طيران أبو ظبي
ABU DHABI AVIATION

H1 2026

Management Discussion & Analysis Report

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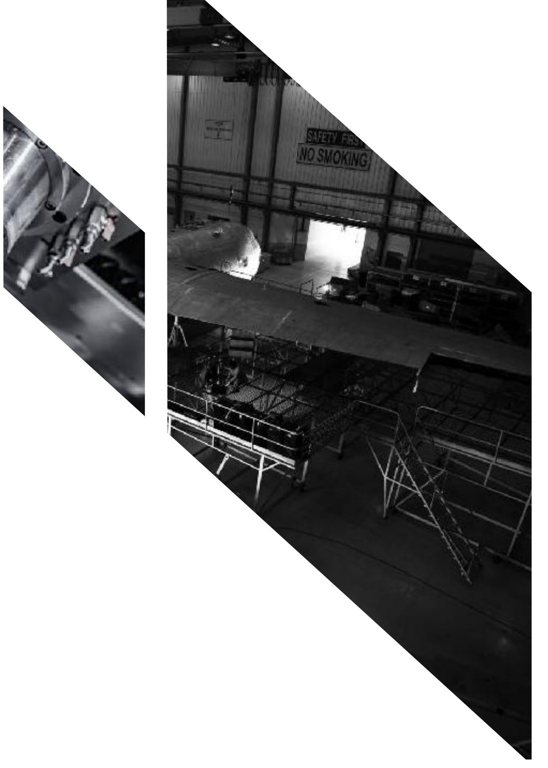
Group CEO Statement



Mahmood Alhay Alhameli
Group Chief Executive Officer

The first half of 2026 was a period of substantial growth for Abu Dhabi Aviation, delivered against a regional operating environment that remained unsettled for much of the period. Group revenue increased 28.2% year-on-year to AED 4.66 billion, and the Group closed the half larger, more integrated and more capable than it was at the start of the year. Taken as a whole, the period developed broadly in line with the expectations we set out when we reported our first-quarter results.

That growth was led by our maintenance, repair and overhaul ("MRO") platform, which now accounts for close to 90% of Group revenue, and grew 30.6% over the period. Demand across our defense MRO and fleet support activities remained strong through the period, and our businesses continued to convert demand into operational delivery effectively and on schedule. This remains the least impacted part of our portfolio and the primary focus of our capacity investments.

Within both the MRO and General Aviation segments, certain activities moved broadly in line with what the environment allowed. Third-party fly-in maintenance and parts of our rotary-wing operations experienced softer activity, as customers deferred discretionary work in the region amid uncertainties. We read this as timing rather than lost demand, and we expect activity to return as conditions normalize.

Within General Aviation, stronger cargo volumes more than offset that softness, enabling the segment to deliver 7.6% revenue growth at a margin above the Group average, a direct illustration of the resilience our diversified platform provides.

Net profit rose 6.6% over the period, supported by a non-recurring settlement recognized by AMMROC relating to a legacy contract. Margins were nonetheless below the prior-year period; reflecting a shift in the Group's revenue mix toward MRO activities, a lower share of profit from equity-accounted investees as private aviation demand softened, and the higher depreciation from recent fleet and facility investments that have yet to ramp up to full revenue-generating capacity.

The Group's financial position remains strong. We closed the period with cash and cash equivalents of AED 2.0 billion and borrowings at 1.1 times EBITDA, comfortably within our internal benchmarks, providing the flexibility to fund our committed investment program while continuing to deliver sustainable value to our shareholders. I would also note that the fair value pressure on our investment portfolio reported at the first quarter was substantially recovered during the second quarter, with the portfolio closing the half broadly at its year-end valuation.

Looking ahead, our priorities for the remainder of 2026 are clear. The capacity we have built is moving into utilization, and our focus is on converting it into throughput, margin and cash generation. We will maintain the safety and operational discipline that underpin everything we do, advance integration across the Group, and pursue selective growth opportunities. Since period end, the Board has approved the exit of non-core investment holdings, concentrating capital behind our core platform and strengthening the returns we generate for shareholders. Our wider strategic program, including fleet modernization, international expansion and advanced air mobility, progressed during the period and positions the Group for long-term success.

While the external environment remains a factor we will continue to monitor closely, the fundamentals of our business and the structural demand for the services we provide remain firmly intact.

I would like to thank our Board of Directors, our shareholders, our customers and our partners for their continued confidence in the Group, and above all, I extend my appreciation to our colleagues across ADA Group, whose professionalism and commitment remain the foundation of everything we achieve.

Mahmood Alhay Alhameli
Group Chief Executive Officer

ADA طيران أبو ظبي ABU DHABI AVIATION

Key Highlights

This MD&A should be read alongside the Condensed consolidated interim financial information for the period ended 30 June 2026, prepared in accordance with IFRS and applicable laws and regulations, as confirmed by the Board of Directors.

Key Performance Indicators – H1 2026

AED 4,661.7mn
Revenue [1]

AED 675.2mn
Gross Profit | + 11.1% YoY

AED 488.4mn
EBITDA | + 7.8% YoY

AED 420.6mn
Net Profit | +6.6% YoY

+28.2%
Revenue Growth

10.5%
EBITDA Margin

9.0%
Net Profit Margin

1.1x
DEBT [2] /LTM EBITDA

Operational Highlights

Safety
Maintained the highest cumulative safety standards to date.

Fleet Scale
70 aircrafts | **5** simulators | **1.1mn+** rotary wing hours.

Workforce
≈10,000 employees across **79** nationalities.

Sustainability
First Sustainable Aviation Fuel (SAF) helicopter flight in MENA region completed.

1. Total Group revenue reflects intercompany eliminations.
2. Excludes leases.

Business Overview

General Aviation

RoyalJet

Premium private aviation company owning and operating a fleet of Boeing Business Jets and Bombardier Global aircrafts.

AgustaWestland Aviation Services LLC

Rotary Maintenance, Repair and Overhaul (MRO) A JV between ADA & Leonardo.

Abu Dhabi Aero

The Middle East's largest commercial helicopter operator, offering offshore oil & gas support, search and rescue, air ambulance, VIP transport and maintenance services. Abu Dhabi Aero is the rebranded successor to the legacy Abu Dhabi Aviation rotary-wing operator

MAXIMUS AIR

The UAE's largest all-cargo airline and one of the leading operators across the wider Middle East region.

Abu Dhabi Aviation Training Center

Offers elite pilot training for fixed and rotary wing aircraft using state-of-the-art simulators.

Maintenance, Repair & Overhaul

GAL

Provides comprehensive logistics, maintenance and support services for military and civilian aviation.

AMMROC

Provides mission-ready third-party MRO services through a state-of-the-art Al Ain facility spanning 140,000 m², including 36,500+ m² of hangar capacity.

ETIHAD ENGINEERING

Etihad Engineering is one of the world's leading aircraft maintenance, repair and overhaul (MRO) providers, offering industry-leading aircraft maintenance and engineering solutions, including airframe maintenance, component repair, overhaul services and technical training in Abu Dhabi

Investments

ADAIRE

Real estate development, asset management and investment company fully owned by ADA.

Operational and Financial Performance

H1 2026 PERFORMANCE SUMMARY

Revenue

Total Revenue for the six-month period ended 30 June 2026 reached AED 4,662mn, compared to AED 3,636mn in the prior-year period, reflecting 28.2% year-on-year growth

Growth was driven principally by the MRO segment, which grew 30.6% year-on-year. GAL continued to benefit from sustained demand under key fleet support contracts, and AMMROC delivered a substantial increase in activity as contracted programs moved into full execution.

The General Aviation segment grew 7.6%, supported by significantly higher cargo activity at Maximus Air.

These were partially offset by softer activity at Etihad Engineering, as third-party operators deferred scheduled fly-in inputs to the region, and across parts of the General Aviation segment, primarily reflecting the regional operating environment during the period.

Growth accelerated materially through the half, with second-quarter revenue 60.3% ahead of the comparable quarter, against 1.4% growth in the first quarter.

EBITDA

EBITDA for the period was AED 488mn, compared to AED 453mn in H1 2025, reflecting growth of 7.8%. The EBITDA margin of 10.5% compares to 12.5% in the prior-year period, principally reflecting the shift in the Group's revenue mix toward contracted MRO work.

Non-cash fair value movements contributed AED 1.4mn, compared to a gain of AED 28.6mn in the prior-year period. A first-quarter fair value loss of AED 58.3mn was substantially recovered during the second quarter as market conditions stabilized.

General and administrative expenses were held flat at AED 269mn.

The contribution from equity-accounted investees declined to AED 27.5mn from AED 45.3mn in H1 2025, reflecting softer private aviation demand during the period.

Excluding fair value movements in both periods, Adjusted EBITDA was AED 487mn, compared to AED 425mn, an increase of 14.7%.

Net Profit

The Group reported a Net Profit of AED 421mn for the period, representing a net profit margin of 9.0%, compared to AED 394mn and 10.8% in the prior-year period.

Group profitability in the period included a non-recurring settlement recognized by AMMROC relating to a legacy contract from prior years, contributing AED 364mn to revenue, AED 112mn to EBITDA and AED 102mn to net profit. This settlement substantially offset the impact of the regional operating environment on certain Group activities during the period.

Profit attributable to owners was AED 318mn, in line with the prior-year period, with non-controlling interests increasing to AED 102mn from AED 77mn, reflecting the concentration of growth in businesses in which the Group holds a majority rather than a full interest.

Basic and diluted earnings per share for the six months ended 30 June 2026 amounted to AED 0.290, unchanged from the prior year.

Operational and Financial Performance

H1 2026 PERFORMANCE SUMMARY

Financial Position and Cash Balance

ADA Group maintained a strong financial position as at 30 June 2026, with cash and cash equivalents of AED 2,046mn and total borrowings of AED 1,146mn, representing a net cash position of AED 900mn.

The Group's leverage profile remains conservative at 1.1 times LTM EBITDA, well within healthy benchmarks, providing the flexibility to fund committed investment activity while continuing to deliver returns to shareholders.

Total equity stood at AED 8,880mn, compared to AED 9,040mn at 31 December 2025, principally reflecting distributions made during the period.

Cash Flow and Working Capital

Operating cash flow for the period reflected working capital absorption of AED 1,386mn, compared to AED 353mn in the prior-year period, resulting in a net operating cash outflow of AED 918mn against an inflow of AED 61mn in H1 2025.

The absorption principally reflects the expansion of contracted activity and the associated billing and certification cycle, with trade and other receivables increasing to AED 5,833mn at 30 June 2026 from AED 4,189mn at 31 December 2025, ahead of revenue growth over the same period. Trade and other payables increased 3.4% to AED 4,500mn, providing partial offset.

Capital Expenditure and Investment

In the six-month period to 30 June 2026, the Group continued to progress its committed capital expenditure program, principally directed towards aircraft acquisitions and capacity at Etihad Engineering.

The Group's full-year 2026 capital expenditure plan remains aligned with the priorities communicated in the prior reporting period, subject to the reassessment of the current regional situation.

The Group's diversified financial asset and investment property portfolio stood at AED 1,891mn as at 30 June 2026, unchanged in aggregate value from 31 December 2025. No material trading activity was undertaken in the period.

Subsequent to the period, the Board approved the disposal of a substantial portion of the Group's real estate and financial asset holdings, classified as held for sale at period end with a carrying value of AED 674mn.

Dividends

At the General Assembly Meeting in March 2026, shareholders approved a FY2025 cash dividend of AED 329 million (AED 0.30 per share), implying a yield of approximately 5.75%.

Segmental Performance

Maintenance, Repair and Overhaul (MRO)

The MRO segment reported revenue of AED 4,176.9 mn for the six-month period ended 30 June 2026, compared to AED 3,199.3 mn in the prior period, reflecting year-on-year growth of 30.6%.

This performance was driven by strong operational execution at GAL, supported by the timely delivery of key project milestones and sustained client demand for fleet support services. AMMROC also contributed materially[1], with activity increasing sharply as contracted programs moved into full execution.

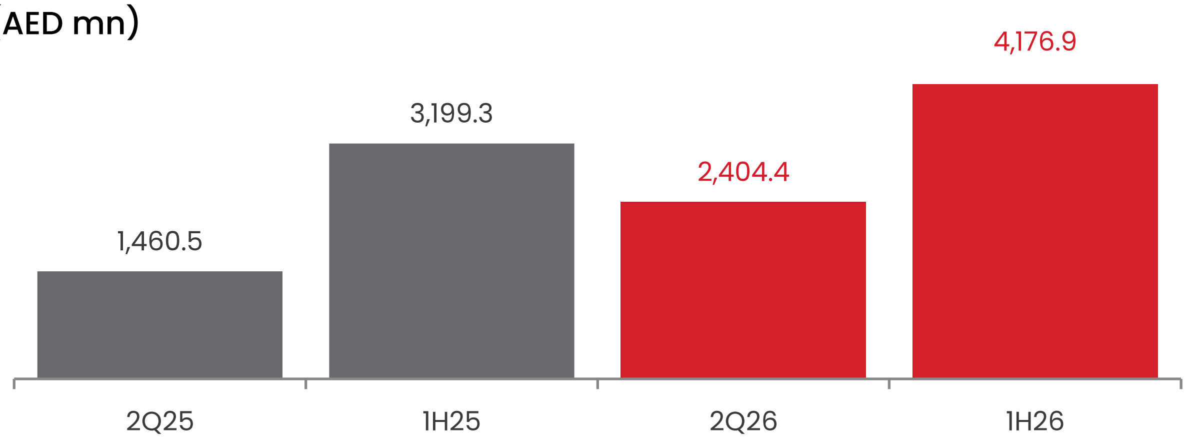
The segment delivered a Net Profit of AED 353.8 million, representing a Net Profit margin of 8.5%.

354 AED mn
Net Profit

8.5 %
Net Profit Margin

MRO Segment - Revenue evolution

(AED mn)



The MRO segment accounted for 89.6% of the Group's revenue, reaffirming its position as the primary engine of the business.

Segment EBITDA increased 24.9% to AED 404.7mn, with the EBITDA margin broadly stable at 9.7%.

The reduction in third-party fly-in volumes at Etihad Engineering reflects deferred rather than forgone demand, with activity expected to recover as regional conditions normalize.

1. AMMROC's performance during the period included a non-recurring settlement of AED 364mn relating to a legacy contract from prior years.

Segmental Performance

General Aviation

The General Aviation segment recorded revenue of AED 509.9 mn (10.9% of Group revenue) for the six-month period ended 30 June 2026, compared to AED 473.7mn in the prior-year period, reflecting year-on-year growth of 7.6%.

Performance during the period was supported by stronger cargo operations at Maximus Air, reflecting regional freight dynamics, partially offset by softer activity across rotary-wing operations linked to the regional operating environment during the period.

The segment reported a Net Profit of AED 44mn, representing a Net Profit margin of 8.7%.

44 AED mn

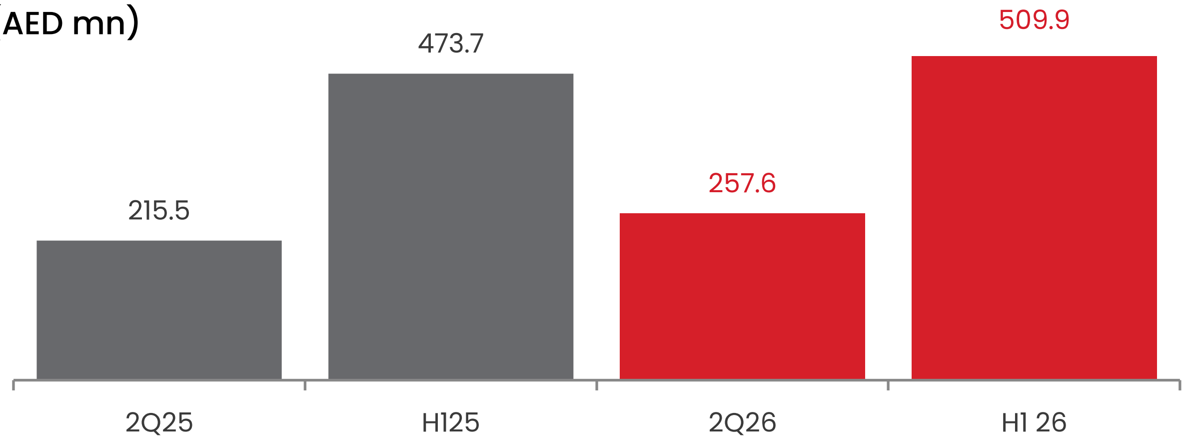
Net Profit

8.7%

Net Profit Margin

GA Segment – Revenue Evolution

(AED mn)



The Group's diversified operating platform enables it to benefit from varying demand cycles across its businesses.

During the period, stronger cargo activity more than offset softer performance in other General Aviation operations, demonstrating the resilience provided by the Group's balanced portfolio of aviation services.

Segmental Performance

Investments

The Investments segment generated AED 22.2mn in net profit for the six-month period ended 30 June 2026, compared to AED 46.4mn in the prior-year period, principally reflecting the absence of the fair value gains recorded last year. First-quarter fair value pressure was substantially recovered in the second quarter, with the portfolio closing the half broadly at its year-end valuation.

Subsequent to the period, the Board approved the disposal of a substantial portion of the Group's real estate and financial asset holdings, classified as held for sale at period end with a carrying value of AED 674mn. Proceeds are expected to support core aviation and MRO growth while reinforcing the Group's capacity to deliver shareholder returns.

22.2 AED mn

Net Profit

1,891 AED mn

Portfolio Value

Investments Portfolio

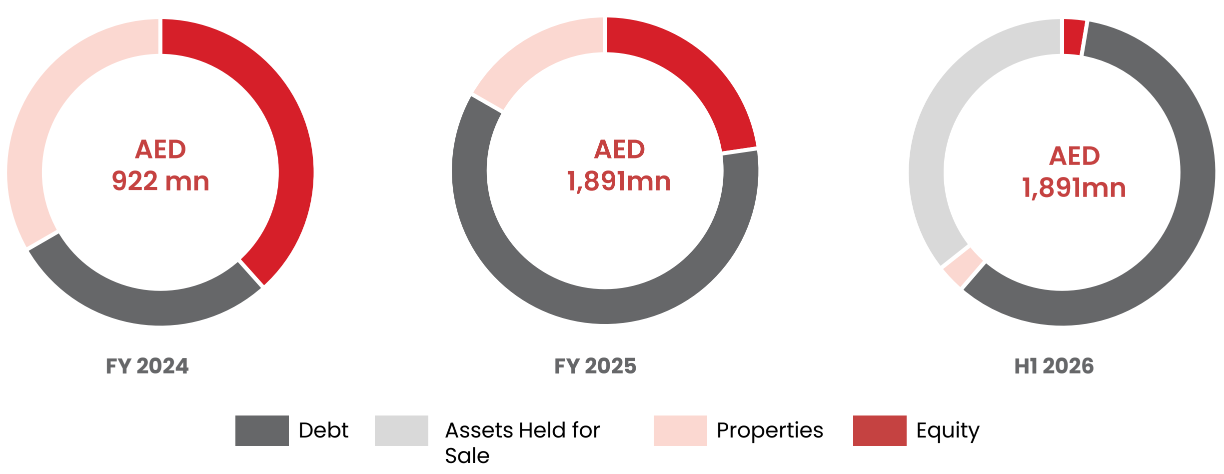
(AED mn)

AED 1,891.3mn
Portfolio Value

AED 22.2mn
Net Profit

The investment portfolio remains anchored in UAE-denominated debt and equity instruments, complemented by income-generating real estate holdings in Abu Dhabi and Dubai.

The approved divestment reflects the Group's strategy of concentrating capital on its core aviation and maintenance platform, with the retained portfolio comprising predominantly debt instruments



Business Outlook

The Group's forward-looking agenda is built around three strategic priorities

Enhancing core operations to drive efficiency, quality and innovation.

Integrating capabilities across business entities to unlock cross-functional value.

Accelerating growth through international expansion, strategic investments, and selective inorganic opportunities.

Strengthening MRO Capabilities

- ADA is expanding within the MRO market through enhancing technical capacity and facility utilization.
- The first half saw continued progress on capacity expansion, with the additional widebody hangar at Etihad Engineering substantially complete and supporting the next phase of throughput growth. AMMROC continued to scale the blade shop and Line Replaceable Unit capabilities introduced in 2025, alongside ongoing OEM partnership development.

Deepening General Aviation Operations

- The Group continues to broaden its presence across Oil & Gas, EMS, SAR and business aviation, building on its proven service excellence.
- The Group also signed a Memorandum of Understanding with the General Civil Aviation Authority on the Al Jeer program, the first Group-wide aircraft maintenance training pathway of its kind in the UAE, reinforcing the Group's commitment to UAE national talent development.

Advancing Fleet Modernization and Regional Growth

- Fleet renewal remains central to ADA's aviation strategy, with new aircraft additions enhancing efficiency and capability each year. In parallel, the Group is pursuing regional expansion, particularly within Africa's Oil & Gas aviation markets, to capture emerging opportunities.
- Advanced Air Mobility remains an area of strategic focus for the Group through its partnership with Archer Aviation, with a view to introducing electric air taxi operations in Abu Dhabi over the longer term.

H1 2026 Consolidated Financial Performance
Income Statement Summary

Metric (AEDmn)	H1 2026	H1 2025	Change %
Revenue	**4,661.7**	**3,635.9**	**28.2%**
Direct Operating Costs	(3,986.5)	(3,028.1)	31.7%
Gross Profit	675.2	607.8	11.1%
G&A Expenses	(316.0)	(307.3)	2.8%
Other Income	24.3	17.1	42.1%
Net change in the fair value of financial assets through profit or loss	1.4	28.6	(95.1%)
Share of Profit from Equity Accounted Investees	27.5	45.3	(39.3%)
Net Finance Income	47.6	39.6	20.2%
Profit Before Tax	460.0	431.1	6.7%
Income Tax Expense	(39.4)	(36.7)	7.4%
Net Profit	**420.6**	**394.4**	**6.6%**
Margin %	9.0%	10.8%	-1.8 pp
Attributable to Owners	318.1	317.8	0.1%
Attributable to Non-controlling Interests	102.5	76.6	33.8%

H1 2026 Consolidated Financial Performance
Summary Balance Sheet

Metric (AEDmn)	Jun-26	Dec-25	Change %
Aircraft, Property And Equipment	1,996.2	2,013.2	(0.8%)
Financial Assets At Fair Value Through Profit Or Loss	1,167.1	1,446.1	(19.3%)
Right-of-use Assets	723.6	740.0	(2.2%)
Investment In Equity Accounted Investees	982.5	979.9	0.3%
Investment Properties	50.0	445.1	(88.8%)
Other Non-current Assets	69.5	52.9	31.4%
Total Non-current Assets	**4,988.9**	**5,677.3**	**(12.1%)**
Inventories	1,223.9	1,220.2	0.3%
Receivables	5,832.7	4,188.9	39.2%
Advances, Prepayments And Other Current Assets	1,059.1	1,180.6	(10.3%)
Other Financial Assets At Amortised Cost	316.4	623.7	(49.3%)
Cash And Cash Equivalents	2,046.1	3,187.1	(35.8%)
Current assets excluding non-current assets held for sale	10,478.2	10,400.5	0.7%
Non-current assets classified as held for sale	674.2	-	100.0%
Total Current Assets	**11,152.4**	**10,400.5**	**7.2%**
Total Assets	**16,141.3**	**16,077.8**	**0.4%**
Total Equity	**8,880.2**	**9,039.8**	**(1.8%)**
Provision For Employees' End Of Service Benefits	526.0	522.1	0.7%
Borrowings	226.0	260.8	(13.3%)
Lease Liabilities	787.3	807.2	(2.5%)
Other Non-current Liabilities	43.2	45.3	(4.6%)
Total Non-current Liabilities	**1,582.5**	**1,635.4**	**(3.2%)**
Trade And Other Payables	4,500.0	4,353.7	3.4%
Borrowings	920.2	862.1	6.7%
Lease Liabilities	81.4	62.3	30.7%
Other Current Liabilities	177.0	124.6	42.1%
Total Current Liabilities	**5,678.6**	**5,402.6**	**5.1%**
Total Liabilities	**7,261.1**	**7,038.0**	**3.2%**
Total Equity And Liabilities	**16,141.3**	**16,077.8**	**0.4%**

H1 2026 Consolidated Financial Performance
Summary Cash Flow

Metric (AEDmn)	H1 2026	H1 2025	Change %
Profit before Income Tax	**460.0**	**431.1**	**6.7%**
Non-cash and Other Adjustments	8.7	(17.2)	150.6%
Operating Cash Flows before Changes in Working Capital	**468.7**	**413.9**	**13.2%**
Change in Working Capital	(1,386.2)	(352.6)	(293.1%)
Net Cash (used in) / generated from Operating Activities	**(917.5)**	**61.3**	**(1,596.7%)**
Net Cash generated from / (used in) Investing Activities	**369.2**	**(829.1)**	**144.5%**
Net Cash Used in Financing Activities	**(644.6)**	**(538.2)**	**(19.8%)**
Net decrease in cash and cash equivalents	(1,192.9)	(1,306.0)	(8.7%)
Cash & Cash Equivalents at the Beginning of the Period	3,005.7	3,755.0	(20.0%)
Effect of currency translation on cash and cash equivalents	(0.0)	0.1	(100.0%)
Cash & Cash Equivalents at the End of the Period	**1,812.8**	**2,449.1**	**(26.0%)**

Outstanding Performance Since 1976

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