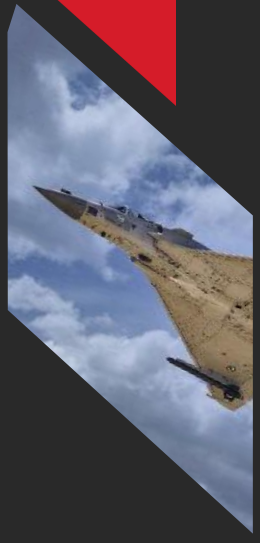
ADA

طيـــــران أبو ظبـــــي

ABU DHABI AVIATION





Q3 2026

Management Discussion & Analysis Report

ADA طيـــران أبو ظبـــي ABU DHABI AVIATION

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Group CEO Statement





Mahmood Alhay Alhameli
Group Chief Executive Officer

The first nine months of 2026 saw Abu Dhabi Aviation build on the growth delivered in the first half, against a regional operating environment that continued to weigh on parts of our activity. Group revenue rose 22.9% year-on-year to AED 6.8 billion, with third-quarter revenue 12.7% ahead of the comparable period. Profitability, however, was marginally lower in the third quarter.

Our maintenance, repair and overhaul ("MRO") platform continued to anchor the Group's growth, increasing revenue 24.3% and representing close to 90% of Group revenue. The contracted nature of our defense and fleet support work provided a stable base, with GAL and AMMROC together accounting for the bulk of the segment's growth.

GAL continues to experience continued demand for its services, with a clear shift from transactional engagements toward service-based contracts. The expansion of the fleet under contract provides further business potential. These activities remain the most resilient part of our portfolio and the focus of our capacity investments.

At Etihad Engineering and across parts of the General Aviation segment, although the softer conditions we reported during the half year continue, the diversification of customer base is expected to enhance capacity utilization. This trend is likely to further improve in the fourth quarter.

General Aviation once again reflected the benefit of a diversified platform. Strong cargo volumes at Maximus Air more than offset softer rotary-wing activity, enabling the segment to grow revenue 9.6% at a net profit margin well above the Group average, with both revenue and net profit ahead of the prior year in the third quarter.

Net profit for the period was AED 525 million, 24.9% below the prior year. This reflects the continued shift in our revenue mix toward contracted MRO activities, lower third-party maintenance volumes, fair value losses on our investment portfolio against prior-year gains, a reduced share of profit from equity-accounted investees, and a one-off gain recognized in the comparable period. Higher depreciation from recent fleet and facility investments, which have yet to reach full revenue-generating capacity, also weighed on earnings. The non-recurring settlement recognized by AMMROC in the first half partially offset these factors.

The Group's balance sheet remains strong. We closed the period with cash and cash equivalents of AED 1.8 billion, a net cash position of AED 769 million and borrowings at 0.9 times EBITDA, providing the flexibility to fund our committed investment program through the current environment. Working capital remains elevated following the growth in contracted activity, and accelerating the conversion of receivables into cash is a key priority for the remainder of the year.

Looking ahead, our focus for the final quarter of 2026 is on restoring margin and strengthening cash generation. We will apply firm discipline to costs and capital expenditure, and advance integration across the Group, while maintaining our safety and operational standards. We also progressed the Board-approved exit from non-core investment holdings, concentrating capital on our core business. Our broader strategic program, including international expansion and advanced air mobility, continues to support the Group's long-term growth.

While regional conditions require continued attention, the structural demand for the services we provide is unchanged, and we remain confident in the strength of the Group's underlying business.

I would like to thank our Board of Directors for its guidance, and our shareholders, customers and partners for the confidence they continue to place in the Group. I am also grateful to our colleagues across ADA Group for their dedication and professionalism through a demanding period.

Mahmood Alhay Alhameli
Group Chief Executive Officer

Key Highlights

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

Key Performance Indicators – 9M 2026

AED 6,817mn
Revenue [1]

AED 915mn
Gross Profit | (6.9%) YoY

AED 620mn
EBITDA | (15.0%) YoY

AED 525mn
Net Profit | (24.9%) YoY

+22.9%
Revenue Growth

9.1%
EBITDA Margin

7.7%
Net Profit Margin

0.9x
DEBT [2] /LTM EBITDA

Operational Highlights

Safety
Maintained the highest cumulative safety standards to date.

Fleet Scale
70 aircraft | **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.

ADA طيـــــران أبو ظبـــــي ABU DHABI AVIATION

The Middle East's largest commercial helicopter operator, offering offshore oil & gas support, search and rescue, air ambulance, VIP transport and maintenance services.

ماكسيموس للطيران MAXIMUS AIR

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

طيران أبو ظبـــي مركز التدريب 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.

أمرك 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.

الإتحاد 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



Q3 2026 PERFORMANCE SUMMARY

Revenue

Total revenue for the nine-month period ended 30 September 2026 reached AED 6,817mn, compared to AED 5,547mn in the prior-year period, reflecting 22.9% year-on-year growth.

Growth was driven principally by the MRO segment, which grew 24.3% 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 9.6%, supported by significantly higher cargo activity at Maximus Air.

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

Third-quarter revenue increased 12.7% year-on-year to AED 2,155mn, with growth in both operating segments.

EBITDA

Gross profit was AED 915mn, compared to AED 983mn in the prior-year period, with the gross margin at 13.4% compared to 17.7%.

EBITDA for the period was AED 620mn, compared to AED 728mn in the prior-year period, a decrease of 15.0%. The EBITDA margin of 9.1% compares to 13.1%, reflecting the shift in the Group's revenue mix toward contracted MRO work and lower third-party maintenance volumes against a largely fixed cost base.

Non-cash fair value movements resulted in a loss of AED 36mn, compared to a gain of AED 38mn in the prior-year period. The first-quarter loss was substantially recovered in the second quarter, before a further loss of AED 37mn in the third quarter.

General and administrative expenses decreased 6.9% to AED 473mn, from AED 508mn.

The contribution from equity-accounted investees declined to AED 55mn from AED 81mn, reflecting softer private aviation demand.

Excluding fair value movements in both periods, Adjusted EBITDA was AED 655mn, compared to AED 691mn, a decrease of 5.1%.

Net Profit

The Group reported a Net Profit of AED 525mn for the period, representing a net profit margin of 7.7%, compared to AED 698mn and 12.6% in the prior-year period.

Group profitability 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.

Profit attributable to owners was AED 375mn, compared to AED 566mn, while non-controlling interests increased to AED 150mn from AED 132mn, reflecting the concentration of growth in businesses in which the Group holds a majority rather than a full interest.

Depreciation and amortization increased by 22.2% to AED 120mn, reflecting recent fleet and facility investments that have yet to reach full revenue-generating capacity. Net finance income increased 7.1% to AED 69mn.

Basic and diluted earnings per share amounted to AED 0.342, compared to AED 0.516 in the prior-year period.

Operational and Financial Performance



Q3 2026 PERFORMANCE SUMMARY

Financial Position and Cash Balance

ADA Group maintained a strong financial position as at 30 September 2026, with cash and cash equivalents of AED 1,762mn and total borrowings of AED 993mn, representing a net cash position of AED 769mn.

Leverage remains conservative at 0.9 times LTM EBITDA, compared to 1.1 times at 30 June 2026, providing the flexibility to fund committed investment activity while continuing to deliver returns to shareholders.

Total equity stood at AED 8,984mn, compared to AED 9,040mn at 31 December 2025, with profit for the period broadly offset by distributions.

Cash Flow and Working Capital

Working capital absorption for the period was AED 1,715mn, compared to AED 591mn in the prior-year period, resulting in a net operating cash outflow of AED 1,195mn against an inflow of AED 8mn in 9M 2025.

The absorption continues to reflect the expansion of contracted activity and the associated billing and certification cycle. Trade and other receivables stood at AED 5,335mn, up from AED 3,564mn at 31 December 2025 but below their 30 June 2026 level, while trade and other payables decreased to AED 3,629mn. Converting receivables into cash remains a management priority.

Net cash used in financing activities was AED 690mn, principally reflecting dividends paid of AED 579mn and net repayment of borrowings of AED 80mn.

Capital Expenditure and Investment

Capital expenditure for the period was AED 91mn, compared to AED 271mn in the prior-year period, reflecting the phasing of the Group's committed program, principally aircraft acquisitions and capacity at Etihad Engineering, in light of the regional situation.

Net cash generated from investing activities of AED 535mn principally reflects proceeds from the disposal and maturity of financial assets.

The Group's financial asset and investment property portfolio stood at AED 1,693mn, compared to AED 1,891mn at 31 December 2025, following disposals of AED 162mn and fair value losses of AED 36mn. Assets held for sale stood at AED 515mn, from AED 674mn at 30 June 2026, as the Group progressed the approved divestment.

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 6,021 mn for the nine-month period ended 30 September 2026, compared to AED 4,844 mn in the prior period, reflecting year-on-year growth of 24.3%.

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.

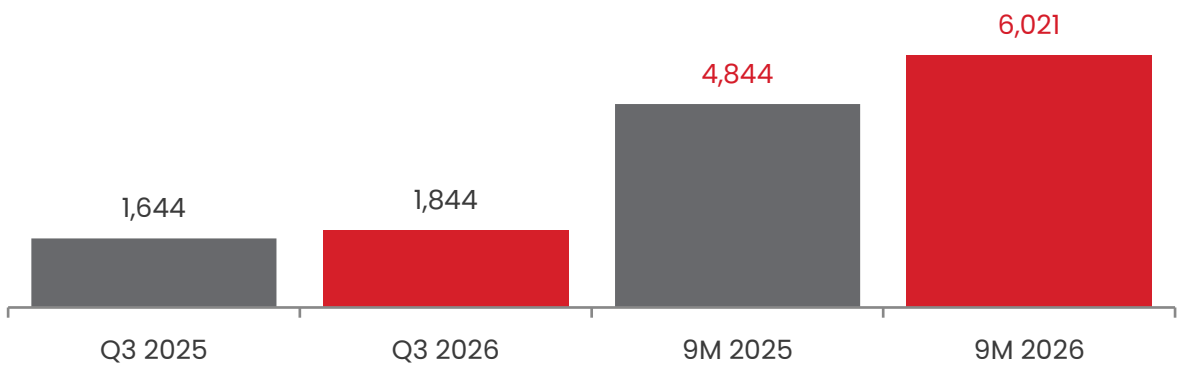
The segment delivered a Net Profit of AED 419 million, representing a Net Profit margin of 7.0%.

419 AED mn
Net Profit

7.0%
Net Profit Margin

MRO Segment - Revenue evolution

(AED mn)





The MRO segment accounted for 88.3% of the Group's revenue, reaffirming its position as the primary engine of the business.

Segment EBITDA was AED 487mn, 3.6% below the prior-year period, at a margin of 8.1%, reflecting the revenue mix and lower third-party volumes at Etihad Engineering.

These lower fly-in volumes reflect 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 838mn (12.3% of Group revenue) for the nine-month period ended 30 September 2026, compared to AED 764mn in the prior-year period, reflecting year-on-year growth of 9.6%.

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.

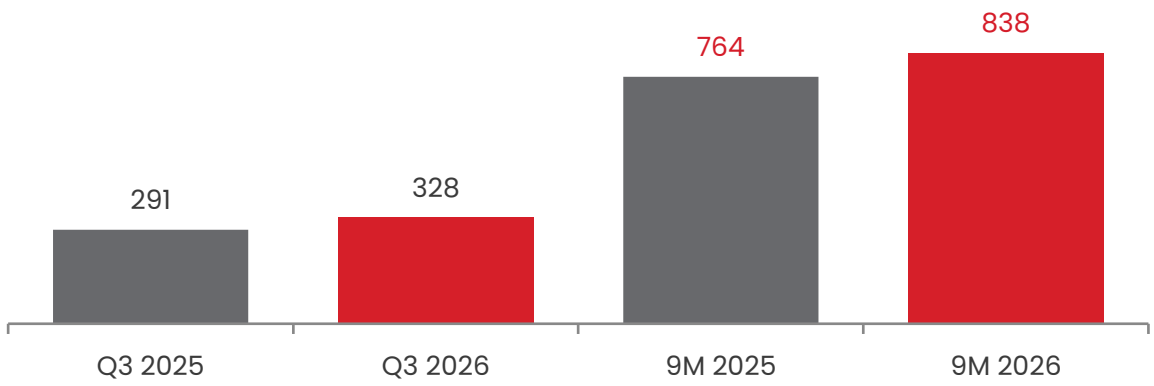
The segment reported a Net Profit of AED 112mn, representing a Net Profit margin of 13.4%.

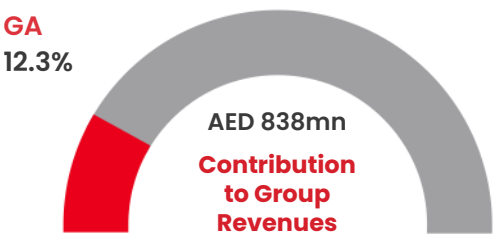
112 AED mn
Net Profit

13.4%
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.

Stronger cargo activity more than offset softer performance in other General Aviation operations. In the third quarter, segment revenue grew 12.9% and net profit 6.9% year-on-year.

Segmental Performance

Investments

The Investments segment recorded a net loss of AED 6mn for the nine-month period ended 30 September 2026, compared to a net profit of AED 65mn in the prior-year period, principally reflecting fair value losses on financial assets in the third quarter.

The portfolio stood at AED 1,693mn as at 30 September 2026, compared to AED 1,891mn at year-end 2025. During the period, the Group disposed of AED 162mn of investment securities and recognized AED 36mn in fair value losses.

The Group continued to execute the Board-approved disposal of a substantial portion of its real estate and financial asset holdings, with assets held for sale reduced to AED 515mn from AED 674mn at 30 June 2026. Proceeds will support core aviation and MRO growth and the Group's capacity to deliver shareholder returns.

515 AED mn
Held for sale

6 AED mn
Net Loss

1,693 AED mn
Portfolio Value

Investments Portfolio

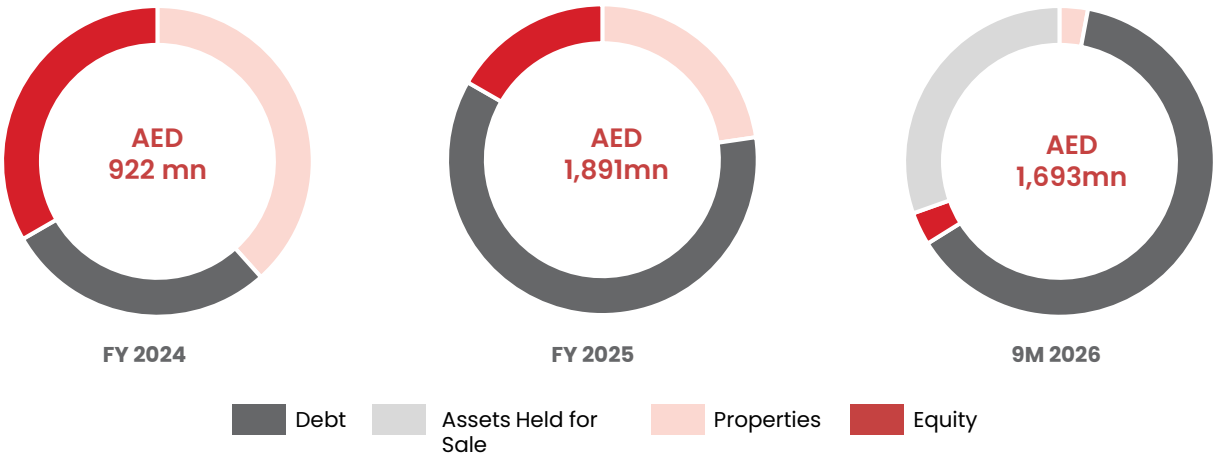
(AED mn)

AED 1,693mn
Portfolio Value

AED 6mn
Net Loss

Following disposals during the period, the portfolio is anchored in UAE-denominated debt instruments, which represent close to two-thirds of its value. Most of the remaining real estate and equity holdings are classified as held for sale.

The divestment reflects the Group's strategy of concentrating capital on its core aviation and maintenance platform.



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 third quarter 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.

Q3 2026 Consolidated Financial Performance
Income Statement Summary

Metric (AEDmn)	Sep-26	Sep-25	Change %
Revenue	**6,816.5**	**5,547.3**	**22.9%**
Direct Operating Costs	(5,901.5)	(4,564.2)	29.3%
Gross Profit	915.0	983.1	(6.9%)
G&A Expenses	(472.5)	(507.6)	(6.9%)
Other Income	41.9	40.2	4.3%
Reversal of impairment of non-financial assets	-	54.6	(100.0%)
Net change in the fair value of financial assets through profit or loss/classified as held for sale	(35.7)	37.9	(194.2%)
Share of Profit from Equity Accounted Investees	55.2	81.1	(32.0%)
Net Finance Income	69.3	64.8	7.1%
Profit Before Tax	573.2	754.1	(24.0%)
Income Tax Expense	(48.4)	(55.6)	(12.8%)
Net Profit	**524.8**	**698.5**	**(24.9%)**
Margin %	7.7%	12.6%	-4.9 pp
Attributable to Owners	375.2	566.3	(33.7%)
Attributable to Non-controlling Interests	149.6	132.2	13.1%

Q3 2026 Consolidated Financial Position
Summary Balance Sheet

Metric (AEDmn)	Sep-26	Dec-25	Change %
Aircraft, Property And Equipment	1,996.0	2,013.2	(0.9%)
Financial Assets At Fair Value Through Profit Or Loss	1,127.3	1,446.1	(22.0%)
Right-of-use Assets	718.4	740.0	(2.9%)
Investment In Equity Accounted Investees	1,010.1	979.9	3.1%
Investment Properties	50.2	445.1	(88.7%)
Other Non-current Assets	71.9	53.0	35.9%
Total Non-current Assets	**4,973.9**	**5,677.3**	**(12.4%)**
Inventories	1,223.7	1,220.2	0.3%
Receivables[1]	5,334.5	3,563.9	49.7%
Advances, Prepayments And Other Current Assets	996.3	1,180.6	(15.6%)
Other Financial Assets At Amortised Cost	314.7	623.7	(49.5%)
Cash And Cash Equivalents	1,761.7	3,187.1	(44.7%)
Current assets excluding non-current assets held for sale	**9,630.9**	**9,775.5**	**(1.5%)**
Non-current assets classified as held for sale	515.3	-	100.0%
Total Current Assets	**10,146.2**	**9,775.5**	**3.8%**
Total Assets	**15,120.1**	**15,452.8**	**(2.2%)**
Total Equity	**8,984.3**	**9,039.8**	**(0.6%)**
Provision For Employees' End Of Service Benefits	524.7	522.1	0.5%
Borrowings	208.0	260.8	(20.3%)
Lease Liabilities	787.8	807.2	(2.4%)
Other Non-current Liabilities	38.5	45.3	(14.9%)
Total Non-current Liabilities	**1,559.0**	**1,635.4**	**(4.7%)**
Trade And Other Payables*	3,629.2	3,728.7	(2.7%)
Borrowings	784.6	862.1	(9.0%)
Lease Liabilities	82.3	62.3	32.3%
Other Current Liabilities	80.7	124.5	(35.3%)
Total Current Liabilities	**4,576.8**	**4,777.6**	**(4.2%)**
Total Liabilities	**6,135.8**	**6,413.0**	**(4.3%)**
Total Equity And Liabilities	**15,120.1**	**15,452.8**	**(2.2%)**

1. In the condensed consolidated interim statement of financial position, the Group reclassified AED 625 million in the prior-year comparative balances as at 31 December 2025 from "trade and other payables" to "trade and other receivables" to reflect the net presentation of contract assets and contract liabilities under the same contract with their customer. This resulted in the decrease in "trade and other payables" and decrease in "trade and other receivables" by AED 625 million, respectively.

Q3 2026 Consolidated Financial Performance
Summary Cash Flow

Metric (AEDmn)	Sep 2026	Sep 2025	Change %
Profit before Income Tax	**573.2**	**754.1**	**(24.0%)**
Non-cash and Other Adjustments	(53.1)	(155.3)	(65.7%)
Operating Cash Flows before Changes in Working Capital	**520.1**	**598.8**	**(13.1%)**
Change in Working Capital	(1,715.0)	(590.8)	190.3%
Net Cash (used in) / generated from Operating Activities	**(1,194.9)**	**8.0**	**(15,046.0%)**
Net Cash generated from / (used in) Investing Activities	**534.7**	**(1,023.7)**	**(152.2%)**
Net Cash used in Financing Activities	**(689.7)**	**(622.0)**	**10.9%**
Net decrease in cash and cash equivalents	(1,349.9)	(1,637.7)	(17.6%)
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	(121.1%)
Cash & Cash Equivalents at the End of the Period	**1,655.8**[1]	**2,117.3**	**(21.8%)**

1. Cashflow cash and cash equivalents are presented net of bank overdrafts under IAS 7 and therefore differ from the balance sheet balance.

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Outstanding Performance Since 1976

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