Emirates Integrated Telecommunications Company PJSC and its subsidiaries

Review report and condensed consolidated financial statements for the six-month period ended 30 June 2026

Emirates Integrated Telecommunications Company PJSC

Condensed consolidated financial statements for the six-month period ended 30 June 2026

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KPMG Lower Gulf Limited
The Offices 5 at One Central
Level 4, Office No: 04.01
Sheikh Zayed Road, P.O. Box 3800
Dubai, United Arab Emirates
Tel. +971 (4) 4030300, www.kpmg.com/ae

Independent Auditors' Report on Review of Condensed Consolidated Interim Financial Statements

To the Shareholders of Emirates Integrated Telecommunications Company PJSC

Introduction

We have reviewed the accompanying 30 June 2026 condensed consolidated financial statements of Emirates Integrated Telecommunications Company PJSC ("the Company") and its subsidiaries (collectively referred to as "the Group"), which comprises:

- the condensed consolidated statement of financial position as at 30 June 2026;
- the condensed consolidated statement of comprehensive income for the three-month and six-month period ended 30 June 2026;
- the condensed consolidated statement of changes in equity for the six-month period ended 30 June 2026;
- the condensed consolidated statement of cash flows for the six-month period ended 30 June 2026; and
- notes to the condensed consolidated financial statements.

Management is responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 June 2026 condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

KPMG Lower Gulf Limited

Avtar Singh Jalif
Registration No.: 5413
Dubai, United Arab Emirates

KPMG
KPMG Lower Gulf Limited
P.O. Box: 3800, Dubai, UAE
Tel: +971 4 403 0300, Licence No.: 113000

Date: 22 July 2026

Emirates Integrated Telecommunications Company PJSC

Condensed consolidated statement of financial position as at 30 June 2026

	Note	Reviewed 30 June 2026 AED 000	Audited 31 December 2025 AED 000
ASSETS			
Non-current assets			
Property, plant and equipment	3	10,336,450	10,288,767
Right-of-use assets	4	1,420,902	1,515,395
Intangible assets	5	907,422	869,600
Goodwill		413,220	413,220
Investments accounted for using the equity method	6	163	511
Lease receivable		66,257	75,910
Trade receivables and contract assets	8	194,301	221,540
Contract costs		470,230	408,079
Other non-financial assets and receivables	11	37,645	28,535
Total non-current assets		13,846,590	13,821,557
Current assets			
Inventories		121,441	175,457
Lease receivable		19,162	18,464
Assets held for disposal	7	1,302	1,311
Trade receivables and contract assets	8	2,301,472	2,222,511
Contract costs		459,960	442,363
Due from related parties	9	28,865	27,481
Term deposits		-	1,784,019
Cash and bank balances	10	307,169	465,700
Other non-financial assets and receivables	11	534,966	416,846
Total current assets		3,774,337	5,554,152
Total assets		17,620,927	19,375,709
EQUITY AND LIABILITIES			
EQUITY			
Share capital		4,532,906	4,532,906
Share premium		232,332	232,332
Other reserves		2,266,453	2,266,453
Retained earnings		2,935,433	3,116,600
Total equity		9,967,124	10,148,291
LIABILITIES			
Non-current liabilities			
Lease liabilities	12	1,253,465	1,346,678
Contract liabilities		187,191	198,877
Employees' end of service benefits liabilities		237,622	228,034
Other provisions		237,787	231,149
Total non-current liabilities		1,916,065	2,004,738
Current liabilities			
Trade and other payables	13	3,410,084	3,711,346
Federal royalty and income tax	14	1,300,698	2,283,439
Lease liabilities	12	481,641	592,141
Contract liabilities		542,865	629,724
Due to related parties	9	2,450	6,030
Total current liabilities		5,737,738	7,222,680
Total liabilities		7,653,803	9,227,418
Total equity and liabilities		17,620,927	19,375,709

To the best of our knowledge, the financial information included in these condensed consolidated financial statements fairly present in all material respects the financial position, results of operation and cash flows of the Group as at, and for, the periods presented therein. These condensed consolidated financial statements were approved by the Board of Directors on 22 July 2026 and signed on its behalf by:

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Abdulla Mohammed Ahmad Albasti Almarri
Board Member

Kais Ben Hamida
Chief Financial Officer

The notes on pages 6 to 17 form an integral part of these condensed consolidated financial statements.

Emirates Integrated Telecommunications Company PJSC

Condensed consolidated statement of comprehensive income for the six-month period ended 30 June 2026

	Note	Reviewed six-month period ended 30 June		Reviewed three-month period ended 30 June	
		2026	2025	**2026**	2025
		AED 000	AED 000	**AED 000**	AED 000
Revenue					
Mobile		3,646,314	3,457,094	1,800,875	1,736,239
Fixed		2,382,608	2,140,263	1,205,521	1,080,664
Wholesale		1,257,566	1,283,306	644,276	636,837
ICT and associated telecom services		911,085	869,632	432,793	448,615
Total revenue	22	8,197,573	7,750,295	4,083,465	3,902,355
Direct costs					
Interconnect cost		(1,456,789)	(1,442,312)	(732,108)	(728,262)
Commission cost		(359,188)	(331,701)	(172,737)	(164,449)
Devices and other direct services cost		(769,467)	(778,268)	(358,234)	(402,002)
Total direct costs		(2,585,444)	(2,552,281)	(1,263,079)	(1,294,713)
Net operating expenses before depreciation and amortization					
Network and other maintenance expense		(484,881)	(463,829)	(256,363)	(225,160)
Marketing expense		(118,325)	(117,989)	(64,633)	(60,622)
Staff expense		(471,360)	(503,310)	(263,399)	(273,571)
Administrative expense		(90,643)	(97,530)	(45,085)	(52,441)
Telecommunication license and related fees		(217,275)	(213,367)	(107,970)	(107,391)
Other operating expense	16	(69,322)	(72,726)	(35,792)	(30,770)
Impairment - trade, lease receivables and contract assets (net of recoveries)		(134,213)	(101,143)	(58,763)	(53,298)
Other operating income		5,812	22,067	5,735	22,060
Total net operating expenses before depreciation and amortization		(1,580,207)	(1,547,827)	(826,270)	(781,193)
Operating profit before depreciation and amortization		4,031,922	3,650,187	1,994,116	1,826,449
Depreciation and amortization	17	(1,133,244)	(1,080,016)	(573,442)	(531,204)
Operating profit		2,898,678	2,570,171	1,420,674	1,295,245
Share of loss on equity accounted investments		(58)	(411)	(4)	(463)
Interest income	18	43,086	46,106	15,926	15,811
Net impairment – associate, deposits, cash and bank balances		755	865	1,387	1,110
Profit before financing, federal royalty and income tax		2,942,461	2,616,731	1,437,983	1,311,703
Interest expense	18	(49,781)	(47,320)	(24,224)	(23,238)
Profit before federal royalty and income tax		2,892,680	2,569,411	1,413,759	1,288,465
Federal royalty		(1,099,219)	(976,432)	(537,229)	(489,644)
Income tax expense		(161,490)	(143,712)	(78,736)	(72,053)
Net Profit		1,631,971	1,449,267	797,794	726,768
Other comprehensive income/(loss)					
Items that will not be re-classified to profit or loss					
Fair value loss on financial asset (at FVOCI)		-	(961)	-	(513)
Related income tax		-	87	-	47
Other comprehensive loss (net of income tax)		-	(874)	-	(466)
Total comprehensive income for the period attributable to shareholders of the Company		1,631,971	1,448,393	797,794	726,302
Basic and diluted earnings per share (AED)	19	0.36	0.32	0.18	0.16

The notes on pages 6 to 17 form an integral part of these condensed consolidated financial statements.

Emirates Integrated Telecommunications Company PJSC

Condensed consolidated statement of changes in equity for the six-month period ended 30 June 2026

	Share capital AED 000	Share premium AED 000	Treasury Shares AED 000	Other reserves AED 000	Retained earnings AED 000	Total AED 000
At 1 January 2025	4,532,906	232,332	-	2,250,474	2,862,733	9,878,445
Net profit for the period	-	-	-	-	1,449,267	1,449,267
Other comprehensive loss for the period – net of tax	-	-	-	(874)	-	(874)
Total comprehensive (loss)/income for the period	-	-	-	(874)	1,449,267	1,448,393
Final cash dividend paid	-	-	-	-	(1,541,188)	(1,541,188)
Reviewed as at 30 June 2025	4,532,906	232,332	-	2,249,600	2,770,812	9,785,650
At 1 January 2026	4,532,906	232,332	-	2,266,453	3,116,600	10,148,291
Net profit for the period	-	-	-	-	1,631,971	1,631,971
Other comprehensive income for the period - net of tax	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	1,631,971	1,631,971
Net proceeds from sale of treasury shares [1]	-	-	24	-	-	24
Transfer of proceeds to retained earnings	-	-	(24)	-	24	-
Final cash dividend paid [2]	-	-	-	-	(1,813,162)	(1,813,162)
Reviewed as at 30 June 2026	4,532,906	232,332	-	2,266,453	2,935,433	9,967,124

[1] Refer to Note 15 for Treasury shares disclosure.

[2] For the year 2025, a final cash dividend of AED 0.40 per share was paid 28 April 2026.

For the period 2026, an interim cash dividend AED 0.26 per share amounting to AED 1,178,556 thousand is proposed.

The notes on pages 6 to 17 form an integral part of these condensed consolidated financial statements.

Emirates Integrated Telecommunications Company PJSC

Condensed consolidated statement of cash flows for the six-month period ended 30 June 2026

	Note	Reviewed six-month period ended 30 June **2026** AED 000	2025 AED 000
Cash flows from operating activities			
Operating profit		2,898,678	2,570,171
Adjustments for:			
Depreciation and amortization	17	1,133,244	1,080,016
Gain on disposal of property, plant and equipment		(399)	-
Service cost for employees' end of service benefits		10,977	10,741
(Release)/Charge of allowance for inventory obsolescence		(410)	5,414
Impairment – trade, lease receivables and contract asset		155,479	119,736
Unrealized foreign exchange loss/(gain)		772	(2,791)
Changes in other operating assets and liabilities	20	(604,878)	(615,346)
Cash generated from operations		3,593,463	3,167,941
Federal royalty paid		(1,956,602)	(1,636,274)
Income tax paid		(286,848)	(247,168)
Payment of employees' end of service benefits		(5,464)	(8,678)
Net cash generated from operating activities		1,344,549	1,275,821
Cash flows from investing activities			
Purchase of property, plant and equipment		(1,045,452)	(1,164,047)
Purchase of intangible assets		(165,529)	(152,067)
Proceeds from disposal of property, plant and equipment		403	294
Interest received		59,489	62,156
Net change in term deposits matured		1,785,000	1,300,000
Net cash generated from investing activities		633,911	46,336
Cash flows from financing activities			
Dividend paid		(1,813,162)	(1,541,188)
Repayment of lease liabilities		(288,777)	(151,727)
Interest paid on lease liabilities		(33,690)	(35,458)
Interest paid others		(1,362)	-
Net cash used in financing activities		(2,136,991)	(1,728,373)
Net decrease in cash and cash equivalents		(158,531)	(406,216)
Cash and cash equivalents at 1 January		463,288	981,557
Cash and cash equivalents at 30 June		304,757	575,341

Non-cash transactions are disclosed in Note 20.

The notes on pages 6 to 17 form an integral part of these condensed consolidated financial statements.

1 General information

Emirates Integrated Telecommunications Company PJSC ("the Company") is a public joint stock company with limited liability. The Company was incorporated according to Ministerial Resolution No. 479 of 2005 issued on 28 December 2005. The Company is registered in the commercial register under No. 77967. The principal address of the Company is P.O Box 502666 Dubai, United Arab Emirates ("UAE"). These condensed consolidated financial statements for the six-month period ended 30 June 2026 include the financial statements of the Company and its subsidiaries (together the "Group").

The Group's principal objective is to provide fixed, mobile, wholesale, broadcasting, ICT and associated telecom services in the UAE.

During the period, two new wholly owned subsidiaries were incorporated as follows:

Subsidiaries	**Principal activities**	**Country of incorporation**	**% of Shareholding**
Investment Company 1*	Cayman Island Holding Company/Special Purpose Vehicle (**SPV**), holding and managing investments and undertaking related activities in connection with the venture capital fund; du Ventures L.P.	Cayman Islands	100% owned by EITC IH
Du Treasury Company Limited (ADGM Private Company limited by shares)	To act as treasury company for EITC and its subsidiaries and affiliated companies (the **"EITC Group"**).	United Arab Emirates	100% owned by EITC PJSC

* Investment Company 1 holds a 98% partnership interest in du Ventures L.P. ("the Fund") registered in Cayman Islands. The Fund invests in emerging technologies, dedicating a significant portion of its capital to UAE-based ventures.

There were no changes with the other existing subsidiaries as of 30 June 2026.

2 Basis of preparation

i Statement of compliance

These condensed consolidated financial statements have been prepared in accordance with the requirements of IAS 34. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements for the year ended 31 December 2025. The condensed consolidated financial statements do not include all the information and disclosures required for full annual consolidated financial statements prepared in accordance with IFRS Accounting Standards. In addition, results for the six-month period ended 30 June 2026 may not necessarily be indicative of the results that may be expected for the financial year ending 31 December 2026.

The same accounting policies and computation methods used in the most recent annual audited consolidated financial statements for the year ended 31 December 2025 have been applied in these condensed consolidated financial statements except the Group recognized treasury shares according to the accounting policy in Note 2 (vii).

2 Basis of preparation (continued)

ii New standards, amendments and interpretations

(a) Amendment to standards and interpretations issued and effective during the financial year beginning 1 January 2026.

- Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments

(b) New standards and amendments issued but not yet effective.

- IFRS 18 – Presentation and Disclosure in the Financial Statements
- Amendments to IFRS 19 – Subsidiaries without Public Accountability Disclosures
- IFRS 20 – Regulatory Assets and Regulatory Liabilities
- Amendments to IAS 21 - Translation to a Hyperinflationary Presentation Currency
- Amendments to IAS 28 - Fair value options for Investments in Associates and Joint Venture

Other than early adoption of IFRS 18, the above stated new standards and amendments issued but not yet effective have not been early adopted by the Group. The management is in the process of assessing the impact of the other amendments which will be adopted in the Group’s consolidated financial statements as and when they become effective.

iii Basis of consolidation

A subsidiary is an entity controlled by the Company in accordance with IFRS 10. The financial statements of a subsidiary are included in the condensed consolidated financial statements from the date that control commences until the date that control ceases.

iv Basis of measurement

These condensed consolidated financial statements have been prepared under the historical cost convention except for a financial asset at fair value through other comprehensive income.

v Functional and presentation currency

These condensed consolidated financial statements are presented in United Arab Emirates Dirham (“AED”) rounded to the nearest thousand except when otherwise stated. This is the Company’s functional and the Group’s presentation currency.

vi Use of estimates and judgements

The preparation of these condensed consolidated financial statements, in conformity with IFRS, requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Group’s annual consolidated financial statements for the year ended 31 December 2025.

vii Treasury shares

Treasury shares are recognised at cost and deducted from equity. No gain or loss is recognised in consolidated statement of profit or loss on the purchase and sale of the Company’s own equity instruments. Consideration paid or received shall be recognised directly in equity.

Emirates Integrated Telecommunications Company PJSC

Notes to the condensed consolidated financial statements for the six-month period ended 30 June 2026 (continued)

3 Property, plant and equipment

	AED 000
Cost	
At 1 January 2026	29,737,447
Additions	856,470
Addition: asset retirement obligations	2,335
Disposals/write-offs	(15,328)
At 30 June 2026	30,580,924
Accumulated depreciation and impairment	
At 1 January 2026	19,448,680
Depreciation and impairment for the period (Note 17)	811,118
Disposals/write-offs	(15,324)
At 30 June 2026	20,244,474
Net book value	
At 30 June 2026	10,336,450
At 31 December 2025	10,288,767

4 Right-of-use assets

	AED 000
Cost	
At 1 January 2026	3,726,888
Additions	29,458
Remeasurement	56,328
Disposals	(12,763)
At 30 June 2026	3,799,911
Accumulated depreciation	
At 1 January 2026	2,211,493
Charge for the period (Note 17)	179,334
Disposals	(11,818)
At 30 June 2026	2,379,009
Net book value	
At 30 June 2026	1,420,902
At 31 December 2025	1,515,395

5 Intangible assets

Intangible assets include software, indefeasible rights of use and telecommunications license fees.

	AED 000
Cost	
At 1 January 2026	4,071,746
Additions	180,614
Disposals/write-offs	-
At 30 June 2026	4,252,360
Accumulated amortization and impairment	
At 1 January 2026	3,202,146
Amortization charge for the period (Note 17)	142,792
Disposals/write-offs	-
At 30 June 2026	3,344,938
Net book value	
At 30 June 2026	907,422
At 31 December 2025	869,600

Telecommunications license fees represent charge by the Telecommunications and Digital Government Regulatory Authority ("TDRA") to the Group to grant the license to operate as a telecommunications service provider in the UAE. The TDRA has extended the term of EITC's license from February 12, 2026 to August 8, 2026. Renewal discussion with the TDRA is in its final stage, and the Group expects to conclude the process on or before August 8, 2026.

6 Investments accounted for using the equity method

	Associate AED 000
At 1 January 2026	511
Impairment loss	(299)
Share of loss for the period	(49)
At 30 June 2026	163
At 31 December 2025	511

7 Assets held for disposal

	Joint venture AED 000
At 1 January 2026	1,311
Share of loss for the period	(9)
At 30 June 2026	1,302
At 31 December 2025	1,311

8 Trade receivables and contract assets

	30 June 2026 AED 000	31 December 2025 AED 000
Trade receivables	2,385,034	2,293,860
Contract assets	545,765	524,861
Due from other telecommunication operators [(1)]	416,822	447,274
Less: provision for impairment	(851,848)	(821,944)
Net amount	2,495,773	2,444,051
Non-current	194,301	221,540
Current	2,301,472	2,222,511
Total trade receivables and contract assets	2,495,773	2,444,051

[(1)] Due from other telecommunication operators are presented after netting off payable balances (where right to set off exists) amounting to AED 1,950,437 thousand (31 December 2025: AED 1,823,782 thousand).

9 Related party balances and transactions

Related parties comprise the founding shareholders of the Company, entities under common shareholding, its directors, key management personnel and entities over which they exercise control, joint control or significant influence. Transactions with related parties are in the ordinary course of business and are approved by the Group's management or by the Board of Directors.

Related party balances

	30 June 2026 AED 000	31 December 2025 AED 000
Due from related parties	28,865	27,481
Due to related parties	2,450	6,030

Related party transactions

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. All transactions with related parties referred to below are in the ordinary course of business. The following table reflects the gross value of transactions with related parties.

	Six-month period ended 30 June	
	2026 AED 000	2025 AED 000
Sale of goods and services	160,595	154,227
Rent and services	11,752	12,447

9 Related party balances and transactions (continued)

Key management compensation

Board of Directors fee recorded during the period was AED 5,642 thousand (30 June 2025: AED 8,062 thousand).

No loan has been provided to Directors, their spouses, children and relatives of the second degree and any corporates in which they own 20% or more.

The Group provides long-term incentives to senior management based on performance over a period of time. During the period, a net credit of AED 2,838 thousand was recognised in the statement of comprehensive income, representing the reversal of the previous accrual (following the actual payout) net of the charge for the current period (30 June 2025: charge of AED 2,938 thousand).

10 Cash and bank balances

For the purpose of the condensed consolidated statement of cash flows, cash and cash equivalents comprise:

	30 June 2026 AED 000	31 December 2025 AED 000
Cash at bank (net of loss allowance)	306,605	465,137
Cash on hand	564	563
Cash and bank balances	307,169	465,700
Less: margin on guarantees (Note 21)	(2,412)	(2,412)
Cash and cash equivalents	304,757	463,288

11 Other non-financial assets and receivables

	30 June 2026 AED 000	31 December 2025 AED 000
Prepayments [(1)]	342,664	150,311
Advances to suppliers	190,286	243,983
Interest receivable	-	18,132
Other non-financial assets	39,661	32,955
Total other non-financial assets and receivables	572,611	445,381
Non-current [(1)]	37,645	28,535
Current	534,966	416,846
Total other non-financial assets and receivables	572,611	445,381

[(1)] On 6 April 2026, the Group signed with a syndicate of local and international banks a 7-year unsecured revolving credit facility of AED 2 billion to be used for general corporate purposes. The above prepayments include unamortised upfront fees amounting to AED 14,883 thousand of which AED 12,684 thousand relates to the non-current portion.

12 Lease liabilities

	30 June 2026 AED 000	31 December 2025 AED 000
At 1 January	1,938,819	1,998,687
Lease liabilities for the period/year	29,458	96,034
Interest expense during the period/year	33,690	71,094
Payments made during the period/year	(322,467)	(353,567)
Re-measurement during the period/year	56,328	129,281
Disposals during the period/year	(722)	(2,710)
Closing balance	1,735,106	1,938,819
Non-current	1,253,465	1,346,678
Current	481,641	592,141
Total lease liabilities	1,735,106	1,938,819

13 Trade and other payables

	30 June 2026 AED 000	31 December 2025 AED 000
Trade payables and accruals	2,282,941	2,454,815
Due to other telecommunication operators (1)	597,749	636,704
Value Added Tax (VAT) payable	29,498	23,075
Other payables and accruals	499,896	596,752
	3,410,084	3,711,346

(1) "Due to other telecommunication operators" are presented after netting off receivable balances (where right to set off exists) amounting to AED 1,950,437 thousand (31 December 2025: AED 1,823,782 thousand).

14 Federal royalty and income tax

As per Cabinet of Ministers of UAE decision no. 8/38 of 2023 and the MoF royalty guidelines, the federal royalty, effective from 2024 to 2026, is equal to 38% of yearly total regulated and non-regulated UAE profits (calculated before royalty and income tax) of the Group. The total amount of federal royalty and income tax payable by the Group shall not be lower than AED 1.8 billion per year.

UAE Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses was published on 9 December 2022. Cabinet decisions are issued to specify the implementation of certain provisions in the corporate tax law ("the Law"). The Group is subject to income tax at 9% in the financial year beginning 1 January 2024.

Federal royalty and income tax expense are recognised based on management's estimate of the weighted average effective annual tax rate expected for the full financial year. The estimated average annual tax rate is based on estimation of the amount of federal royalty and income tax expressed as a percentage of expected total annual earnings. The estimated average annual effective income tax rate used for the period is 43.6% (2025: 43.6%). Amounts accrued for tax expense in an interim period may have to be adjusted in subsequent interim period if the estimate of the annual income tax rate changes.

14 Federal royalty and income tax (continued)

Pillar Two was enacted on 6 February 2025 in the United Arab Emirates, where the Group is headquartered. The Group is subject to Pillar Two tax rules effective 1 January 2025. However, based on the current effective tax rate, the rules have an immaterial impact on the group.

Movement in the accrued federal royalty and income tax is as follows:

	30 June 2026 AED 000	31 December 2025 AED 000
At 1 January	2,283,439	1,923,452
Payment made during the period/year	(2,243,450)	(1,883,442)
Charge for the period/year (net)	1,260,709	2,243,429
Closing balance	1,300,698	2,283,439

15 Treasury shares

The Group engaged a licensed third-party Liquidity Provider on the Dubai Financial Market for the period 06 May 2026 to 30 June 2026 to provide liquidity services by placing buy and sell orders for the Company's shares. The objective of this arrangement is to reduce bid-ask spreads, mitigate share price and trading volume volatility. An amount of AED 15,000 thousand was advanced to the Liquidity Provider in May 2026 in connection with these liquidity provision services. Subsequently, AED 5,000 thousand was returned by the Liquidity Provider to the Company on 9 June 2026 and the remaining balance was transferred to the Company on 6 July 2026.

16 Other operating expense

	Six-month period ended 30 June	
	2026 AED 000	2025 AED 000
Outsourcing and contracting	39,948	54,014
Legal and professional	28,390	23,209
Net foreign exchange loss/(gain)	984	(4,497)
	69,322	72,726

17 Depreciation and amortization

	Six-month period ended 30 June	
	2026 AED 000	2025 AED 000
Depreciation and impairment of property, plant and equipment (Note 3)	811,118	771,138
Depreciation of right-of-use assets (Note 4)	179,334	183,101
Amortization and impairment on intangible assets (Note 5)	142,792	125,777
	1,133,244	1,080,016

18 Interest income and expense

	Six-month period ended 30 June	
	2026	2025
	AED 000	AED 000
Interest income		
Interest income - banks	41,356	43,541
Interest income on lease receivable	1,730	2,081
Interest income - others	-	484
	43,086	46,106
Interest expense		
Interest expense on lease liabilities	33,690	35,458
Interest expense - borrowing (1)	7,423	2,856
Interest expense - others (2)	8,668	9,006
	49,781	47,320

(1) "Interest expense - borrowing" includes commitment fees and other transaction costs. In March 2026, the revolving credit facility has been cancelled and related unamortized loan fees of AED 2,937 thousand have been recognized in profit or loss.

(2) "Interest expense - others" mainly includes interest cost on defined benefit obligations and unwinding of discount on asset retirement obligations.

19 Earnings per share

	Six-month period ended 30 June	
	2026	2025
Net profit for the period (AED 000)	1,631,971	1,449,267
Weighted average number of shares ('000')	4,532,906	4,532,906
Basic and diluted earnings per share (AED)	0.36	0.32

There were no potentially dilutive shares outstanding at any time during the period and, therefore, the dilutive earnings per share is equal to the basic earnings per share.

20 Changes in other operating assets and liabilities

	Six-month period ended 30 June	
	2026	2025
	AED 000	AED 000
Change in:		
Inventories	54,426	34,519
Contract costs	(79,748)	(82,217)
Trade receivables and contract assets	(196,517)	(298,235)
Other non-financial assets and receivables	(204,420)	(119,829)
Trade and other payables	(75,110)	(122,429)
Contract liabilities	(98,545)	(13,883)
Due from related parties	(1,384)	(7,851)
Due to related parties	(3,580)	(5,421)
Net changes in other operating assets and liabilities	(604,878)	(615,346)
Non-cash transactions:		
Additions and remeasurement to right-of-use assets	85,786	49,302

21 Contingencies and commitments

The Group has outstanding bank guarantees amounting to AED 111,037 thousand (31 December 2025: AED 113,560 thousand). Bank guarantees are secured against margin of AED 2,412 thousand (31 December 2025: AED 2,412 thousand) (Note 10).

The Group is subject to litigations in the normal course of business and the management is of the view that the outcome of these court cases will not have a material impact on the Group's condensed consolidated financial statements. Details of these cases are not disclosed in order not to prejudice the Group’s position in these litigations. The Group has contractual capital expenditure commitments amounting to AED 2,411,760 thousand (31 December 2025: AED 2,124,526 thousand). As at 30 June 2026, the Group had an uncalled capital commitment of AED 180,002 thousand (USD 49 million) in respect of its interest in du Venture L.P. The funds corresponding to the commitment are expected to be deployed over a four-year investment period.

22 Segment analysis

The Group has operations mainly in the UAE. The Group is organized into four major business segments as follows:

- Mobile segment offers mobility services to the enterprise and consumer markets. Services include mobile voice and data, mobile content and mobile broadband WiFi.
- Fixed segment provides fixed services to the enterprise and consumer markets. Services include broadband, IPTV, home wireless, IP/VPN business internet and telephony.
- Wholesale segment provides voice and SMS to national and international carriers and operators. Services include termination of inbound international and national traffic, international roaming, site sharing and international hubbing.
- ICT and associated telecom services include broadcasting services, data center co-location, multi-cloud, cybersecurity, IOT and equipment etc. The point in time includes revenue from sale of handsets and other devices.

Segment contribution, referred to by the Group as Gross Margin, represents revenue less direct costs. It is calculated before charging operating expenses such as network and other maintenance, staff, marketing expenses, depreciation and amortization. This is the measure reported to the Group’s Board of Directors for the purpose of resource allocation and assessment of segment performance.

22 Segment analysis (continued)

Six -month period ended 30 June 2026

	Mobile AED 000	**Fixed AED 000**	**Wholesale AED 000**	**ICT and associated telecom services AED 000**	**Total AED 000**
Segment revenue					
Timing of revenue recognition					
Over time	3,646,314	2,382,608	1,257,566	413,943	7,700,431
At a point in time	-	-	-	497,142	497,142
	3,646,314	2,382,608	1,257,566	911,085	8,197,573
Interconnect and other direct costs	(1,371,245)	(303,283)	(195,926)	(714,990)	(2,585,444)
Segment contribution	2,275,069	2,079,325	1,061,640	196,095	5,612,129
Unallocated costs					(2,713,451)
Federal royalty					(1,099,219)
Interest income, interest expense, net impairment – associate, cash bank balances and share of loss on equity accounted investments					(5,998)
Income tax expense					(161,490)
Net Profit					1,631,971

Six -month period ended 30 June 2025

	Mobile AED 000	Fixed AED 000	Wholesale AED 000	ICT and associated telecom services AED 000	Total AED 000
Segment revenue					
Timing of revenue recognition					
Over time	3,457,094	2,140,263	1,283,306	395,800	7,276,463
At a point in time	-	-	-	473,832	473,832
	3,457,094	2,140,263	1,283,306	869,632	7,750,295
Interconnect and other direct costs	(1,357,492)	(313,489)	(178,922)	(702,378)	(2,552,281)
Segment contribution	2,099,602	1,826,774	1,104,384	167,254	5,198,014
Unallocated costs					(2,627,843)
Federal royalty					(976,432)
Interest income, interest expense, net impairment – deposits, cash bank balances and share of loss on equity accounted investments					(760)
Income tax expense					(143,712)
Net profit					1,449,267

The Group's assets and liabilities have not been identified to any of the reportable segments as the majority of the operating fixed assets are fully integrated between segments. The Group believes that it is not practical to provide segment disclosure relating to total assets and liabilities since a meaningful segregation of available data is not feasible. The Group's operations are subject to limited level of seasonality or cyclicality.

23 Assessment of geopolitical developments

The Group's operating environment continues to be affected by regional geopolitical developments. Management has assessed its potential impact on the Group's operations, financial position and liquidity. Based on this assessment, no material impact has been identified on these condensed consolidated financial statements. Management will continue to reassess as circumstance evolve.