TECOM GROUP

مجموعة تيكوم

TECOM Group reports 9% net profit growth in H1 2026 to AED 805 million driven by strategic expansion plans and higher occupancy

- Revenue for the first half of 2026 grew 11% year-on-year (YoY) to exceed AED 1.5 billion, supported by 97% occupancy rates, improved rental rates, and contributions from portfolio expansion
- H1 2026 EBITDA increased 10% YoY to surpass AED 1.2 billion with an EBITDA margin of 79%, underscoring the Group's resilient business model and cost discipline
- Funds from Operations (FFO) increased by 12% YoY to reach AED 1.1 billion, attributable to diversified revenue streams and operational efficiency
- TECOM Group's Board of Directors approved an interim cash dividend of AED 440 million for H1 2026, demonstrating the Group's commitment to generating sustainable returns for its shareholders

Dubai, UAE, 30 July 2026: TECOM Group PJSC (DFM: TECOM), the owner and operator of specialised business districts in Dubai, announced its financial results for the second quarter (Q2) and first half of the year (H1) ended 30 June 2026. The Group reported a recurring net profit growth of 9% year-on-year (YoY) to AED 805 million during the first half of this year, with revenue rising 11% YoY to exceed AED 1.5 billion during the same period.

The strong H1 performance reflects TECOM Group's resilient business model and diversified portfolio, supported by high occupancy and customer retention rates as well as continued demand for its Commercial and Industrial portfolios. These results reiterate the Group's specialised business districts' ability to attract international and regional companies while enhancing revenue quality and delivering sustainable value to shareholders.

FINANCIAL HIGHLIGHTS

AED Millions *(Unless otherwise stated)*	**H1**		**%Change** (YoY)	**Q2**		**%Change** (YoY)
	2026	**2025**		**2026**	**2025**	
REVENUE	1,540	1,389	**11%**	786	709	**11%**
EBITDA	1,223	1,108	**10%**	613	568	**8%**
EBITDA MARGIN	79%	80%	**(0.4)** pp	78%	80%	**(2)** pp
RECURRING NET PROFIT	805	737	**9%**	401	377	**7%**

His Excellency Malek Al Malek, Chairman of TECOM Group, said: "The UAE economy continues to

strengthen its position among the most competitive and attractive economies for business and investment globally driven by innovation, diversification, and resilience. TECOM Group's results for H1 2026 reflect the strength of its business model and its ability to capitalise on opportunities in the vital economic sectors served by the Group's specialised business districts. In recognition of these results, we are pleased to announce that the Board has approved an interim cash dividend of AED 440 million for the first half of this year. Our performance underscores the success of the Group's strategy in balancing growth with prudent financial management, thereby enhancing its ability to continue delivering sustainable value to its shareholders."

Abdulla Belhoul, Chief Executive Officer of TECOM Group, said: "TECOM Group's performance in H1

2026 reflects our strategy to achieve sustainable and balanced growth across diverse asset classes, supported by high occupancy rates and expansion in our asset portfolio within key growth sectors. The increasing demand for the Group's assets, coupled with high customer retention rates, underscores our business ecosystems as preferred destinations for global and regional companies. We remain committed to investing in the development and enhancement of TECOM Group's 10 business districts, further solidifying the Group's role as a strategic business enabler of Dubai."

H1 2026 Financial Highlights

- The Group's revenue in H1 2026 increased 11% YoY to exceed AED 1.5 billion, supported by an increase in occupancy rates to 97%, improved rental rates, and contributions from portfolio expansion:
  - The Commercial portfolio reflected strong revenue growth with an increase of 11% YoY to AED 783 million, attributable to sustained demand for Grade-A offices and occupancy and retention rates of 96% and 94% respectively.
  - Industrial asset revenue increased 15% YoY to AED 239 million while maintaining occupancy and customer retention rates of 98% and 99% respectively, underscoring robust demand from manufacturing and logistics customers.
  - The Land Lease portfolio delivered a 22% YoY increase in revenue to AED 361 million, driven by continued strong demand and the lease of newly acquired land in 2025, supporting the diversification of revenue streams and enhancing future growth opportunities.

- EBITDA increased 10% YoY to surpass AED 1.2 billion, delivering a 79% margin, underscoring the Group's resilient business model and cost discipline.
- Recurring net profit rose 9% YoY to AED 805 million, driven by robust EBITDA growth and prudent capital management.
- The Commercial and Industrial portfolios reflected occupancy rates of 97%, demonstrating strong customer demand across TECOM Group's specialised business districts.
- Funds from Operations (FFO) increased 12% YoY to AED 1.1 billion, attributable to the Group's diversified revenue streams and operational efficiency.

Q2 2026 Financial Highlights

- Revenue grew 11% YoY to AED 786 million in Q2 2026, supported by high occupancy, improved rental rates, and the Group's strategic portfolio expansion.
- EBITDA increased 8% YoY to AED 613 million, while EBITDA margin stood at 78%, reflecting sustained operational efficiency, strong revenue growth, and cost discipline.
- Recurring net profit increased 7% YoY to AED 401 million, driven by EBITDA growth and disciplined cost management during Q2.

H1 2026 Operational Highlights

- Hisense, a leading brand in global consumer electronics and home appliances, inaugurated its new Middle East & Africa regional headquarters in Dubai Internet City, the region's leading technology hub.
- MedLab Training Institute opened a new facility at Dubai Science Park to meet increasing demand for practical hands-on clinical training.
- AJ Al Asmawi Group, one of the UAE's largest independent family-owned conglomerates, signed a Musataha agreement with Dubai Industrial City to expand its operations within the district. This 330,000 sq. ft. expansion will introduce one of the UAE's first oil rigs manufacturing and refurbishment facilities.
- Dubai Design District (d3) hosted the Autumn/Winter 2026/27 season of Dubai Fashion Week, cementing Dubai's position as a global hub for fashion and creativity.
- Dubai International Academic City and Dubai Knowledge Park, in strategic partnership with Dubai Science Park and in5, concluded the first edition of Future Hack 2026, connecting students with academia and industry leaders.

H1 2026 ESG Highlights

TECOM Group continued to execute its commitments to environmental, social, and governance initiatives in H1 2026, including:

- 68% of the Group's commercial portfolio (Gross Leasable Area) achieved LEED certification, with 22 new certifications obtained in H1 2026, bringing the total number of LEED-certified buildings to 81 and reinforcing the Group's commitment to developing and managing sustainable, high-quality assets in line with global environmental standards.
- 9.12 gigawatt-hours (GWh) of electricity generated from renewable energy sources across TECOM Group’s assets in H1 2026, accounting for 10.3% of total electricity consumption, as part of the Group’s efforts to enhance resource efficiency and adopt clean energy solutions.
- 61 new business licences issued in the first half of 2026 across TECOM Group’s start-up incubator in5’s sector-focused verticals (Technology, Media, Design, Science), further strengthening the Group's role in supporting innovation and reinforcing the entrepreneurship ecosystem in Dubai.
- 36% female representation in the Group’s overall workforce, reiterating its commitment to promoting diversity and inclusion in line with the UAE’s efforts to strengthen gender balance.

Dividend

In line with the Group’s dividend policy for financial year 2026, the Board of Directors approved an interim cash dividend of AED 440 million for H1, expected to be paid in August 2026. This decision is underpinned by the Group’s strong financial and operational performance, which contributed to generating AED 1.1 billion in FFO during H1 2026, representing a 12% year-on-year growth.

The distribution underscores TECOM Group's commitment to providing attractive and sustainable returns to its shareholders, supported by the strength of its financial position, the efficiency and resilience of its business model, and the effective implementation of its expansion and long-term growth strategy.

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TECOM GROUP

H1 2026 FINANCIAL RESULTS

REVENUE

1.5 AED BILLION ▲ YoY 11%

EBITDA

1.2 AED BILLION ▲ YoY 10%

RECURRING NET PROFIT

805 AED MILLION ▲ YoY 9%

OCCUPANCY RATE

97% ▲ YoY 2%