First Half 2026

Management Discussion & Analysis Report

For the Six-Month Period
Ended 30 June 2026

Key Financial Highlights

IHC delivered a strong first half of 2026, reporting revenue of AED 64.9bn, a 34.5% year-on-year[1] increase. Growth was led by Energy and Mining, Hospitality and Leisure, Real Estate and Construction, and Financial Services, while active investment management amplified the contribution from the operating portfolio.

- Profit after tax increased 195.6% to AED 26.2bn with Financial Services contributing AED 17.8bn of investment income during the period.
- As an investment holding company, these results reflect both the underlying operating performance of IHC's portfolio and the value generated through its scale, diversified investment platform, disciplined capital allocation, active portfolio management and timely strategic investment decisions made over time.
- Total assets reached AED 469.7bn, driven by an increase in the Group's investment portfolio, acquisition of Baobab, a financial services and microfinance company with AED 4.9bn of assets and acquisition of new associate and joint venture investments of AED 3.8bn, primarily in Sammaan Capital and Alpha Wave Global Management.

H1 2026 Key Financials

Income Statement

Revenue
Đ 64.9bn
+34.5% YoY[1]

Gross Profit
Đ 16.8bn
+41.0% YoY[1]

Profit Before Tax
Đ 28.0bn
+180.2% YoY[1]

Net Income
Đ 26.2bn
+195.6% YoY[1]

Earnings per Share
Đ 8.21
+285.4% YoY[1]

Balance Sheet

Total Assets
Đ 469.7bn
+9.6%[2]

Total Liabilities
Đ 201.4bn
+13.2%[2]

Debt
Đ 99.8bn
+18.2%[2]

Cash & Bank Balances
Đ 72.9bn
-2.7%[2]

Equity
Đ 268.3bn
+7.0%[2]

IHC's strong H1 2026 performance reflects the resilience of its diversified portfolio, supported by disciplined capital allocation and active investment management. Total equity increased 7.0% to AED 268.3bn, primarily driven by strong net income during the period. Cash and bank balances remained substantial at AED 72.9bn, with a marginal change due to the deployment of capital by the Group into strategic investments, varying from subsidiaries, associates, joint ventures, financial assets and investment properties. Total debt increased 18.2% to AED 99.8bn, reflecting new financing raised to fund the Group's continued investment activities and two USD 1bn hybrid note issuances, which were partially offset by repayments of debt and hybrid equity instruments.

YoY: H1 2026 vs. H1 2025
Debt includes sukuk and finance liabilities
1: From continuing operations
2:30 June 2026 vs 31 December 2025

Portfolio Overview

Since its founding in 1999, IHC has grown into the most valuable holding company in the Middle East and one of the world's largest investment firms, with a market capitalization of more than AED 840 billion. Since then, it has transformed to represent a new generation of investors, redefining the traditional holding company model through a disciplined approach to long-term value creation..

IHC's disciplined approach to capital deployment and portfolio construction has established the Group as a globally diversified investment platform, with more than 1,300 subsidiaries operating across strategic sectors and international markets. Guided by its long-term investment philosophy, IHC continues to create value through strategic acquisitions, organic growth and active portfolio management, expanding its presence across high-growth industries and geographies.

IHC's strength lies in its ability to look beyond the stand-alone value of individual assets and unlock greater opportunities across its portfolio. By enabling Dynamic Value Networks, the Group brings together capital, capabilities and expertise across sectors and markets to generate value that exceeds the sum of its parts. Below are IHC's direct subsidiaries listed on the Abu Dhabi Securities Exchange (ADX):

Alpha Dhabi Holding

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. Their listed portfolio includes; Aldar, NMDC, NMDC Energy, RPH NCT&H & Purehealth.

2PointZero Group

2PointZero Group PJSC is a next-generation investment powerhouse focused on Energy, Consumer and AI, 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. Their listed portfolio includes; Ghitha, Emirates Mobility, Elsewedy Electric and Beltone.

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.

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.

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

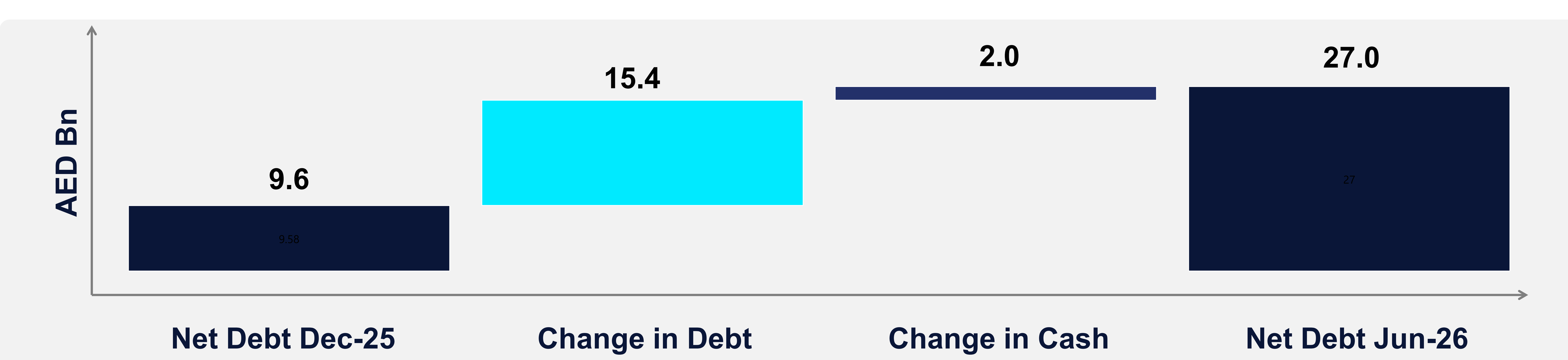
IHC's overarching goal in its approach to dynamic portfolio management is maximizing shareholder returns while maintaining its healthy balance sheet structure. IHC's balance sheet strengthened further in H1 2026, with total assets increasing to AED 469.7bn.

The expansion of assets reflects the synergies derived from growing portfolio and key partnerships across diversified verticals. The Real Estate & Construction and Financial Services segments witnessed a notable expansion in their asset base in H1 2026. Additionally, Total Equity and owner's equity recorded a healthy growth of 7.0% and 8.6% respectively, a testament of our on-going commitment to upholding shareholder value.

AED bn	30 Jun 2026	31 Dec 2025	30 June 2026 vs. 31 Dec 2025
Total Assets	**469.7**	**428.6**	**+9.6%**
Cash and Bank Balances	72.9	74.9	-2.7%
Total Liabilities	**201.4**	**177.9**	**+13.2%**
Total Debt (Borrowings, Sukuk and Hybrid notes)	99.8	84.4	+18.2%
Total Equity	**268.3**	**250.7**	**+7.0%**
Owner's Equity	**165.9**	**152.8**	**+8.6%**

ROA	ROE[2]	ROCE	Quick Ratio	Debt/Equity
11.1% (8.4%)[1]	22.4% (15.2%)[1]	16.1% (12.6%)[1]	2.7x (2.9x)[1]	0.4x (0.3x)[1]

- Total debt increased to AED 99.8bn as of June 2026 as compared to AED 84.4bn in December 2025, driven primarily by an increase in borrowings by AED 8.4bn. The total debt consists of c.75.3% of non-current borrowings and non-convertible sukuks and hybrid notes, with the remaining 24.7% being the current portions of non-convertible sukuks and ybrid notes and borrowings.
- Overall, net debt increased by AED 17.4bn to reach AED 27.0bn, reflecting the Group's continued investment activity. During the period, the Group drew down AED 34.2bn of borrowings, partially offset by AED 27.8bn of repayments and deployed approximately AED 14.0bn into associates, joint ventures, financial assets and real estate properties.
- IHC delivered improved returns across all key profitability metrics in H1 2026, with notable increase in ROA, ROE and ROCE as strong earnings growth more than offset the modest expansion in total assets, equity and capital employed. Net income for the six-month period more than doubled year-on-year to AED 26.2bn, while the underlying capital base grew at a slower, single-digit pace.
- Despite higher borrowings and slightly lower cash position, the balance sheet remains conservatively positioned, with a quick ratio of 2.7x and Debt / Equity of 0.4x, underscoring the Group's continued capacity to fund its investment programme without straining liquidity.



Note: All Figures are in AED bn, except otherwise noted
1: LTM December 2025
2: LTM Owner's net profit over average LTM Owner's equity

Income Statement

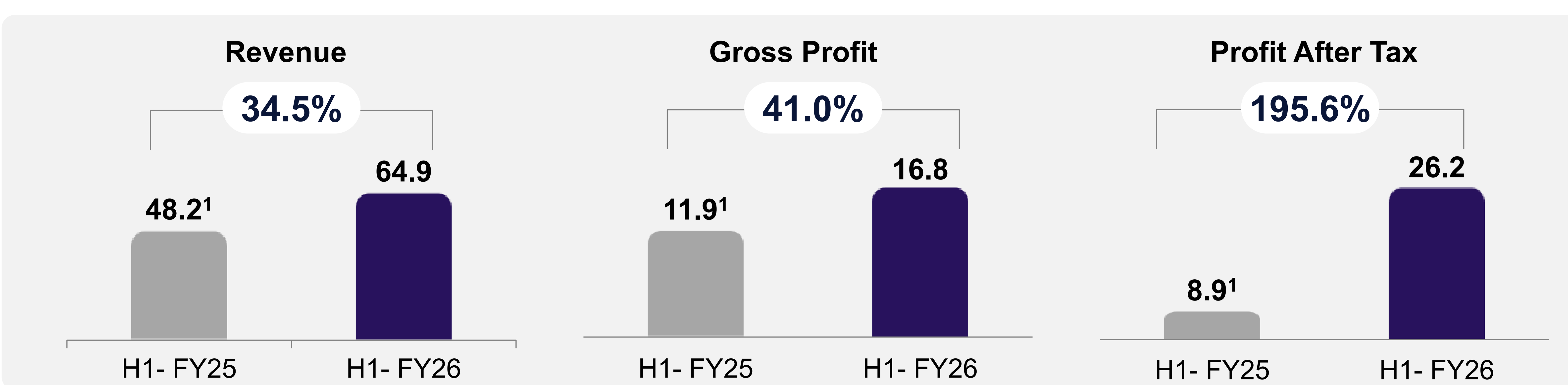
During the six-month period ended 30 June 2026, IHC delivered strong half year results, with profit after tax and earnings per share (EPS) showing substantial growth.

Revenue increased 34.5% driving higher gross profit of AED 16.8bn, with margin improving slightly from 24.7% to 25.9% as fast-growing, higher-margin segments, Hospitality and Leisure and Energy and Mining in particular, gained share within the mix. Operating costs increased, with SG&A reaching AED 7.2bn up 68.7% due to a sharp step-up in Hospitality and Leisure's distribution costs.

AED bn	H1 2026	H1 2025	YoY % Change
Revenue	**64.9**	**48.2[1]**	**+34.5%**
Gross profit	16.8	11.9[1]	+41.0%
SG&A	(7.2)	(4.3)[1]	+68.7%
Profit before tax	28.0	10.0[1]	+180.2%
Profit after tax	**26.2**	**8.9[1]**	**+195.6%**
EPS (AED)	**8.21**	**2.13[1]**	**+285.4%**

For the six-month period from 1 January to 30 June 2026

- IHC delivered a solid six-month performance, with growth increasingly concentrated in Energy and Mining, and Financial Services.
- Bottom-line performance was significantly stronger, with profit before tax surging 180.2% to AED 28.0bn.
- This outcome is consistent with the Group's business model as an investment holding company, where value is generated through identifying attractive investment opportunities, actively managing the portfolio, and executing strategic initiatives at appropriate times.
- This was partly offset by an increase in finance costs, up 29.4% to AED 2.71bn on higher borrowings and issuances of new hybrid notes.
- Earnings per share also experienced a significant increase of 285.4%, reflecting the net income increase.



Segment Analysis (H1 2026 vs H1 2025)

- **Energy and Mining** revenue rose 355.2% to AED 12.3bn, reflecting the scale-up of minerals, metals, hydrocarbon and crude oil trading.
- **Hospitality and Leisure** revenue grew 127.7%, from AED 2.3bn to AED 5.2bn.
- **Real Estate and Construction** segment saw revenue growth of 10.4% from AED 19.0bn to AED 20.9bn attributed to new launches of high-demand developments.
- **Food** revenue grew 26.9% from AED 2.6bn to AED 3.4bn supported by continued expansion by Al Ain Farms and NRTC.
- **Financial Services** recorded revenue growth of 62.8% increasing from AED 1.8bn to AED 3.0bn.
- **Marine & Dredging** revenue growth of 4.5% increasing from AED 14.1bn to AED 14.7bn.
- **Technology** recorded revenue growth of 35.2%, increasing from AED 1.4bn to AED 1.9bn.
- **Services and Other segment** revenue declined 27.5% from AED 4.9bn to AED 3.6bn.

Note: All Figures are in AED bn, except otherwise noted.
YoY: Jan - June 2026 vs. Jan - June 2025 | Segment Analysis is before inter-segment eliminations
1: From continuing operations

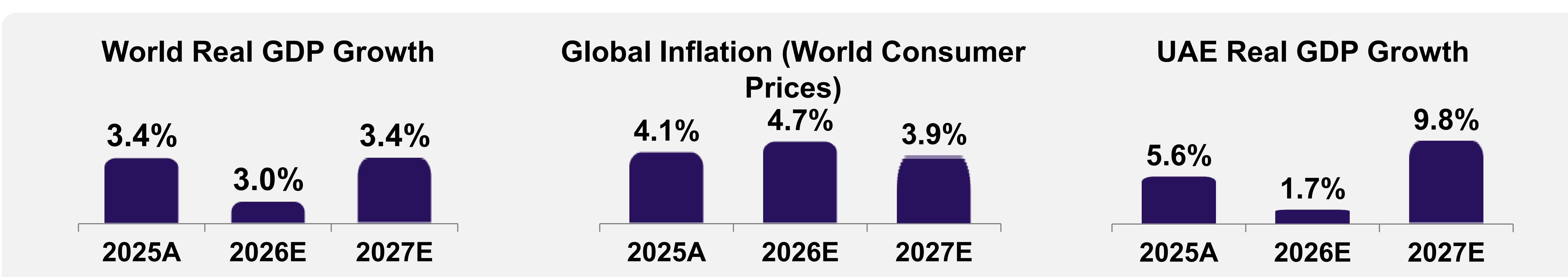
Economic Outlook

Global Trends

The global economy entered the second half of 2026 with greater resilience than many had anticipated. Despite the severe energy shock triggered by the war in the region—which pushed energy prices higher, disrupted shipping routes and rekindled global inflationary pressures—global economic activity continues to expand at a moderate pace. Sustained investment in digital technologies and AI remains a key source of optimism, with technology-exposed economies generally outperforming expectations and AI adoption supporting productivity gains across a broad range of industries. However, recent concerns over the AI boom have kept financial markets volatile.

The IMF's July 2026 World Economic Outlook Update projects global GDP growth of 3.0% in 2026, followed by a recovery to 3.4% in 2027. Although the 2026 forecast is slightly lower than projected in April, it still points to an economy that has remained resilient in the face of a major geopolitical shock. At the same time, the global disinflation process has stalled, with headline inflation expected to average 4.7% in 2026 before easing to 3.9% in 2027.

Risks remain tilted to the downside. Persistent geopolitical tensions, renewed energy-supply disruptions or prolonged elevated commodity prices could weaken growth while keeping inflation higher for longer. Financial markets also remain vulnerable to repricing as central banks balance inflation control against supporting activity. Overall, the H2 2026 outlook is one of cautious optimism: resilience is being supported by technological innovation and continued AI investment, but policymakers still face the challenge of preserving growth while maintaining controlled inflation.



Regional Trends

The IMF's latest World Economic Outlook points to an uneven outlook across GCC economies in H2 2026, reflecting differences in export infrastructure, diversification, fiscal buffers and the importance of non-oil sectors. The UAE is expected to outperform some regional peers. In late June, the CBUAE revised its 2026 GDP forecast to 1.7% from 5.6%, reflecting temporary moderation in hydrocarbon and non-hydrocarbon activity, before a projected rebound to 9.8% in 2027.

This compares with IMF forecasts of 3.1% in 2026 and 5.3% in 2027. The UAE inflation outlook remains relatively benign, although price pressures are expected to rise in housing, transport and selected imported goods. High interest rates, reflecting alignment with U.S. monetary policy, are likely to keep financing costs elevated and weigh on real estate and private investment. The CBUAE forecasts headline inflation of 2.3% in 2026 and 1.9% in 2027, versus IMF forecasts of 2.5% and 1.7%.

Saudi Arabia is expected to grow by 1.7% in 2026 and 5.5% in 2027, supported by its East-West Pipeline and continued Vision 2030 investment. Qatar and Kuwait are projected to contract by 8.6% and 0.6%, respectively, in 2026 before recovering by 8.6% and 2.8% in 2027. Oman remains better positioned due to alternative port access and diversification, while Bahrain is more vulnerable because of its smaller economy, regional-trade dependence and weaker fiscal position. UAE non-oil PMI fell to 50.8 in June from 52.6 in May, its weakest since February, while employment declined for the first time in over four years and input-cost inflation remained elevated. Despite weaker activity, S&P reported broadly stable business confidence, supported by confirmed contracts and continued government investment.

Source: IMF World Economic Outlook Report July 2026, CBUAE Report June 2026

Key Developments in First Half 2026

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 2,724,761 thousand.

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.

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 & accelerate 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.

ePointZero Agrees USD 2.25 Billion Acquisition of Traverse Midstream Partners

On 30 March 2026, ePointZero, a subsidiary of 2PointZero Group PJSC, entered into an agreement to acquire a 100% equity interest in US-based Traverse Midstream Partners LLC in a deal valued at USD 2.25 billion. Traverse holds strategic minority interests in the Rover Pipeline and Ohio River System, which connect the Utica and Marcellus shale production regions to key demand and export markets across North America. The transaction was completed subsequent to H1 2026.

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.

IRH Secures Long-Term LNG Supply Partnership in Mexico

International Resources Holding strengthened its global natural-resources platform through a 20-year LNG supply agreement with Mexico’s Amigo LNG project, securing access to long-duration international supply which supports the development of a more diversified global trading and resources platform.

Acquisition of First Women Bank Limited

Effective 15 April 2026, IHC announced the completion of acquisition of a majority stake in First Women bank Limited based in Karachi, Pakistan after obtaining all required regulatory approvals.

Aldar Expands Its Platform Across Residential and Logistics Assets

On 23 April 2026, Aldar Properties PJSC, a subsidiary of the Group, acquired an industrial and logistics portfolio in Khalifa Economic Zones Abu Dhabi (“KEZAD”) from AD Ports Group for a total consideration of AED 650 million. The portfolio comprises three income-generating industrial and logistics warehouses. During the period, the Group also acquired a 100% ownership interest in Lillie Square Limited, a residential and commercial development in West London for a total consideration of AED 684 million.

Key Developments in First Half 2026

Alpha Dhabi and TA'ZIZ Advance a USD 10 Billion Chemicals Platform

On 6 May 2026, Alpha Dhabi Holding PJSC, a subsidiary of the Group, and TA'ZIZ entered into a strategic collaboration targeting approximately USD 10 billion (AED 36.7 billion) of investment in new industrial-chemicals capacity. Announced at Make it in the Emirates 2026, the collaboration supports industrial diversification and local value creation.

NMDC Secures AED 1.046 Billion Fujairah Desalination EPC Contract

On 6 May 2026, NMDC Infra, a subsidiary of NMDC Group PJSC, together with Lantania Aguas, entered into an agreement with Etihad Water and Electricity for the Fujairah I Independent Water Producer project, with a total project value of AED 1.046 billion. The agreement, announced at Make it in the Emirates 2026, covers the development of a 60 million imperial gallons per day seawater reverse-osmosis desalination plant at the Port of Fujairah, strengthening the UAE's long-term water-production capacity and supply resilience.

IHC Executes AED 110 Million DDSC Transaction on ADI Chain

IHC completed one of the region's largest institutional stablecoin transactions, transferring AED 110 million (USD 30 million) on ADI Chain. The transaction demonstrates the scalability, resilience, and operational readiness of the DDSC ecosystem, reinforcing the UAE's position as a global hub for regulated digital asset infrastructure and financial innovation.

Judan Financial Holding Acquired 50.1% equity interest in Alpha Wave.

Effective 25 May 2026, Judan Financial Holding, a subsidiary, acquired a 50.1% equity interest in Alpha Wave Group ("Alpha Wave"). Alpha Wave headquartered in New York and Abu Dhabi is a global investment firm focused on alternative investments, including private equity, public markets, credit, and venture capital.

2PointZero Group Completes Strategic Exit from TAQA Investment Through Sale to L'IMAD

Effective 11 June 2026, 2PointZero Group PJSC announced the completion of the sale of its full 7.29% stake in Abu Dhabi National Energy Company PJSC (TAQA) to Abu Dhabi Power Corporation PJSC, a wholly owned subsidiary of L'IMAD Holding Company PJSC. The transaction supports portfolio optimization and strengthens the Group's liquidity position, with proceeds to be deployed into high-growth opportunities across its core energy and consumer sectors.

IHC Second Share Buyback Program

On 12 June 2026, IHC announced the commencement of its second share buyback programme, launching its first tranche of AED 1.8 billion, representing 36% of the approved AED 5 billion programme. The initiative followed one of IHC's strongest halves to date, with H1 2026 revenue reaching AED 64.9 billion and profit after tax nearly tripling to AED 26.2 billion. The buyback reflects IHC's continued focus on disciplined capital allocation, balancing investment in future growth opportunities with sustainable value creation for shareholders.

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, Low Energy, ZySec AI, Vision Metering and Pine Tree, for a total consideration of AED 146,064 thousand.

IHC Beyond The Numbers

IHC Converts MIITE 2026 Into a Group-Wide Execution Platform

IHC concluded Make it in the Emirates 2026 with more than 60 strategic agreements representing over AED 40 billion across financial services, mining, real estate, clean energy, AI, space and advanced manufacturing. The Pavilion convened more than 40 Group companies, drew close to 100,000 visitors and hosted over 40 sessions with 70 speakers. Partnerships across chemicals, water, energy, packaging and food supply showed how IHC's Value Networks connect capital, capability and global partners to advance UAE industry.

NRTC Connects UAE Farmers to a Scalable Route to Market

NRTC and the National Agricultural Centre signed an MoU to strengthen structured market access and distribution for local farmers. Through its Mahsool platform, NRTC already supports 100+ UAE farms within an integrated farm-to-fork ecosystem spanning sourcing, processing, cold-chain logistics and distribution. The model advances traceability, reduces food miles and operational waste, and improves farmer livelihoods, linking commercial scale with UAE's long-term food-security and sustainable-agriculture priorities.

Aldar Makes Hidden Disabilities Visible in Customer Experience

Yas Mall became the region's first mall to achieve full membership of the Hidden Disabilities Sunflower programme. Aldar trained 100% of customer-facing staff, embedded enhanced service protocols and commissioned 10,000 lanyards produced by People of Determination for distribution across its assets.

Al Ain Farms Makes Population Health a Product-Design Commitment

Al Ain Farms Group pledged to cut added sugars by 10–20% across Al Ain Farms and Marmum Dairy products including flavored milk, yoghurt and laban. Aligned with Abu Dhabi's Healthy Living Strategy, and Nutrimark labels initiative the commitment converts preventive health into measurable reformulation and responsible food innovation.

IHC Ranks Sixth Globally in TIME's World's Growth Leaders 2026

IHC ranked #6 in TIME's inaugural World's Growth Leaders of 2026, placing it among the highest-performing publicly listed companies worldwide. It assessed 1,000 companies on growth and stock performance and financial stability. Emirates Stallions Group, 2PointZero, NMDC, Apex Investment, Response Plus, Alpha Dhabi, EasyLease, Ghitha and Invictus were also ranked, demonstrating the Group's breadth and resilience.

NMDC Brings Advanced Marine Testing In-Country With a Regional First

NMDC inaugurated the region's first commercial hydraulic physical-modelling facility, enabling ports, breakwaters, sea walls and offshore structures to be tested under simulated waves before construction. Built by NMDC Infra, the Coastal & Hydrodynamic Center combines a 3D wave basin and 2D flume to reduce reliance on overseas labs, shorten timelines and improve design control. It also supports academic research and testing of offshore renewable-energy systems.

PureHealth Delivers a GCC-First Breakthrough in Complex Pediatric Surgery

PureHealth's SEHA–Sheikh Khalifa Medical City completed the GCC's first separation of craniopagus twins. The six-month programme involved four surgeries and more than 60 clinicians from the UAE, United Kingdom, Brazil and Nigeria, supported by augmented reality, 3D printing and AI planning. Integrating multidisciplinary expertise and technology, PureHealth delivered a life-changing outcome and reinforced Abu Dhabi's position in complex global healthcare.

Aldar Links AED 5 Billion to ESG Performance

Aldar closed a five-year, AED 5 billion sustainability-linked credit facility with ten banks. Tied to sustainability KPIs, the transaction embeds ESG accountability in its funding architecture while strengthening liquidity for long-term growth.

First Half 2026

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For the Six-Month Period Ended 30 June 2026

Investor Relations

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