



**Emirates Telecommunications Group
Company PJSC**

**Review reports and interim condensed consolidated
financial statements for the nine months period
ended 30 September 2026**

Emirates Telecommunications Group Company PJSC

Review reports and interim condensed consolidated financial statements for the nine months period ended 30 September 2026

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Emirates Telecommunications Group Company PJSC

Management report on the interim condensed consolidated financial statement for the nine months period ended 30 September 2026

Financial Review

1. Revenue, profit and earnings per share

Etisalat Group's financial performance for the nine months period ended 30 September 2026 is summarised below:

- i) Consolidated revenue amounted to AED 57,607 million, representing an increase of AED 5,219 million (10.0%) compared to the corresponding period in the prior year.
- ii) Profit attributable to the Owners of the Company amounted to AED 17,239 million, representing an increase of AED 5,425 million (45.9%) when compared to the corresponding period in the prior year.
- iii) Earnings per share increased by AED 0.62 when compared to the corresponding period in the prior year.

2. Net assets

As compared to 31 December 2025, Etisalat Group's net assets increased by AED 7,413 million to AED 69,176 million as at 30 September 2026.

3. Capital expenditure

Etisalat Group incurred AED 9,667 million capital expenditure in the nine month period ended 30 September 2026 (AED 8,931 million in the nine month period ended 30 September 2025).

4. Dividends

On 30 March 2026, at the Annual General Assembly Meeting, a final dividend for the year 2025 at the rate of AED 0.47 per share was approved for distribution to the shareholders and was paid on 23 April 2026.

On 30 July 2026, the Board of Directors declared the first interim dividend for the year 2026 at the rate of AED 0.475 per share.



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REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

TO THE BOARD OF DIRECTORS OF EMIRATES TELECOMMUNICATIONS GROUP COMPANY PJSC

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Emirates Telecommunications Group Company PJSC (the “Company”) and its subsidiaries (together referred to as “the Group” or collectively as “etisalat”) as at 30 September 2026 which comprise the interim condensed consolidated statement of financial position as at 30 September 2026, and the related interim condensed consolidated statements of profit or loss, comprehensive income for the three month and nine month periods then ended and the related interim condensed consolidated statements of changes in equity and cash flows for the nine month period then ended, and explanatory notes. Management is responsible for the preparation and fair presentation of these interim condensed consolidated interim financial statements in accordance with International Accounting Standard 34 *Interim Financial Reporting* (“IAS 34”). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”. A review of interim financial information 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 interim condensed consolidated financial statements of the Group are not prepared, in all material respects in accordance with IAS 34.

For Ernst & Young

Ahmad Al Dali
Registration No 5548

27 October 2026
Abu Dhabi, United Arab Emirates

Emirates Telecommunications Group Company PJSC

Interim condensed consolidated statement of profit or loss for the period

	Notes	(Unaudited)			
		Three months ended 30 September		Nine months ended 30 September	
		2026	2025	2026	2025
		AED'000	AED'000	AED'000	AED'000
Continuing operations					
Revenue	4	19,463,996	18,211,463	57,606,511	52,387,765
Operating expenses	5	(13,100,217)	(12,340,335)	(38,703,457)	(35,067,688)
Impairment loss on trade receivables and contract assets		(259,122)	(276,888)	(725,690)	(827,773)
Impairment loss on other assets and other losses		(1,635)	(726)	(3,391)	(1,956)
Share of results of associates and joint ventures		284,139	496,849	492,839	1,356,807
Operating profit		6,387,161	6,090,363	18,666,812	17,847,155
Finance and other income	11	9,995,351	499,271	11,301,005	7,504,838
Finance and other costs		(2,335,842)	(993,041)	(3,765,627)	(3,093,827)
Profit before federal royalty and corporate tax		14,046,670	5,596,593	26,202,190	22,258,166
Federal royalty	6	(1,602,162)	(1,426,132)	(4,592,109)	(5,892,591)
Corporate tax expenses	6	(851,947)	(653,487)	(2,559,210)	(2,659,726)
Profit for the period from continuing operations		11,592,561	3,516,974	19,050,871	13,705,849
Discontinued operations					
Profit/(loss) from discontinued operations	24	277,852	(191,544)	(173,759)	(522,779)
Profit for the period		11,870,413	3,325,430	18,877,112	13,183,070
Profit attributable to:					
Owners of the Company		11,235,073	2,986,262	17,238,696	11,813,428
Non-controlling interests		635,340	339,168	1,638,416	1,369,642
		11,870,413	3,325,430	18,877,112	13,183,070
Earnings per share					
From continuing and discontinued operations					
Basic and diluted	8	AED 1.29	AED 0.34	AED 1.98	AED 1.36
From continuing operations					
Basic and diluted		AED 1.28	AED 0.35	AED 1.99	AED 1.39

The accompanying notes on pages 8 to 21 form an integral part of the interim condensed consolidated financial statements.

Emirates Telecommunications Group Company PJSC

Interim condensed consolidated statement of comprehensive income for the period

	Notes	Unaudited			
		Three months ended 30 September		Nine months ended 30 September	
		2026	2025	2026	2025
		AED'000	AED'000	AED'000	AED'000
Profit for the period		11,870,413	3,325,430	18,877,112	13,183,070
Other comprehensive income / (loss)					
Items that will not be reclassified to profit or loss:					
Remeasurement of defined benefit obligation - net of tax		22,623	209,192	42,830	207,108
Gain/(loss) on revaluation of financial assets during the period		2,334	(36,337)	31,563	(54,660)
Share of other comprehensive (loss)/income of associates and joint ventures - net of tax		(50,197)	180,082	54,158	115,249
Items that are or may be reclassified subsequently to profit or loss:					
Exchange differences on translation of foreign operations		(666,181)	1,103,302	(1,686,728)	3,611,693
Gain/(loss) on net investment hedge during the period	18	14,727	(8,886)	203,836	(978,986)
Fair value gain/(loss) arising on cash flow hedges during the period	18	5,488	(258)	2,720	(5,363)
Cumulative gain transferred to profit or loss on disposal of investments		(773,651)	-	(773,651)	-
Share of other comprehensive (loss)/income of associates and joint ventures - net of tax		(8,764)	(651,943)	246,227	(647,189)
Total other comprehensive (loss)/income		(1,453,621)	795,152	(1,879,045)	2,247,852
Total comprehensive income for the period		10,416,792	4,120,582	16,998,067	15,430,922
Total comprehensive income attributable to:					
Owners of the Company		9,965,748	3,573,225	15,672,406	13,210,032
Non-controlling interests		451,044	547,357	1,325,661	2,220,890
		10,416,792	4,120,582	16,998,067	15,430,922

The accompanying notes on pages 8 to 21 form an integral part of the interim condensed consolidated financial statements.

Emirates Telecommunications Group Company PJSC
Interim condensed consolidated statement of financial position

	Notes	(Unaudited) 30 September 2026	(Audited) 31 December 2025
		AED'000	AED'000
Non-current assets			
Goodwill and other intangible assets	9	52,346,310	54,299,306
Property, plant and equipment	10	50,202,461	50,392,075
Right-of-use assets		3,914,865	3,890,625
Investments in associates and joint ventures	11	7,737,029	20,880,707
Other investments	12	12,749,682	10,921,029
Trade and other receivables	14	790,163	773,903
Finance lease receivables		1,076,647	1,164,730
Contract assets		1,170,695	1,151,617
Deferred tax assets		691,045	691,715
		130,678,897	144,165,707
Current assets			
Inventories		1,413,467	1,301,605
Trade and other receivables	14	20,518,235	19,163,632
Current income tax assets		1,166,105	1,090,058
Finance lease receivables		149,536	162,731
Due from related parties	13	127,330	73,744
Contract assets		3,477,387	3,362,055
Other investments	12	1,149,245	1,430,834
Derivative financial instruments	18	-	412
Cash and bank balances	15	51,627,324	34,308,361
		79,628,629	60,893,432
Total assets		210,307,526	205,059,139
Non-current liabilities			
Trade and other payables	16	1,648,006	1,572,119
Borrowings	17	32,358,450	30,750,599
Payables related to investments and licenses		539,990	592,278
Conditional commitment to acquire NCI's share		11,460,719	12,003,380
Derivative financial instruments	18	72,864	38,789
Deferred tax liabilities		2,751,913	3,015,466
Lease liabilities		4,485,025	4,601,508
Provisions		664,994	633,575
Provision for employees' end of service benefits		1,434,927	1,482,464
Contract liabilities		120,312	174,762
		55,537,200	54,864,940
Current liabilities			
Trade and other payables	16	36,182,763	38,370,532
Contract liabilities		3,815,814	3,712,600
Borrowings	17	36,977,382	36,888,438
Payables related to investments and licenses		533,290	980,134
Current income tax liabilities		1,346,290	1,994,520
Lease liabilities		1,056,580	1,052,868
Provisions		5,142,484	4,407,777
Provision for employees' end of service benefits		142,234	130,661
Derivative financial instruments	18	397,507	779,516
Due to related parties	13	-	114,546
		85,594,344	88,431,592
Total liabilities		141,131,544	143,296,532
Equity			
Share capital	19	8,696,754	8,696,754
Reserves		23,180,561	24,526,498
Retained earnings		27,916,203	18,484,396
Equity attributable to the owners of the Company		59,793,518	51,707,648
Non-controlling interests		9,382,464	10,054,959
Total equity		69,175,982	61,762,607
Total liabilities and equity		210,307,526	205,059,139

To the best of our knowledge, the financial information included in this interim condensed consolidated financial statements presents fairly, in all material respects, the financial position, results of operations and cash flows of Etisalat Group as of, and for, the periods presented therein.

The accompanying notes on pages 8 to 21 form an integral part of the interim condensed consolidated financial statements.

Emirates Telecommunications Group Company PJSC

Interim condensed consolidated statement of changes in equity for the nine months period ended 30 September 2026 (Unaudited)

		Attributable to owners of the Company				Non-controlling interests	Total equity
		Share capital	Reserves	Retained earnings	Owners' equity		
	Notes	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Balance at 1 January 2025, audited		8,696,754	25,247,007	11,656,970	45,600,731	8,319,601	53,920,332
Profit for the period		-	-	11,813,428	11,813,428	1,369,642	13,183,070
Other comprehensive income/(loss) for the period		-	1,396,250	354	1,396,604	851,248	2,247,852
Total comprehensive income for the period		-	1,396,250	11,813,782	13,210,032	2,220,890	15,430,922
Other movements in equity		-	(2,135)	(13,681)	(15,816)	5,449	(10,367)
Non-controlling interest put option		-	304,214	-	304,214	(358,791)	(54,577)
<i>Transaction with owners of the Company:</i>							
Sale of interest to non-controlling interest		-	-	(60,275)	(60,275)	60,275	-
Capital contribution by non-controlling interest		-	-	-	-	82,951	82,951
Dividends	7	-	-	(7,345,579)	(7,345,579)	(573,859)	(7,919,438)
Balance at 30 September 2025, unaudited		8,696,754	26,945,336	16,051,217	51,693,307	9,756,516	61,449,823
Balance at 1 January 2026, audited		8,696,754	24,526,498	18,484,396	51,707,648	10,054,959	61,762,607
Profit for the period		-	-	17,238,696	17,238,696	1,638,416	18,877,112
Other comprehensive (loss)/income for the period		-	(1,611,955)	45,665	(1,566,290)	(312,755)	(1,879,045)
Total comprehensive income for the period		-	(1,611,955)	17,284,361	15,672,406	1,325,661	16,998,067
Other movements in equity		-	46	(21,616)	(21,570)	(22,630)	(44,200)
Transfer to reserves		-	2,850	(2,850)	-	-	-
Non-controlling interest put option		-	630,580	-	630,580	(405,136)	225,444
Transfer upon disposal of investments		-	(369,994)	369,994	-	-	-
<i>Transaction with owners of the Company:</i>							
Disposal of a subsidiary	24	-	-	-	-	(734,580)	(734,580)
Acquisition of additional stake in subsidiary		-	2,536	16,796	19,332	(19,332)	-
Capital contribution by non-controlling interest		-	-	-	-	306,095	306,095
Dividends	7	-	-	(8,214,878)	(8,214,878)	(1,122,573)	(9,337,451)
Balance at 30 September 2026, unaudited		8,696,754	23,180,561	27,916,203	59,793,518	9,382,464	69,175,982

The accompanying notes on pages 8 to 21 form an integral part of the interim condensed consolidated financial statements.

Emirates Telecommunications Group Company PJSC
Interim condensed consolidated statement of cash flows for the period

		Unaudited nine months ended 30 September	
		2026	2025
	Notes	AED'000	AED'000
Cash flows from operating activities			
Operating profit from continuing operations		18,666,812	17,847,155
Operating loss from discontinued operations	24	(516,466)	(548,679)
Operating profit		18,150,346	17,298,476
<i>Adjustments for:</i>			
Depreciation		5,923,372	5,373,053
Amortisation		2,826,846	2,532,566
Impairment loss on other assets and other losses		3,391	1,956
Share of results of associates and joint ventures		(492,839)	(1,356,807)
Provisions and allowances		288,429	71,222
Unrealised currency translation loss/(gain)		292,761	164,402
Operating cash flows before changes in working capital		26,992,306	24,084,868
<i>Changes in working capital:</i>			
Inventories		(192,260)	148,720
Due from associates and joint ventures		(54,031)	22,552
Trade and other receivables including contract assets		(2,479,215)	(1,866,710)
Trade and other payables including contract liabilities		3,592,033	542,521
Cash generated from operations		27,858,833	22,931,951
Income taxes paid		(3,428,082)	(1,697,043)
Payment of employees' end of service benefits		(55,872)	(66,216)
Payment of royalty fee		(7,778,927)	(5,274,439)
Net cash generated from operating activities		16,595,952	15,894,253
Cash flows from investing activities			
Acquisition of a subsidiary (net of cash)		(399,332)	(3,550,342)
Proceeds from disposal of investment in an associate	11	21,520,239	8,012,707
Investment in an associate		-	(27,544)
Acquisition of investment classified as fair value through OCI		(167,228)	(567,997)
Proceeds from disposal of investment classified as fair value through OCI		13,109	1,900,704
Acquisition of investment classified as fair value through profit or loss		(890,937)	(509,549)
Proceeds from disposal of investment classified as fair value through profit or loss		1,202,018	210,529
Net cash inflow on disposal of a subsidiary	24	115,643	-
Acquisition of investments at amortised cost		(2,341,381)	(2,662,707)
Proceeds from disposal of investments at amortised cost		457,337	1,088,891
Purchase of property, plant and equipment		(5,794,407)	(4,962,148)
Proceeds from disposal of property, plant and equipment		177,765	230,463
Purchase of intangible assets		(3,872,439)	(3,660,765)
Proceeds from disposal of intangible assets		22,539	95,720
Dividend income received from associates and other investments		1,373,846	1,268,283
Net (increase)/decrease in term deposits made with maturities over three months		(458,820)	1,594,793
Finance and other income received		2,030,796	2,574,145
Net cash generated from investing activities		12,988,748	1,035,183
Cash flows from financing activities			
Proceeds from borrowings		27,785,627	14,257,796
Repayments of borrowings		(25,094,305)	(21,043,353)
Payment of lease liabilities		(1,352,427)	(522,019)
Capital contribution by non-controlling interests		241,471	-
Dividends paid		(9,120,667)	(7,878,137)
Finance and other costs paid		(2,742,482)	(2,388,708)
Net cash used in financing activities		(10,282,783)	(17,574,421)
Net increase/(decrease) in cash and cash equivalents		19,301,917	(644,985)
Cash and cash equivalents at the beginning of the period		7,106,362	7,594,345
Effect of exchange rate fluctuations on cash held		(2,441,773)	99,741
Cash and cash equivalents at the end of the period	15	23,966,506	7,049,101

The accompanying notes on pages 8 to 21 form an integral part of the interim condensed consolidated financial statements.

Emirates Telecommunications Group Company PJSC

Notes to the interim condensed consolidated financial statements for the nine months period ended 30 September 2026

1. General information

Etisalat Group comprises Emirates Telecommunications Group Company PJSC (“the Company”), formerly known as Emirates Telecommunications Corporation (“the Corporation”) and its subsidiaries. The Corporation was incorporated in the United Arab Emirates (“UAE”), with limited liability, in 1976 by UAE Federal Government decree No. 78, which was revised by the UAE Federal Act No. (1) of 1991 (Etisalat Law) and further amended by Decretal Federal Code No. 3 of 2003 concerning the regulation of the telecommunications sector in the UAE. In accordance with Federal Law No. 267/10 for 2009, the Federal Government of the UAE transferred its 60% holding in the Corporation to the Emirates Investment Authority with effect from 1 January 2008, which is ultimately controlled by the UAE Federal Government.

The Federal-Decree Law No. 3 of 2015 (“the New Law”) has amended certain provisions of Etisalat Law and new articles of association of Emirates Telecommunications Group Company PJSC (the “New AoA”) have been issued. Subsequent to the New Law and the New AoA, Emirates Telecommunications Corporation has been converted from a corporation to a public joint stock company and is subject to the provisions of UAE Federal Law No. 2 of 2015 on Commercial Companies (the “Companies Law”) unless otherwise stated in the Etisalat Law or New AoA. Accordingly, the name of the corporation has been changed to Emirates Telecommunications Group Company PJSC. Etisalat Law was further amended by Federal Decree -Law No. 1 of 2021, which increased the Non-UAE nationals ownership cap from 20% to 49% of the Company share capital.

Federal Decree - Law No. 26 of 2020 which amends certain provisions of Federal Law No. 2 of 2015 on Commercial Companies was issued on 27 September 2020 and the amendments came into effect on 2 January 2021 with one-year grace period for the existing companies which are subject to its provisions to adjust their status. Etisalat Group held a General Assembly meeting on 8th December 2021, which approved all the necessary amendments to the Articles of Association to be aligned with Federal-Decree Law No. 26 of 2020.

Under the New Law and the New AoA: i) Two types of share have been introduced, i.e. ordinary shares and one Special Share held by the Emirates Investment Authority (“the Special Shareholder”) which carries certain preferential rights related to the passing of certain decisions by the Company. ii) The minimum number of ordinary shares held by any UAE government entity in the Company has been reduced from at least 60% of the Company’s share capital to not less than 51%, unless the Special Shareholder decides otherwise. iii) Shareholders, natural or legal person, who are Non-UAE National may own up to 20% of the Company’s ordinary shares, however, the shares owned by such persons / entities shall not hold any voting rights in the Company’s general assembly, although holders of such shares may attend such meeting. On 11 October 2018, the Board of Directors of Etisalat Group approved by circulation to lift the restrictions on voting rights of foreign shareholders so that they shall enjoy the same voting rights of UAE citizens. Accordingly, a special resolution was passed during the Annual General Meeting held on 20 March 2019 to that effect, all required approvals were obtained and all necessary amendments were incorporated in the New AoA to put the afore-said resolution in place. Etisalat Group’s Board of Directors, in its meeting on 20 January 2021, recommended to increase the foreign ownership limit from 20% to 49% of the Company’s share capital subject to the approval of Etisalat Group’s General Assembly scheduled on 17 March 2021 and the approval of the competent authorities. On 29 August 2021, Etisalat Group secured the required approvals for increasing the foreign ownership limit in its share capital to 49% and accordingly, the new foreign ownership limits have come into effect.

On 20 September 2021, the UAE Federal Decree Law No. (32) of 2021 was issued and came into effect on 2 January 2022 which repealed the UAE Federal Law No. (2) of 2015. Companies had (1) one year from 2 January 2022 to comply with the provisions of the UAE Federal Decree Law No. (32) of 2021. The Company’s annual general assembly approved in its meeting held on 5th April 2022 the amendments to its Articles of Association, in order to be compliant with the UAE Federal Decree Law No. (32) of 2021, and such amendments were also approved by Telecommunications and Digital Government Regulatory Authority (TDRA) via its Chairman resolution No. 18 of 2022 dated 27 June 2022 and published in the Official Gazette No 730 issued on 30 June 2022.

Emirates Telecommunications Group Company PJSC

Notes to the interim condensed consolidated financial statements for the nine months period ended 30 September 2026

1. General information *(continued)*

The address of the registered office of the Company is P.O. Box 3838, Abu Dhabi, United Arab Emirates. The Company's shares are listed on the Abu Dhabi Securities Exchange.

This interim condensed consolidated financial statements as at and for the nine months ended 30 September 2026 comprise the Company and its subsidiaries ('the Group' or collectively as 'Etisalat Group').

The principal activities of Etisalat Group are to provide telecommunications services, media and related equipment including the provision of related contracting and consultancy services to international telecommunications companies and consortia. These activities are carried out through the Company (which holds a full service license from the UAE Telecommunications and Digital Government Regulatory Authority valid until 8 August 2046), its subsidiaries, associates and joint ventures.

This interim condensed consolidated financial statements was approved by the Board of Directors and authorised for issue on 27 October 2026.

2. Basis of preparation

This interim condensed consolidated financial statements has been prepared in accordance with IAS 34 *Interim Financial Reporting* and the applicable requirements of the UAE Federal Law No. 32 of 2021.

The information presented herein should be read in conjunction with Etisalat Group's last annual consolidated financial statements as at and for the year ended 31 December 2025. This interim condensed consolidated financial statements does not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in Etisalat Group's consolidated financial position and performance since the last annual financial statements.

The preparation of the interim condensed consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying Etisalat Group's accounting policies. Actual results may differ from these estimates and judgments. The significant judgements made by management in applying Etisalat Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

This interim condensed consolidated financial statements is prepared under the historical cost convention except for the revaluation of certain financial instruments and in accordance with Etisalat Group's accounting policies as described in the last annual financial statements as at and for the year ended 31 December 2025.

The accounting policies applied in these condensed consolidated financial statements are the same as those applied in Etisalat Group's consolidated financial statements as at and for the year ended 31 December 2025.

The interim condensed consolidated financial statements is presented in UAE Dirhams (AED) which is the Company's functional and presentation currency, rounded to the nearest thousand except where otherwise indicated.

Emirates Telecommunications Group Company PJSC

Notes to the interim condensed consolidated financial statements for the nine months period ended 30 September 2026

3. Material accounting policies

The accounting policies and the methods of computation adopted in the preparation of this interim condensed consolidated financial statements are the same as those applied in the preparation of preceding annual published consolidated financial statements of Etisalat Group for the year ended 31 December 2025.

a) New and amended standards adopted by Etisalat Group

The following amendments in the standards have been adopted in the interim condensed consolidated financial statements.

- Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7
- Annual Improvements to IFRS Accounting Standards - Volume 11
- Contracts referencing Nature-dependent Electricity - Amendments to IFRS 9 and IFRS 7

The amendments did not have a material impact on the Etisalat Group's interim condensed consolidated financial statements.

b) New and amended standards not effective and not yet adopted by Etisalat Group

At the date of the interim condensed consolidated financial statements, the following other standards, amendments and Interpretations have not been effective and have not been early adopted by Etisalat Group:

New and amended standards not effective and not yet adopted by Etisalat Group	
IFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19 - Subsidiaries without Public Accountability: Disclosures	1 January 2027
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Deferred indefinitely

These new and amended standards are not expected to have a significant impact on Etisalat Group's interim condensed consolidated financial statements except for IFRS 18, for which Etisalat Group is currently working to identify all impacts the amendments will have on the primary interim consolidated financial statements and notes to the condensed consolidated financial statements.

4. Segmental information

Information regarding Etisalat Group's operating segments is set out below in accordance with IFRS 8 Operating Segments. IFRS 8 requires operating segments to be identified on the basis of internal reports that are regularly reviewed by Etisalat Group's chief operating decision maker (CODM) and used to allocate resources to the segments and to assess their performance.

a) Products and services from which reportable segments derive their revenues

Etisalat Group strategy is designed to transition Etisalat Group topline stability to sustained growth. Etisalat Group aspires to change its business composition from being UAE telco centric to a more balanced geographic profile with higher revenue contribution outside of UAE and from the non-telco verticals.

Emirates Telecommunications Group Company PJSC

Notes to the interim condensed consolidated financial statements for the nine months period ended 30 September 2026

4. Segmental information *(continued)*

Etisalat Group is engaged in the supply of telecommunications services and related products as well as provision of tech services. For management reporting purposes, Etisalat Group is organised into below verticals which are reportable segments:

a) Products and services from which reportable segments derive their revenues *(continued)*

- Etisalat UAE operations – provides integrated telecommunication services and digital solutions for consumers, businesses, and government entities in the UAE, as well as artificial intelligent and digital transformation.
- Etisalat International – represents group's portfolio of controlled international telecommunication and digital assets outside UAE with operations spanning across regions.
- Others

Revenue is attributed to an operating segment based on the vertical reporting the revenue. Inter-segment revenues are charged at mutually agreed prices. Inter-segment revenues are eliminated upon consolidation and reflected in the elimination column.

Etisalat Group's share of results from associates and joint ventures has been allocated to the Others segment in line with how results from investments in associates and joint ventures are reported to the Board of Directors.

b) Segment revenues and results

Segment results represent operating profit earned by each segment without allocation of finance income, finance costs and federal royalty. This is the measure reported to the Board of Directors for the purposes of resource allocation and assessment of segment performance.

c) Segment assets

For the purposes of monitoring segment performance and allocating resources between segments, the Board of Directors monitors the total and non-current assets attributable to each segment. Goodwill is allocated based on separately identifiable Cash Generating Units. Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments.

The segment information has been provided on the following page.

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Notes to the interim condensed consolidated financial statements for the nine months period ended 30 September 2026

4. Segmental information (continued)

	Etisalat UAE AED'000	Etisalat International AED'000	Others AED'000	Eliminations AED'000	Consolidated AED'000
30 September 2026					
Revenue					
External revenue	28,050,265	27,713,306	1,842,940	-	57,606,511
Inter-segment revenue	493,258	299,732	1,714,370	(2,507,360)	-
Total revenue	28,543,523	28,013,038	3,557,310	(2,507,360)	57,606,511
Segment result	11,401,432	6,819,334	446,046	-	18,666,812
Finance and other income					11,301,005
Finance and other costs					(3,765,627)
Profit before federal royalty and corporate tax					26,202,190
Federal royalty					(4,592,109)
Corporate tax expenses					(2,559,210)
Profit for the period from continuing operations					19,050,871
Depreciation and amortisation	2,365,468	5,970,826	256,094	-	8,592,388
Impairment and other losses	-	3,391	-	-	3,391
Share of results of associates and joint ventures	-	(523)	493,362	-	492,839
Total assets	129,778,860	119,742,400	20,453,099	(59,666,833)	210,307,526
Non-current assets *	66,463,098	89,035,390	16,372,692	(41,883,328)	129,987,852
Total liabilities	71,527,290	105,118,034	13,220,103	(48,733,883)	141,131,544
Investments in associates and joint ventures	-	207,328	7,529,701	-	7,737,029
30 September 2025					
Revenue					
External revenue	27,144,734	23,467,139	1,775,892	-	52,387,765
Inter-segment revenue	550,560	181,828	1,531,146	(2,263,534)	-
Total revenue	27,695,294	23,648,967	3,307,038	(2,263,534)	52,387,765
Segment result	11,211,272	5,374,622	1,261,261	-	17,847,155
Finance and other income					7,504,838
Finance and other costs					(3,093,827)
Profit before federal royalty and corporate tax					22,258,166
Federal royalty					(5,892,591)
Corporate tax expenses					(2,659,726)
Profit for the period from continuing operations					13,705,849
Depreciation and amortisation	2,173,095	5,427,255	111,102	-	7,711,452
Impairment and other losses	185	1,771	-	-	1,956
Share of results of associates and joint ventures	-	-	1,356,807	-	1,356,807
31 December 2025					
Total assets	106,809,527	118,956,113	36,444,673	(57,151,174)	205,059,139
Non-current assets *	62,199,245	89,709,456	31,912,483	(40,347,192)	143,473,992
Total liabilities	72,535,708	106,205,506	14,526,527	(49,971,209)	143,296,532
Investments in associates and joint ventures	-	221,013	20,659,694	-	20,880,707

* Non-current assets exclude derivative financial assets and deferred tax assets.

The segment information excludes the discontinued operation and the prior period has been re-presented.

Effective Q3-2026, in light of the Group's new corporate strategy and operating model, the former e& enterprise segment has been integrated with Etisalat UAE operations.

Given that Careem Technologies has been classified as a discontinued operation, the former e& life segment has been merged with Others for the current period and comparative period.

Emirates Telecommunications Group Company PJSC

Notes to the interim condensed consolidated financial statements for the nine months period ended 30 September 2026

5. Operating expenses

Note	Three months ended 30 September		Nine months ended 30 September	
	2026	2025	2026	2025
	AED'000	AED'000	AED'000	AED'000
Direct cost of sales	5,542,920	5,342,463	16,611,046	15,520,554
Staff costs	1,596,392	1,356,030	4,396,939	4,029,142
Depreciation	1,925,352	2,028,052	5,856,642	5,311,665
Network and other related costs	1,190,781	988,887	3,557,966	2,844,049
Amortisation	912,309	929,597	2,735,746	2,399,787
Regulatory expenses (i)	512,280	350,147	1,464,569	1,159,142
Marketing expenses	354,335	297,090	965,105	917,650
Consultancy cost	296,588	294,003	923,425	783,815
Operating lease rentals	35,087	31,159	105,678	92,155
IT costs	189,408	173,698	582,943	493,532
Foreign exchange loss / (gain)	40,558	(4,434)	(55,899)	19,672
Other operating expenses	504,207	553,643	1,559,297	1,496,525
Operating expenses	13,100,217	12,340,335	38,703,457	35,067,688

i) Regulatory expenses:

Regulatory expenses include ICT fund contributions required to be paid by the Company to the UAE Telecommunications and Digital Government Regulatory Authority (TDRA) at 1% of its net regulated revenue annually.

6. Federal royalty and corporate tax

On 03 November 2023, Etisalat Group received the new Royalty Guidelines for the telecommunications sector from the MoF outlining the details of the new Telecom Federal Royalty regime for the period starting 1 January 2024 to 31 December 2026. This is in addition to the Corporate Tax Law applicable to Etisalat Group effective from 1 January 2024.

Under the Royalty Guidelines, the federal royalty rate of 38% will be applied on the sum of regulated and non-regulated UAE net profit. The federal royalty amount will be deducted from net profit for the computation of taxable income under the UAE Corporate Tax Law. Further, a corporate tax rate of 9% on profit will be applied from 1 January 2024 to 31 December 2026.

The Royalty Guidelines excludes from the royalty calculation any profits generated from international controlled entities, profits of international non-controlled entities (associates and joint ventures), dividends or other profit distributions received from international investments that are already subject to local corporate or other similar tax in the respective jurisdiction at 9% or above, and profit attributable to non-controlling interest holders of the UAE controlled entities. Etisalat Group will not be liable to pay any royalty on the UAE regulated revenue.

The aggregate of annual amount of royalty and corporate tax shall not be lower than AED 5.7 billion and the annual royalty and corporate tax amount are to be paid within five months from the end of the fiscal year.

On 24 July 2026, Etisalat Group announced the notification from MoF for the extension of the existing Federal Royalty regime and Corporate Tax Law applicable to the telecommunications sector for three years period starting 1 January 2027 to 31 December 2029 with same rates and terms.

Amounts recognised in profit or loss

	Three months ended 30 September		Nine months ended 30 September	
	2026	2025	2026	2025
	AED'000	AED'000	AED'000	AED'000
Current corporate tax expense	911,162	785,316	2,643,628	2,719,666
Deferred tax expense/(benefit)	(59,215)	(131,829)	(84,418)	(59,940)
Federal royalty	1,602,162	1,426,132	4,592,109	5,892,591
	2,454,109	2,079,619	7,151,319	8,552,317

Corporate tax includes UAE Corporate tax amounting to AED 664 million (2025: AED 609 million).

The effective tax rate, including UAE federal royalty, for the current period is 27.3% (2025: 38.4%)

International Tax Reform - BEPS Pillar Two minimum tax

The Organisation for Economic Co-operation and Development ("OECD")/G20 Inclusive Framework on Base Erosion and Profit Shifting ("BEPS") published the Pillar Two Anti Global Base Erosion Rules ("GloBE Rules") designed to address the tax challenges arising from the digitalisation of the global economy. Etisalat Group is in scope of such GloBE Rules as it operates in multiple jurisdictions and has an annual consolidated revenue which exceeds the prescribed threshold of Euro 750 million in at least two of the four preceding years.

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Notes to the interim condensed consolidated financial statements for the nine months period ended 30 September 2026

6. Federal royalty and corporate tax (continued)

International Tax Reform - BEPS Pillar Two minimum tax (continued)

Etisalat Group has applied the temporary exception issued by the IASB in May 2023 from the accounting requirements for deferred taxes in IAS 12. Accordingly, Etisalat Group neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

UAE, the jurisdiction where Etisalat Group has its Head Office and Its Ultimate Parent Company ("UPC"), has officially announced the implementation of a Domestic Minimum Top-up Tax ("DMTT"), effective 1 January 2025. Etisalat Group has an effective tax rate (including federal royalty) above 15% in respect of the UAE and therefore does not record any top-up taxes for the UAE.

7. Dividends

Amounts recognised as distribution to equity holders:	AED'000
Nine months ended 30 September 2026	
Final dividend for the year ended 31 December 2025 of AED 0.47 per share	4,085,707
First interim dividend for the year ending 31 December 2026 of AED 0.475 per share	4,129,171
	8,214,878
Nine months ended 30 September 2025	
Final dividend for the year ended 31 December 2024 of AED 0.415 per share	3,607,592
First interim dividend for the year ending 31 December 2025 of AED 0.43 per share	3,737,987
	7,345,579

8. Earnings per share	Three months ended 30 September		Nine months ended 30 September	
	2026	2025	2026	2025
Earnings (AED'000)				
Earnings for the purposes of basic earnings per share being the profit attributable to the owners of the Company	11,235,073	2,986,262	17,238,696	11,813,428
Number of shares ('000)				
Weighted average number of ordinary shares for the purposes of basic earnings per share	8,696,754	8,696,754	8,696,754	8,696,754
Earnings per share				
Basic and diluted	AED 1.29	AED 0.34	AED 1.98	AED 1.36

Etisalat Group does not have potentially dilutive shares and accordingly, diluted earnings per share equals to basic earnings per

9. Goodwill and other intangible assets

The movement in the goodwill and other intangible assets is provided below:

	30 September 2026	31 December 2025
	AED'000	AED'000
Opening balance	54,299,306	43,728,088
Additions	2,921,486	3,766,315
Transfers from property, plant and equipment	950,953	1,513,610
Acquisition of subsidiaries	283,268	3,842,920
Disposals	(22,539)	(94,201)
Amortisation and impairment losses	(2,826,846)	(3,519,423)
Disposal of a subsidiary (Note 24)	(1,358,209)	-
Exchange difference	(1,901,109)	5,061,997
Closing balance	52,346,310	54,299,306

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Notes to the interim condensed consolidated financial statements for the nine months period ended 30 September 2026

10. Property, plant and equipment

	30 September 2026 AED'000	31 December 2025 AED'000
Opening balance	50,392,075	44,510,998
Additions	6,745,360	9,901,763
Transfers to intangible assets	(950,953)	(1,513,610)
Disposals	(160,404)	(288,189)
Depreciation	(5,028,628)	(6,243,256)
Impairment charge	(6,544)	(23,377)
Acquisition of subsidiaries	206,102	1,567,976
Disposal of a subsidiary (Note 24)	(72,623)	-
Exchange difference	(921,924)	2,479,770
Closing balance	50,202,461	50,392,075

11. Investments in associates and joint ventures

Vodafone disposal in 2026

On 10 July 2026, Etisalat Group has signed a binding agreement with Vega, an acquisition vehicle wholly owned by the Niel family group, to divest its entire holding of 3,944,743,685 ordinary shares in Vodafone, representing around 16.21% of the Vodafone share capital and 17.13% of its total voting rights, for a total consideration of 112.5 GBp per share, comprised of 110.5 GBp to be paid in cash by the buyer and final FY'26 dividend of 2.02 GBp per share to be received on 30 July 2026.

On 17 July 2026, Etisalat Group transferred 3,944,743,685 ordinary shares in Vodafone to BNPP Financial Markets, Cr dit Agricole Corporate and Investment Bank and Soci t  G n rale and received the sum of AED 21.5 billion (equivalent to USD 5.84 billion). Etisalat Group recognised a gain of AED 8 billion (equivalent to USD 2.1 billion) before federal royalty and corporate tax on the transaction and derecognised the investment in Vodafone as at that date. An amount of AED 773 million, relating mainly to cumulative exchange difference on the investment, has also been recycled from other comprehensive income to profit or loss. The gain on disposal is included in finance and other income in the interim condensed consolidated statement of profit or loss for the period.

Khazna disposal in 2025

On 26 March 2025, Etisalat Group announced the completion of the transaction with Group 42 Holding Ltd ("G42") and Khazna Data Center Holdings Limited ("Khazna") to divest its 40% stake in Khazna for a cash proceeds of USD 2.2 billion (equivalent to AED 8.0 billion).

Etisalat Group recognised a gain of USD 1.4 billion (AED 5.1 billion) before federal royalty and corporate tax on the transaction and derecognised the investment in Khazna as at that date. The gain on disposal is included in finance and other income in the interim condensed consolidated statement of profit or loss for the period.

12. Other investments

	30 September 2026 AED'000	31 December 2025 AED'000
Fair value through profit & loss	762,433	1,242,498
Fair value through other comprehensive income	1,655,787	1,472,401
Amortised cost	11,480,707	9,636,964
Total other investments	13,898,927	12,351,863
included in current assets	1,149,245	1,430,834
included in non-current assets	12,749,682	10,921,029

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Notes to the interim condensed consolidated financial statements for the nine months period ended 30 September 2026

13. Related party transactions and balances

Transactions between the Company and its subsidiaries and those between subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. Transactions between Etisalat Group and other related parties are disclosed below.

a) Federal Government and state controlled entities

As stated in Note 1, in accordance with Federal Law No. 267/10 for 2009, the Federal Government of the UAE transferred its 60% holding in the Company to the Emirates Investment Authority with effect from 1 January 2008, which is ultimately controlled by the UAE Federal Government. Etisalat Group provides telecommunication services to the Federal Government (including Ministries and local bodies). These transactions are at agreed terms. The principal management and other services provided to Etisalat Group's associates are set out below based on agreed contractual terms and conditions. The credit period allowed to Government customers ranges from 90 to 120 days. Trade receivables include an amount of AED 1,470 million (31 December 2025: AED 1,337 million), which are net of allowance for doubtful debts of AED 287 million (31 December 2025: AED 299 million), receivable from Federal Ministries and local bodies. See Note 6 for disclosure of the royalty payable to the Federal Government of the UAE.

In accordance with IAS 24 "Related Party Disclosures", Etisalat Group has elected to disclose qualitatively the transactions with the UAE Federal Government and other entities over which the Federal Government exerts control, joint control or significant influence. The nature of the transactions that Etisalat Group has with such related parties is the provision of telecommunication services and procurement of services.

b) Associates and Joint ventures

	Associates		Joint Ventures	
	2026	2025	2026	2025
	AED '000	AED '000	AED '000	AED '000
Trading transactions for the nine months ended 30 September				
Telecommunication services – sales	374,740	341,180	-	-
Telecommunication services – purchases	132,463	103,306	-	-
Management and other services	-	25,165	2,030	2,030
Due from related parties as at 30 September 2026 / 31 December 2025	118,977	66,144	8,353	7,600
Due to related parties as at 30 September 2026 / 31 December 2025	-	114,546	-	-

Sales to related parties comprise of provision of telecommunication products and services (primarily voice traffic and leased circuits) by Etisalat Group based on agreed terms. Purchases relate exclusively to the provision of telecommunication products and services by associates to Etisalat Group based on normal commercial terms. The net amount due from related parties are unsecured and will be settled in cash.

14. Trade and other receivables

	30 September 2026	31 December 2025
	AED'000	AED'000
Amount receivable for services rendered	14,676,844	13,728,818
Amounts due from other telecommunication operators/carriers	3,601,823	2,642,210
Total gross carrying amount	18,278,667	16,371,028
Lifetime expected credit loss	(4,694,878)	(3,825,916)
Net trade receivables	13,583,789	12,545,112
Prepayments	1,445,964	920,927
Accrued income	1,218,887	1,841,610
Advances	1,877,981	1,728,577
Indirect taxes receivable	349,152	363,587
Dividend receivable	-	382,626
Other receivables	2,832,625	2,155,096
Net trade and other receivables	21,308,398	19,937,535
of which current trade and other receivables	20,518,235	19,163,632
of which non-current other receivables	790,163	773,903

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Notes to the interim condensed consolidated financial statements for the nine months period ended 30 September 2026

15. Cash and bank balances	30 September 2026 AED'000	31 December 2025 AED'000
Maintained in UAE	40,660,453	17,832,966
Maintained overseas, unrestricted in use	9,364,679	15,821,831
Maintained overseas, restricted in use	1,602,192	653,564
Cash and bank balances	51,627,324	34,308,361
Less: Deposits with maturities exceeding three months from the date of deposit	(27,660,818)	(27,201,999)
Cash and cash equivalents in the statement of cash flows	23,966,506	7,106,362

Cash and cash equivalents comprise cash on hand and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These are denominated primarily in UAE Dirham, with financial institutions and banks. Interest is earned on these investments at prevailing market rates. The carrying amount of these assets approximates to their fair value.

16. Trade and other payables	30 September 2026 AED'000	31 December 2025 AED'000
Current		
Federal royalty	4,592,109	7,778,927
Trade payables	8,807,044	8,716,165
Amounts due to other telecommunication operators/carriers	3,162,988	2,616,962
Accruals	10,177,542	10,495,094
Dividend payable	199,778	-
Other taxes payable	2,297,425	2,275,962
Advances from customers	411,272	393,107
Deferred income	369,060	375,567
Funds payable and amounts due to customers	4,369,375	4,055,021
Other payables and accruals	1,796,170	1,663,727
	36,182,763	38,370,532
Non-current		
Other payables	1,648,006	1,572,119
	1,648,006	1,572,119

17. Borrowings

	Carrying Amounts	
	30 September 2026 AED'000	31 December 2025 AED'000
Bank borrowings		
Short term bank borrowings	4,762,653	4,082,615
Bank loans	57,456,183	48,678,795
Other borrowings		
Bonds	6,220,671	14,037,046
Vendor financing	346,060	290,339
Others	7,989	7,966
	68,793,556	67,096,761
Advance from non-controlling interests	542,276	542,276
Total borrowings	69,335,832	67,639,037
of which due within 12 months	36,977,382	36,888,438
of which due after 12 months	32,358,450	30,750,599

The carrying values of Etisalat Group's bank and other borrowings, excluding bonds, approximate their fair values. Fair values of bonds are calculated using quoted market prices.

Advances from non-controlling interests represent advances paid by the minority shareholder of Etisalat International Pakistan LLC (EIP) towards etisalat's acquisition of its 26% stake in PTCL, net of repayments. The amount is interest free and is not repayable within 12 months of the interim condensed consolidated statement of financial position date and accordingly the full amount is carried in non-current liabilities. The fair value of advances is not equivalent to its carrying value as it is interest-free.

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Notes to the interim condensed consolidated financial statements for the nine months period ended 30 September 2026

17. Borrowings (continued)

In March 2026 Etisalat PPF Telecom Group paid the bond liability matured by utilizing term loan facility in amount of EUR 550 million.

On 24 March 2026, Etisalat Group signed a new Islamic/ Conventional facility with local banks for total amount of AED 5.3 billion with tenure of 5 years. The funds were utilized to repay the EUR 1.2 billion (AED 5.1 billion) bond that matured in June 2026.

On 15 April 2026, Etisalat Group obtained extension of the AED 16.2 billion loan facility for another 6 months, moving its maturity to 30 April 2027 at the same terms and conditions.

On 5 June 2026, Etisalat Group signed a new loan facility with local banks for AED 7 billion with tenure of 3 years. The new facility was utilized to prepay the 2026 existing facilities.

18. Hedge accounting and derivatives

In prior years, Euro bonds issued and interest rate swap have been designated as net investment hedges and cash flow hedges respectively. The effective portion of the hedge instruments is reported in the other comprehensive income is as follow:

	Nine months ended 30 September	
	2026	2025
	AED'000	AED'000
Effective part directly recognized in other comprehensive income/(loss)		
Other comprehensive income/(loss) on net investment hedge	203,836	(978,986)
Other comprehensive income/(loss) on cash flow hedges	2,720	(5,363)
Total effective part directly recognised in other comprehensive income	206,556	(984,349)
	30 September	31 December
	2026	2025
	AED'000	AED'000
Fair value of derivative financial instruments		
Fair value of forward contracts and options	(385,678)	(781,958)
Fair value of derivative swaps	(84,693)	(35,935)
Total derivative financial instruments	(470,371)	(817,893)
included in current assets	-	412
included in current liabilities	(397,507)	(779,516)
included in non-current liabilities	(72,864)	(38,789)

19. Share capital

	30 September	31 December
	2026	2025
	AED'000	AED'000
Authorised:		
10,000 million (2025: 10,000 million) ordinary shares of AED 1 each	10,000,000	10,000,000
Issued and fully paid up:		
8,696.8 million (2025: 8,696.8 million) ordinary shares of AED 1 each	8,696,754	8,696,754

20. Contingent liabilities

(i) Etisalat Group and its associates are disputing certain charges from the governmental and telecom regulatory agencies and telecom operators in certain International jurisdictions but do not expect any material adverse effect on Etisalat Group's financial position and results from resolution of these disputes.

(ii) In 2010, Pakistan Telecommunication Employees Trust ("PTET") board approved the pension increase which was less than the increase notified by the Government of Pakistan ("GoP"). Thereafter, pensioners filed several Writ Petitions. After a series of hearings, on 12 June 2015 the Apex Court decided the case in the interest of pensioners.

On 13 July 2015, Review Petitions were filed in Supreme Court of Pakistan by PTCL, the PTET and the GoP (together, the "Review Petitioners") against the Supreme Court Judgment.

The Supreme Court disposed the Review Petitions and directed the Review Petitioners to seek remedy under section 12(2) of the Civil Procedure Code (the "CPC"), and to pursue all grounds of law and fact in other cases pending before High Courts. The Review Petitioners have filed the applications under section 12(2) CPC before respective High Courts.

The decision of the Appeals bench of the Supreme Court on 10 May 2018 clarified that voluntary separation scheme ("VSS") pensioners are excluded from any obligation on PTCL to pay them any additional increase in pension. Notwithstanding this development, many retirees, including VSS pensioners, have continued to submit petitions before the Supreme Court. The Chief Justice of Pakistan has decided to bring the matter back for a rehearing by the Supreme Court.

Separately, the Islamabad High Court (IHC) issued a decision on 3 March 2020, in which it upheld the rights of certain retirees ("T&T retirees") to benefit from periodic government increases in pensions and additional benefits, although it also held that the same did not apply to the VSS pensioners.

In response, PTCL and PTET raised an Intra Court Appeal against the exemption granted to the T&T retirees before the Divisional Bench at the Islamabad High Court. On 24 September 2020, the Intra Court appeals were adjourned for consolidation of all Intra Court appeals before one bench. On 16 December 2020, the Islamabad High Court granted a stay of execution in favour of PTCL and PTET and postponed the case until 14 July 2021.

Islamabad High Court on 2nd November 2021, has decided that the GOP increases are not allowed to VSS optees, PTC pensioners and to the workmen. To the extent of Civil Servants the Islamabad High Court allowed the GOP increase. However, to the same extent appeal has been filed before Supreme court within the limitation. Proceedings were ongoing before the Supreme Court.

On 10 July 2025, the Supreme Court has held that:

1. Only those employees who were Civil Servants in the former T&T Department are entitled to increases in pension as are admissible to Government Civil Servants
2. T&T employees who do not fall within the definition of Civil Servants are NOT entitled to any increase in pensionary benefits granted by government.
3. Employees categorized as Workmen or Workers under the relevant labour laws are NOT considered Civil Servants and are therefore not eligible for pensionary increases
4. Employees recruited after 01.01.1991 by the corporation are NOT entitled to increases at par with civil servants.
5. VSS optees are NOT entitled to any increases at par with civil servants.

The court has remanded the cases to the respective High courts for determining who amongst the retired T&T employees are actually civil servants and who fall within the category of workmen. The petitions were last fixed for hearings on 12 October 2026 and have been, since then, adjourned to date in office.

The aggrieved pensioners of the decision of the Supreme Court of 10 July 2025 (VSS, workmen and employees hired after 1.1.1991) have filed a review petition against the decision of the Supreme Court. The reviews were fixed in the Federal Constitutional Court on 1st October 2026 and were adjourned to date in office without hearing.

To comply with the above order, PTCL engaged an independent legal advisor to determine such transferred employees who being civil servant at the time of their transfer are entitled to increase in pension and has recognized an amount of PKR 6.9 billion (AED 90 million), as past service cost in the consolidated statement of profit or loss, based on its best estimate of expenditure required to meet its obligation as determined by the Supreme Court. In this respect, PTCL had also engaged independent actuary to calculate additional pension.

Based on this exercise, adequate provision has been made, and based on legal advice, any potential adverse findings from the High Courts on the determination for some pensioners, of who amongst the retired T&T employees are actually civil servants and who fall within the category of workmen, are not expected to materially impact the condensed consolidated financial statements.

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Notes to the interim condensed consolidated financial statements for the nine months period ended 30 September 2026

21. Capital Commitments

Etisalat Group has approved future capital projects and investment commitments to the extent of AED 9,950 million (31 December 2025: AED 7,398 million). Etisalat Group has issued letters of credit amounting to AED 896 million (31 December 2025: AED 7,398 million).

22. Fair value disclosures

Etisalat Group has entered into cross currency swaps transaction to mitigate foreign exchange exposures. The fair value of the cross currency swaps were calculated by discounting the future cash flows to the net present value using appropriate market interest and prevailing foreign currency rates. The fair value of cross currency swaps represent Level 2 fair values. Etisalat Group has quoted equity investments in listed equity securities. The fair values of these equity securities are derived from quoted prices in active markets for identical assets, which in accordance with IFRS 7 Financial Instruments: Disclosure, represent Level 1 fair values. There were no transfers between Level 1 and Level 2 of the fair value hierarchy during the period.

23. Seasonality and cyclicity of interim operations

There are no items of seasonal or cyclical nature in the interim operations during the periods ended 30 September 2026 or 30 September 2025.

24. Discontinued operations

On 31 July 2026, Etisalat Group completed the sale of 12.50% of its 50.03% stake in Careem Technologies Holding Ltd to Uber Technologies Inc for a total cash consideration of USD 100 million (AED 367 million) and the gain on disposal is included in profit/(loss) from discontinued operations in the interim condensed consolidated statement of profit or loss for the period.

In addition, Etisalat Group has a put option that gives it the right to require Uber to purchase Etisalat Group's remaining shares of Careem Technologies, while Uber holds a reciprocal call option that gives it the right to require Etisalat Group to sell those shares. These options are exercisable between 01 December 2031 to 31 January 2032.

With effect from 31 July 2026, Etisalat Group lost control of the subsidiary and derecognised its assets, liabilities and non-controlling interests in accordance with IFRS 10. The retained 37.53% interest was remeasured to fair value at that date, and that fair value became its cost on initial recognition as an investment in an associate. It has since been accounted for using the equity method under IAS 28.

At 30 September 2026, Careem Technologies was classified as a discontinued operation. The results of Careem Technologies for the period are presented below:

	Three months ended 30 September		Nine months ended 30 September	
	2026 (i)	2025	2026 (i)	2025
	AED'000	AED'000	AED'000	AED'000
Revenue	128,608	417,751	1,012,296	1,151,676
Operating expenses	(198,141)	(612,774)	(1,516,951)	(1,689,820)
Impairment loss on trade receivables and contract assets	157	(3,303)	(7,213)	(10,535)
Impairment loss on other assets and other losses	-	-	(4,598)	-
Operating loss	(69,376)	(198,326)	(516,466)	(548,679)
Finance and other income	(386)	6,608	4,097	24,105
Finance and other costs	(3,974)	(1,317)	(15,140)	(2,952)
Loss before corporate tax	(73,736)	(193,035)	(527,509)	(527,526)
Corporate tax benefit	4,408	1,491	6,570	4,747
Gain on disposal of discontinued operations	347,180	-	347,180	-
Profit/(loss) for the period from discontinued operations	277,852	(191,544)	(173,759)	(522,779)
Exchange differences on translation of foreign operations	(84)	41	312	888
Total comprehensive income/(loss)	277,768	(191,503)	(173,447)	(521,891)

(i) - for the period up to 31 July 2026, being the date of disposal of the subsidiary.

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Notes to the interim condensed consolidated financial statements for the nine months period ended 30 September 2026

24. Discontinued operations (continued)

Analysis of assets and liabilities over which control was lost

	30 September 2026 AED'000
Assets	
Goodwill and other intangible assets	1,358,209
Property, plant and equipment	72,623
Right-of-use assets	108,720
Other investments	1,575
Trade and other receivables	240,900
Inventories	80,435
Cash and bank balances	251,607
	2,114,069
Liabilities	
Trade and other payables	748,437
Deferred tax liabilities	47,666
Lease liabilities	29,802
Provision for employees' end of service benefits	41,476
	867,381
Net assets (i)	1,246,688

Gain on disposal of a subsidiary

	30 September 2026 AED'000
Cash consideration	367,250
Fair value of retained interest	491,738
Total consideration received	858,988
Net assets disposed off	(1,246,688)
Non-controlling interest	734,580
Cumulative exchange (loss)/gain in respect of the net assets of the subsidiary reclassified from equity to profit or loss on loss of control of a subsidiary	300
Gain on disposal (i)	347,180

Net cash inflow on disposal of a subsidiary

	30 September 2026 AED'000
Consideration received in cash and cash equivalents	367,250
Less: cash and cash equivalents balances disposed of	(251,607)
Net cash inflow (i)	115,643

(i) - as of 31 July 2026, being the date of disposal of the subsidiary.

25. Impact of geopolitical developments

The nine months of 2026 witnessed regional geopolitical tensions that impacted the Group operating environment. Management assessment of the impact on the Group's operations and financial position, indicated that the Group's core businesses remain resilient and operational, with key revenue streams continuing under normal course of business while maintaining a strong liquidity position. Management continues to monitor performance and market developments closely.

Overall, based on available information up to the date of assessment, management has not identified indicators of material impairment or going concern uncertainty and expect the Group is transitioning to normalised operating conditions.