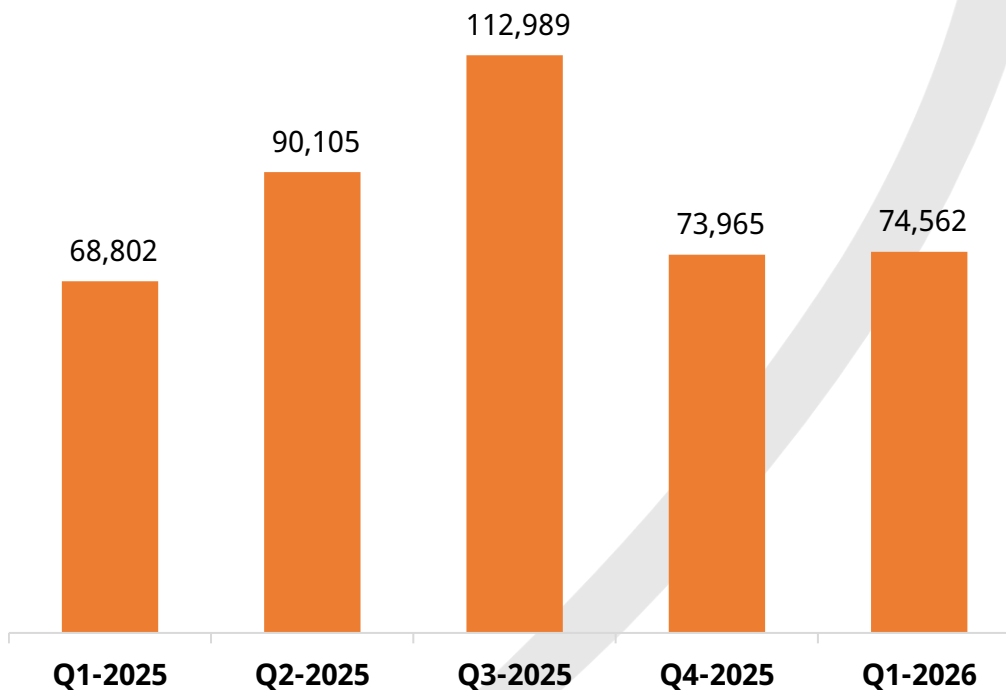
Direct expenses increased by AED 7,012 thousand in Q1 2026 compared to 2025, while General and Administrative (G&A) expenses rose by AED 6,990 thousand over the same period.

These increases were primarily driven by the overall growth of the business.

3. Profitability

The Group reported an 8% increase in profit for the period after tax, reaching AED 74,562 thousand in Q1 2026, compared with AED 68,802 thousand in Q1 2025. During Q1 2026, the Group recognized AED 9,278 thousand in interest income and AED 2,842 thousand from share of results of associates.

Profit for the period (AED Thousand)



Summary for Statement of Financial Position

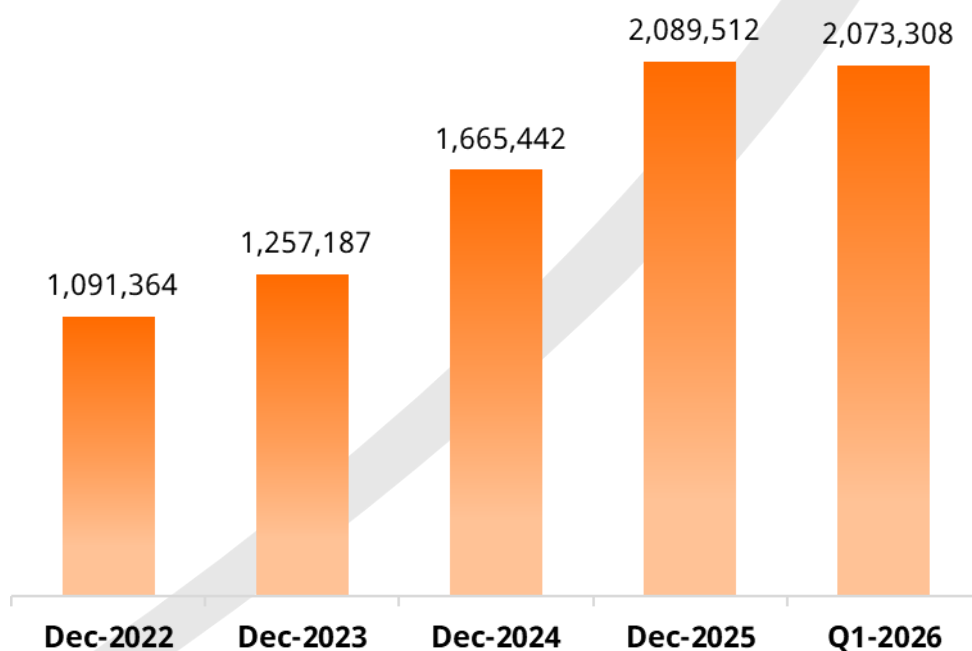
AED (in Thousand)	31-Mar-2026	31-Dec-2025	Absolute Growth	% Growth
Non-current assets	1,038,257	1,028,225	10,032	1%
Current assets	1,035,051	1,061,287	(26,236)	-2%
TOTAL ASSETS	2,073,308	2,089,512	(16,204)	-1%
Equity	1,356,322	1,509,497	(153,175)	-10%
Non-current liability	278,305	289,390	(11,085)	-4%
Current liabilities	438,681	290,625	148,056	51%
TOTAL EQUITY AND LIABILITIES	2,073,308	2,089,512	(16,204)	-1%

1. Total Assets

Total assets Decreased by 1%, reaching AED 2,073,308 thousand as of 2026, from AED 2,089,512 thousand at year-end 2025. The decrease is mainly in the current assets due to settlement of contingent considerations during Q1 2026.

Cash and cash equivalents stood at AED 917.8 million at the end of Q1 2026, compared to AED 946.5 million at year end 2025.

Total Assets (AED Thousand)



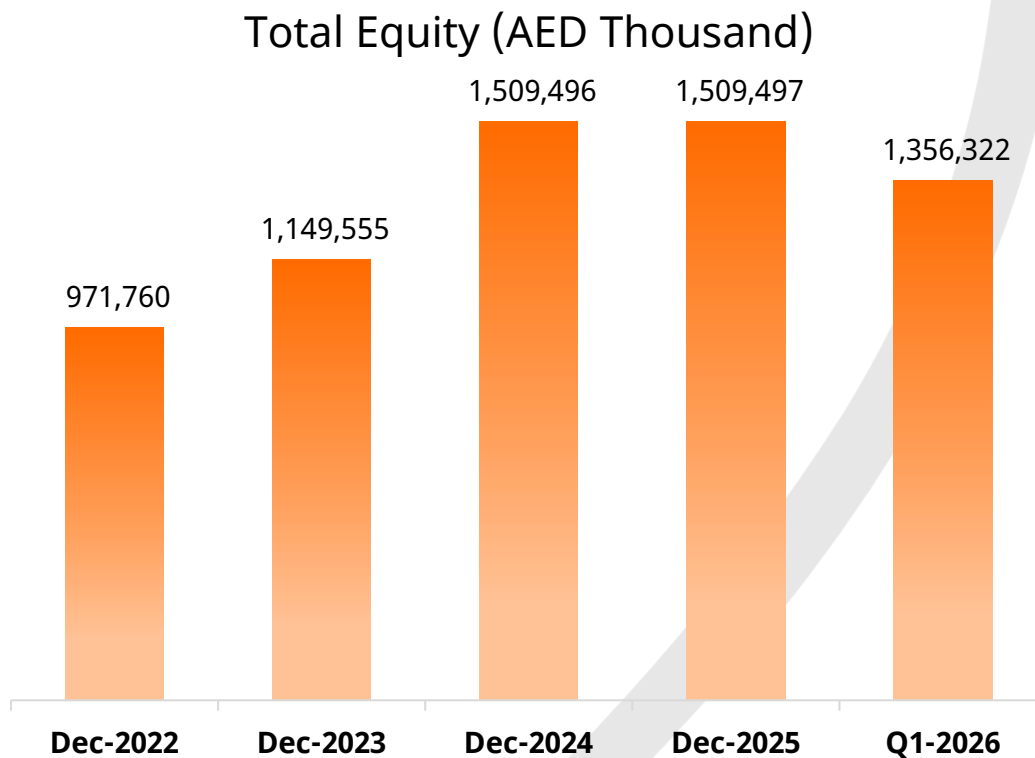
Financial Performance for Q1-2026

2. Total Liabilities

Total liabilities reached AED 716,986 thousand as of Q1 2026, compared with AED 580,015 thousand as of year-end 2025, mainly due to the dividend payable following the dividend declaration and approval by the AGM.

3. Total Equity

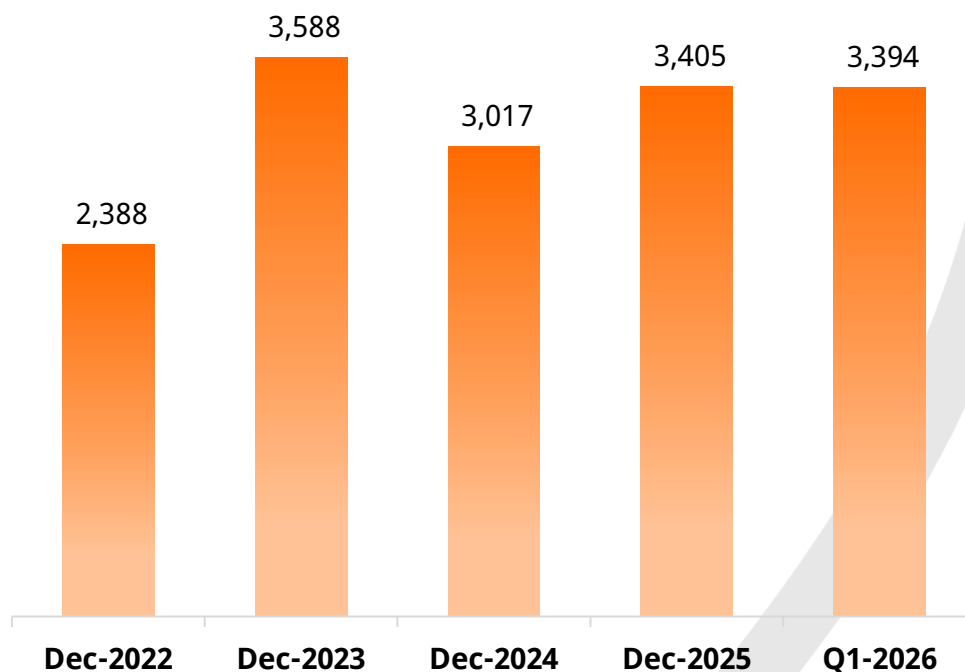
Total equity decreased by 10% to AED 1,356,322 thousand as of Q1 2026, compared with AED 1,509,497 thousand as of year-end 2025, mainly due to the declaration of dividends amounting to AED 215,487 thousand during Q1 2026. Despite this quarterly reduction in equity, the dividend has grown by 40% over the past five years.



Market Capitalization

Despite the prevailing geopolitical situation, the Group's market capitalization remained resilient at AED 3.4 billion. Over the past five years, market capitalization has increased by 42%, underscoring sustained investor confidence and the Group's track record of long-term value creation.

Market Capitalization (AED Million)



Khaled Mohammad Al Shemeili
Chief Executive Officer